

GENERAL TERMS AND CONDITIONS OF SALE FOR ENGINEERING AND TECHNICAL SERVICES

The Terms and Conditions of Sale set forth herein, including any supplements that may be attached hereto, constitute the full and final expressions of contract for services, as described in any quotations between Northeast Power Systems, Inc. ("Seller") and the Buyer. [Purchases involving product or equipment are governed by "NEPSI's General Terms and Conditions of Sale for Equipment and Products.] These Terms and Conditions of Sale supersede all prior quotations, purchase orders, correspondence or communications, whether written or oral, between Seller and Buyer. Buyer shall be bound by these Terms and Conditions of Sale when it (a) delivers its purchase order for Services to Seller, (b) accepts delivery of services, or (c) otherwise indicates acceptance of this contract. Such acceptance shall bind Buyer to these Terms and Conditions, notwithstanding any contrary language in Buyer's purchase order or other expression of acceptance.

SELLER'S QUOTATION OR OFFER IS EXPRESSLY LIMITED TO, AND CONDITIONED UPON, BUYER'S ACCEPTANCE OF THESE TERMS AND CONDITIONS OF SALE. DIFFERENT AND ADDITIONAL TERMS AND CONDITIONS PROPOSED BY BUYER ARE REJECTED UNLESS EXPRESSLY AGREED TO IN WRITING BY SELLER.

No contract between Seller and Buyer shall exist except as provided herein. No statement, representation or warranty not contained herein shall be binding upon Seller unless made in writing by an officer or other authorized representative of Seller. Prior dealings, usage of the trade and a prior course of performance shall not be relevant to determine the meaning of these Terms and Conditions of Sale. Whenever a term defined by the Uniform Commercial Code is used herein, the definition contained in the Code shall apply.

1. Orders: All orders for Services or expressions of acceptance of Seller's quotation or offer are subject to final approval and acceptance by an authorized representative of Seller at its Corporate Headquarters. Such final approval and acceptance by Seller need not be conveyed or otherwise delivered to Buyer to take effect.

2. Warranty: The Seller warrants that it will perform this agreement in a professionally competent manner, however, Seller does not assume responsibility for specific operating results, nor for achieving desired objectives. This warranty applies only to failures which appear within one year from the date services are furnished, provided that Buyer promptly notifies Seller in writing of such failure. Seller shall re-perform any such defective portion of the services provided. If re-performance is not practicable, Seller will furnish, without charge, services in an amount essentially equal to those that, in Seller's judgment, would have been required for re-performance of the defective services.

The preceding sets forth the exclusive remedies for all claims based on defect in or failure of services, whether the claim is in contract, indemnity, warranty, tort (including Seller's negligence), strict liability or otherwise and however instituted. Upon the expiration of the warranty period, all such liability shall terminate and Buyer shall have a reasonable time, within thirty days after the warranty period, to give written notice of any defect that appeared during the warranty period. The foregoing warranties are exclusive and are in lieu of all other warranties whether written, oral, implied or statutory.

3. Limitations of Liability and Indemnities: (a) In no event, whether as a result of breach of contract, indemnity, warranty, tort (including Seller's negligence), strict liability or otherwise, shall Seller's liability to Buyer or its insurers for any loss or damage arising out of, or resulting from this agreement, or from its performance or breach, or from the services furnished hereunder, exceed the price of the specific service which gives rise to the claim, and any such liability shall terminate upon the expiration of the warranty period specified in the above Article entitled "Warranty". Any such claim of liability must be timely commenced in a court of competent jurisdiction in accordance with the applicable statute of limitations and/or of repose, but in no event later than one year from the termination of the warranty period.

(b) In no event, whether as a result of breach of contract, indemnity, warranty, tort (including Seller's negligence), strict liability or otherwise, shall Seller be liable for any special, consequential, incidental or penal damages including, but not limited to, loss of profit or revenues, loss of use of any associated equipment, damage to associated equipment, cost of capital, facilities, services or replacement power, downtime costs, or claims of customers of the Buyer for such damages. If the services being provided by Seller will be furnished by the Buyer to a third party by contract or otherwise or relate to a contract between the buyer and a third party, the buyer shall obtain from such third party a provision affording Seller the protection of this Article.

(c) If Seller furnishes Buyer with advice or other assistance that concerns any system or equipment which is not required pursuant to this agreement, the furnishing of such advice or assistance will not subject Seller to any liability, whether in contract, indemnity, warranty, tort (including Seller's negligence), strict liability or otherwise. For the purposes of (a) (b) and (c) of this

Article, the term Seller includes Seller's subcontractors, suppliers, and representatives.

Unless otherwise agreed in writing by a duly authorized representative of Seller, services sold hereunder are not intended for use in connection with any nuclear facility or activity.

The invalidity, in whole or part, of any of the foregoing paragraphs will not affect the remainder of such paragraph or any other paragraph in this article

4. Penalty or Liquidated Damages: Contracts which include penalty or liquidated damage clauses for failure to meet promised dates are not acceptable to, or binding upon, Seller, unless such clauses are specifically accepted in writing by an officer of Seller at its corporate headquarters.

5. Disclosure of Information: Any information, suggestions or ideas transmitted by Buyer to Seller in connection with performance hereunder are not to be regarded as secret, proprietary or submitted in confidence, except as may otherwise be acknowledged in writing by a duly authorized representative of Seller.

6. Taxes: In addition to the price agreed to by Buyer, Buyer shall pay the gross amount of any present or future sales, use, excise, value-added, or other tax applicable to the price, sale or delivery of any services furnished hereunder, or Buyer shall furnish Seller with evidence of exemption from such tax(es) acceptable to the taxing authorities.

7. Changes, Deletions and Extra Work: The Buyer, without invalidating the agreement, may make changes by altering, adding to or deducting from the general scope of the work, the agreement price being adjusted accordingly. All such work shall be executed under the conditions of the agreement except that any claim for extension of time or change in agreement price caused thereby shall be agreed upon by Buyer and Seller prior to such change. The charge for any such extra work or change shall be determined in one or more of the following ways: (1) by mutually agreed firm lump sum price, or (2) by unit prices specified in the agreement or agreed upon, or (3) by cost and/or fixed fee.

8. Delivery: Delivery dates are approximate and are based upon prompt receipt of all necessary information from Buyer.

9. Excusable Delays: Seller shall not be liable for delays in delivery or performance, or failure to deliver or perform, due to: (a) causes beyond its reasonable control; (b) an act of God, act of Buyer, act of civil or military authority, Governmental priority, strike, or other labor disturbance, flood, epidemic, war, riot, delay in transportation or car shortage; or (c) inability on account of a cause beyond the reasonable control of Seller to obtain necessary materials, components, services or facilities. Seller shall notify Buyer of any material delay excused by this article and shall specify the revised delivery dates as soon as reasonably practicable. In the event of any such delay, there will be no termination and the date of delivery or of performance shall be extended for period equal to the time lost by reason of the delay. In the event of an unexcused and material delay, the parties will mutually agree to an equitable solution.

In the event Seller is delayed by acts of the buyer or by prerequisite work by other contractors or suppliers of the Buyer, Seller shall be entitled to an equitable price adjustment in addition to extension of the tie of performance.

10. Payments and Financial Condition: Payment for all work done on a time and material basis will be at Sellers Power System Consulting standard commercial engineering rates for the time actually expended. The rates in effect at the time the work is performed shall apply. Billing will be rendered monthly. Payment shall be due 30 days after the date of the invoice.

For work done on a fixed price basis, billing will be rendered as specified in the agreement, or, if not specified, upon submission of the final report. Payment shall be due 30 days after the date of the invoice.

11. Accelerated and Delayed Payments: There will be no reduction in price for payments more favorable to Seller than the aforementioned standard payment terms unless otherwise expressly agreed to by Seller in writing. If payments are not made in conformance with the standard terms, the quoted price shall, without prejudice to Seller's right for immediate payment, be increased by an amount equal to the lesser of 1.5% per month on the unpaid balance or the highest legal interest rate.

12. Prices: All published prices are subject to change without notice. Written quotations expire thirty (30) calendar days from the date of quotation, unless withdrawn sooner. Verbal quotations expire twenty-four (24) hours after they are made. Seller assumes no liability for import duties or other taxes imposed by any foreign country.

13. Waiver: The failure of Seller to insist, in any one or more instances, upon the performance of any of the terms and conditions set forth herein and/or the failure of Seller to exercise any of its rights hereunder shall not be construed as a waiver or relinquishment of any such term, condition or right and shall not effect Seller's right to insist upon strict performance and

compliance with regard to any unexcused portions of the contract or future performance of these Terms and Conditions of Sale.

14. Choice of Law, Venue and Limitations on Actions: These Terms and Conditions of Sale shall be governed by and construed in accordance with the laws of the State of New York, excluding any laws thereof which would direct application of the laws of another jurisdiction. The exclusive venue for any action commenced by Buyer against Seller shall be in the state or federal courts in the State of New York and the county or district in which Seller's corporate headquarters is located. If Seller commences an action against Buyer, the venue for such action shall be, at Seller's choice, (a) the state or federal courts in the State of New York and the county or district in which Seller's corporate headquarters is located, or (b) the state or federal courts in the state in which the Service was delivered.

ANY CAUSE OF ACTION AGAINST SELLER ARISING OUT OF OR RELATING TO THE SERVICE OR THESE TERMS AND CONDITIONS OF SALE SHALL EXPIRE UNLESS BROUGHT WITHIN ONE (1) YEAR OF THE TIME OF ACCRUAL THEREOF, ANY CONTRARY STATUTE OR LAW TO THE CONTRARY NOTWITHSTANDING. FURTHERMORE, NOTICE OF CLAIMS AGAINST SELLER FOR ANY REASON, INCLUDING BREACH OF WARRANTY, MUST BE MADE TO SELLER IN WRITING WITHIN FORTY-EIGHT (48) HOURS OF DISCOVERY TO AFFORD SELLER AN OPPORTUNITY TO CONDUCT A PROMPT INVESTIGATION OF THE SURROUNDING FACTS AND MITIGATE ANY DAMAGE THAT MIGHT ENSUE, SHOULD IT BE DETERMINED TO BE SELLER'S RESPONSIBILITY. FAILURE TO GIVE SUCH NOTICE TO SELLER SHALL CONSTITUTE A WAIVER BY BUYER OF ANY RIGHT LATER TO ASSERT SUCH A CLAIM.

15. Severability: If any portion of these Terms and Conditions of Sale shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction, such portion so adjudged will be deemed separate, distinct and independent, and the remainder of these Terms and Conditions of Sale will be and remain in full force and effect and will not be invalidated or rendered illegal or unenforceable or otherwise affected by such holding or adjudication.