



## **CONSULTING TERMS, CONDITIONS & CHARGES**

### **STANDARD OF PERFORMANCE**

Klean Industries Consulting Services, (Identified herein as the "KI", or Klean Industries) shall perform the Services contemplated by this Agreement with the degree of care, skill and diligence customarily exercised by professional engineering firms providing such Services under similar circumstances. The following dictate the terms of KI's engagement.

### **WARRANTIES, INDEMNITY OR GUARANTEES**

KI is not the guarantor of the project to which its Services are directed, and its responsibility is limited to the Services it performs for the Client. KI does not provide express warranties or guarantees for estimates of probable construction cost or cost estimates being exceeded, nor estimates of profit or return on capital. KI shall not be responsible for a contractor's failure to perform work in accordance with the relevant contract documents, nor does KI assume or imply warranties given or expressed by manufacturers or suppliers for materials specified as part of the design.

KI shall indemnify the client for losses caused by the negligence or willful misconduct of Klean. The client shall indemnify KI for losses caused by the negligence or willful misconduct.

The parties agree that their maximum liability in relation to the indemnities provided shall be the contract value of the sale contract for the relevant Product(s) and shall be subject to losses recovered pursuant to applicable insurance policies taken out in relation to the Products. Where applicable, the client shall procure that KI is named as a co-insured in respect of relevant insurance policies.

Neither party shall be liable to the other for any consequential or indirect loss.

All consulting fees paid during the duration of the project development stage shall be deducted from the purchase price of the particular system, plant, or equipment for which the client shall purchase. Additional consulting may be required after initial installation at which time additional consulting contracts may be entered into between both parties.

Accepted By: \_\_\_\_\_



## **DESIGNS, PLANS & SPECIFICATIONS**

All plans, drawings, specifications, designs, construction data and documents prepared by KI shall remain the copyright and property of KI unless otherwise agreed. The Client and Owner may not use such documentation for additional or other construction without the consent of KI. KI shall not be liable in contract or tort for any loss or damage resulting from the use of such documents for construction or installation where KI is not retained to inspect such works. When KI is retained to inspect such works, the extent of his Services shall be as he considers necessary to ascertain whether the work is in general conformity with the design. Under these circumstances, the responsibility for the quality of work rests with others. KI shall not divulge any confidential information acquired in the course of the work or use such information on other projects without approval of the Client and Owner.

## **SAFETY**

Klean Industries takes pride in its excellent safety record. Accordingly, it will undertake its assignments only under safe working conditions. The Client shall be responsible for all reasonable costs, which may be incurred to establish safe working conditions at the site of the work.

## **TERMINATION**

Either party may terminate Agreement with 30 days notice. In the event of termination, KI shall be compensated within Thirty (30) days of the date that an invoice is rendered for all Services performed to termination date, together with reimbursable expenses then due.

## **GOVERNING LAW**

Unless otherwise specified, this Agreement shall be governed by the laws of the Province of British Columbia, Canada.

## **SUCCESSORS AND ASSIGNMENT**

The Client and KI respectively bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement. Except as otherwise provided herein, neither the Client nor KI shall assign, sublet, or transfer an interest in the Agreement without the written consent of the other.

Accepted By: \_\_\_\_\_



## **ENTIRE AGREEMENT**

This Agreement represents the entire and integrated agreement between the Client and KI and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Client and Klean Industries.

**As of January 1, 2009**

### **Fees**

Unless otherwise specified in writing, Klean Industries will charge for the services of its personnel, based on the time expended on the services, at the following hourly rates. These rates will be subject to reasonable adjustment from time to time.

Personnel	Rate (\$HR)	Personnel	Rate (\$HR)
Executive Management	250.00	Project Co-ord./ Contracts Mgr	125.00
Engineering Management	175.00	Designer Level 1	100.00
Development Services	175.00	Designer Level 2	90.00
Engineering Support	150.00	Designer Level 3	80.00
Principal/Specialist	150.00	CAD Tech Level 1	70.00
Project Manager	125.00	CAD Tech Level 2	60.00
Engineer Level 1	120.00	CAD Tech Level 3	50.00
Engineer Level 2	110.00	Project Secretary/ Clerical	50.00
Engineer Level 3	100.00	Project Support	80.00
Engineer Level 4	90.00	Production Services	70.00
Engineer Level 5	80.00	Specialist Sub-Consultant	Cost + 10%

The person or firm who engaged Klean Industries is deemed to be responsible for prompt payment of all proper accounts when rendered unless prior notification and agreement is arranged to the contrary. Retainers shall be due and payable at the initiation of each assignment when requested.

Accumulated charges will be invoiced approximately every three to four weeks. Sales taxes will be added where applicable. Each invoice is due and payable when rendered. Interest charges will apply to overdue accounts at the rate of 2% per month.

### **Overtime:**

Where applicable by law, charge out rates will be subject to a 30% surcharge for time and a half and a 60% surcharge for double-time. No overtime will be worked on a client's behalf without the client's prior approval.

### **Travel Time:**

When local or long distance travel is in the interest of the client, time spent traveling will be charged to the client, up to a maximum of eight (8) hours per day.

Accepted By: \_\_\_\_\_



### **Reproduction**

Paper Size	\$/Photocopy	\$/Plot(trans-bond)	\$/Plot Vellum	Blueprints
A4 (8.5 x 11)	0.25	2.50	2.50	0.50
A3 (11 x 17)	0.35	2.50	2.50	0.50
A2 (17 x 22)	0.45	6.00	6.00	1.50
A1 (24 x 36)	0.55	11.00	11.00	3.00
A0 (33 x 47)	0.65	18.00	18.00	5.00

### **Expenses**

Public transportation; subsistence and out-of-pocket expenses incurred during travel; communications; reproduction and shipping charges will be charged at direct cost plus a mark-up of 10%. The use of Company and employee's automobiles when properly required for the performance of the work will be charged to the client at the rate of \$1.00 per kilometre.

All materials and supplies which are properly consumed in the proper performance of the work and all equipment rentals necessary for the work shall be charged at the supplier's invoiced cost plus a mark-up of 10%.

Accepted By: \_\_\_\_\_