



JANUARY, 2011

AUTHORIZED DISTRIBUTOR AGREEMENT

[FOR USE IN THE U.S. ONLY]

This Authorized Distributor Agreement (this "Agreement") is entered into this _____, 2011 (the "Effective Date") by and between Next Generation Energy[®] LLC, a Colorado limited liability company ("Supplier"), and _____ ("Distributor"), whose principal business address is _____.

Recitals

Distributor desires to acquire the right to distribute and sell certain of Supplier's products, and Supplier desires that Distributor do so, in a specified territory in accordance with the terms and conditions set forth in this Agreement.

Agreement

Distributor and Supplier, in consideration of the mutual benefits to be derived hereby and intending to be legally bound, agree as follows:

1. Distributor's Rights and Obligations; Territory. Supplier hereby grants to Distributor the non-exclusive right to sell, distribute, market and otherwise deal in renewable energy systems, racking components and other related products manufactured by Supplier and other manufacturers which are offered for sale by Supplier from time to time (the "Products") to purchasers who reside in or have their principal places of business within _____ (the "Territory"). Distributor shall use its best efforts to enhance the goodwill and reputation of Supplier and the Products, and to increase demand for and sales of the Products, in the Territory. Supplier's obligations and duties under this Agreement may be carried out from time to time by Supplier's master authorized representative Priest-Zimmerman, Inc., or its successor (the "Master Manufacturer's Rep").
2. Supplier Services. At Distributor's request, Supplier may agree to rent or lease Products to Distributor for use at trade shows and similar marketing venues. Supplier also offers services, including but not limited to architectural, structural, training and installation assistance, relating to the Products, on a case by case basis. Distributor and Supplier may agree separately in writing for Supplier to provide some or all of those services to Distributor or to Distributor's customers.

3. Purchase Orders; Sales Orders. All purchase orders placed by Distributor must be in a form acceptable to Supplier and delivered to Supplier by reputable courier, regular mail, electronic mail or confirmed facsimile. Supplier may in its sole discretion either accept or reject a Product purchase order submitted by Distributor. If Supplier accepts a purchase order placed by Distributor, it will confirm its acceptance in writing (a “Sales Order”) within a reasonable time after its receipt of the purchase order. If any Product price in a purchase order accepted by Supplier is not the correct current price, Supplier shall correct such pricing information in the Sales Order. If any Product price is so corrected by Supplier, Distributor shall have three days after its receipt of the Sales Order to cancel the purchase order because of the price difference by written notice to Supplier. Purchase orders shall not be cancellable by Distributor except as permitted by the preceding sentence. Subject to the limited right of Distributor to cancel purchase orders on the grounds of price corrections by Supplier, issuance of a Sales Order by Supplier creates a binding legal contract between Distributor and Supplier on the terms and conditions set forth in this Agreement and the Sales Order. The Product prices set forth in any Sales Order shall prevail over any conflicting prices in any price list. Supplier may in its sole discretion require advance payment by Distributor for Products covered by any Sales Order. In addition to the prices stated in Sales Orders, Distributor shall be solely responsible for, and promptly shall pay, all sales and use taxes and other taxes, charges and fees imposed upon or relating to the purchase, sale, delivery and use of the Products purchased by Distributor pursuant to this Agreement.
4. Shipping; Insurance; Payment. Supplier shall use its commercially reasonable efforts to deliver Products ordered by Distributor promptly after issuance of the Sales Order. Supplier will deliver the Products EXW (Incoterms 2000) Supplier’s facility in Lafayette, Colorado. Freight costs, packaging charges and insurance costs shall be paid by Distributor and shall be in addition to the Product prices. If Supplier pays any freight charges or any other cost that is required to be paid by Distributor, that amount shall be included in Supplier’s invoice and shall be paid by Distributor. Payment terms shall be Net 30 days from the date of Supplier’s invoice. Supplier may at its option grant Distributor a discount of up to 2% of the Product purchase price if payment in full is received by Supplier within ten (10) days after the date of Supplier’s invoice. If Distributor fails to make any payment as and when due under this Agreement, without prejudice to any other remedies available to Supplier, Supplier shall have the right to refuse to deliver Products to Distributor until all payments in default have been made. Payments that are not made by Distributor when due shall bear interest at the rate of 1 ½% (or, if lower, the maximum rate permitted by applicable law) per month or portion thereof until paid.
5. Inspection of Shipments; Warranties. Distributor shall inspect Products promptly upon delivery and shall, within three days after delivery, notify Supplier in writing if such inspection reveals that any Product is defective or if there is a shortage of Products received compared to the description in the bill of lading. If Products manufactured by Supplier are defective as a result of manufacturing errors covered by Supplier’s warranty as in effect from time to time, Supplier shall either deliver replacement Products to Distributor or repair the defective Products in a timely manner. If any defective Product is covered by the warranty of a manufacturer other than Supplier, then Supplier will provide commercially reasonable assistance to Distributor to obtain repairs or a replacement Product from that manufacturer. Supplier may at its sole discretion revise or revoke its warranties on Products manufactured by Supplier from time to time prior to delivery of such Products.

6. Product Returns. Distributor must give notice to Supplier within three days after Distributor's receipt of Products from Supplier if it wishes to return any Products for reasons other than a defect covered by Supplier's warranty. If Supplier authorizes the return of any Products in writing, then Distributor may ship those Products to Supplier and the shipment must be received by Supplier within 30 days after the initial delivery of the Products to Distributor. All returned Products that are regularly stocked by Supplier are subject to a 25% restocking fee payable by Distributor. Special order Products that are not regularly stocked by Supplier are not returnable without Supplier's prior written agreement. Distributor shall pay shipping and insurance costs on any Products which Distributor is permitted to return up to the point of delivery at Supplier's facility in Lafayette, Colorado.

7. Product Pricing; Discounts. (A) Distributor must purchase and pay in full for a minimum of \$250,000 of Products from Supplier during each 12-month period beginning on the Effective Date to be entitled to purchase Products at the prices contained in the Distributor Price List, as in effect from time to time. If Distributor is not eligible for pricing based on the Distributor Price List, Products ordered by Distributor will be priced according to Supplier's Dealer Price List as in effect from time to time. Additional price discounts may be offered to Distributor if Distributor purchases and pays in full for more than \$1,000,000 of Products from Supplier during any 12-month period beginning on the Effective Date.

(B) Supplier will use commercially reasonable efforts to update the Distributor Price List and the Dealer Price List to the extent necessary to reflect any changes in the price of Products as of the first day of each calendar month, and make the new price lists available upon Distributor's request. However, notwithstanding any other provision of this Agreement, Supplier shall have the right at any time to revise Product pricing from that shown on any price list without prior notice to Distributor. It is Distributor's obligation to obtain confirmation from Supplier of applicable pricing prior to giving a firm quotation to Distributor's customers.

8. Purchase Money Security Interest. Distributor hereby grants to Supplier a purchase money security interest in the Products purchased by Distributor to secure the payment as and when due of the purchase price of the Products and other amounts payable by Distributor pursuant to this Agreement. If Supplier so requests, Distributor agrees promptly to execute, file and deliver any documents and instruments specified by Supplier from time to time to evidence and perfect such security interest, and hereby appoints Supplier its agent and attorney in fact to accomplish such execution and delivery if Distributor fails to do so promptly. Such appointment is coupled with an interest and is irrevocable.

9. Installation, Inspection, Servicing; Indemnity. Distributor or the dealers to which Distributor sells Products shall be solely responsible for determining customers' Product requirements. Distributor shall provide information and specifications regarding Product installation, maintenance and warranties to dealers to which Distributor sells Products in a prompt and professional manner as part of its obligations under this Agreement. All Product installations must be in strict compliance with Supplier's installation manual, as revised from time to time by Supplier. As between Supplier and Distributor, Distributor shall have exclusive responsibility for causing the dealers to which it sells Products to determine whether customers' premises are suitable for Product installation, commissioning and operation and for identifying any required changes to the roof, support system, framing, electrical system or other aspects of the customer's premises which are needed prior to Product installation, commissioning and operation. Distributor may be required from time to time to provide to Supplier reports reflecting dealers'

inspection of Products previously installed by the dealer or others at customers' premises. Distributor shall indemnify, defend and hold harmless Supplier and Supplier's owners, officers, directors, employees and agents from and against any and all liabilities, costs, damages and causes of action arising directly or indirectly from (a) the failure of Distributor properly and timely to satisfy its obligations under this Agreement, (b) any guarantee, representation or warranty about Products made by Distributor or any of its employees or other personnel which are not specifically authorized by Supplier in writing and (c) any workers' compensation or claim for any benefits by any employee or other personnel of Distributor. Distributor's indemnification obligations shall survive the termination of this Agreement.

10. Use of Supplier's Trademarks. Distributor shall have the right during the term of this Agreement to use the trademarks set forth in Schedule A (the "Marks") for the sole purpose of selling, marketing and distributing the Products within the Territory, subject to the requirement for Distributor to obtain Supplier's prior written consent for any proposed use of the Marks. Distributor acknowledges that Supplier owns the Marks and that Distributor's right to use the Marks as permitted by this Section 10 is derived solely from this Agreement, is limited to the use specifically permitted by this Agreement, is revocable by Supplier at any time upon notice and must comply with all standards and specifications prescribed by Supplier from time to time regarding use of the Marks. Distributor shall not claim ownership of any of the Marks or make any filing with respect to or claim to any of the Marks. Distributor shall give notice to Supplier promptly if Distributor learns of any unauthorized use of any Mark in the Territory. Upon termination or expiration of this Agreement, Distributor shall immediately discontinue all use of the Marks and return to Supplier all materials and supplies bearing the Marks which are in Distributor's possession or control.
11. Term and Termination. The initial term of this Agreement begins on the Effective Date and ends at the close of business on the day immediately preceding the first anniversary of the Effective Date, unless terminated earlier as permitted by this Section 11. The term of this Agreement shall renew automatically for successive 12-month periods thereafter unless terminated by Distributor or Supplier giving at least thirty days' notice prior to the scheduled expiration date. Supplier also shall have the right to terminate this Agreement at any time upon thirty days' notice to Distributor if Distributor breaches, or fails to comply with, any provision of this Agreement and such breach or failure is not cured within ten days after Supplier gives notice to Distributor of such breach or failure. This Agreement will terminate immediately without notice if any bankruptcy, insolvency or similar proceeding is commenced by or against Distributor and is not dismissed within sixty (60) days, or if Distributor makes any assignment for the benefit of its creditors generally or if there is any appointment or application for the appointment of a receiver or trustee for Distributor's assets.
12. Effect of Termination. Except in case of any termination of this Agreement by Supplier because of an uncured breach or failure by Distributor, Distributor shall have a period of one hundred twenty (120) days after the date this Agreement terminates or expires within which Distributor may sell any Products for which Sales Orders have been issued prior to the termination date to purchasers in the Territory. No other Product sales may be made by Distributor after termination or expiration of this Agreement. Supplier may in its sole discretion either fulfill or cancel any Sales Orders issued by Supplier prior to the termination or expiration date, but for which the Products have not been shipped, prior to termination or expiration. The rights and liabilities of the parties that accrue prior to the termination or expiration of this Agreement shall survive such termination or expiration. The provisions of this Agreement which by their nature are intended to

survive termination or expiration (including but not limited to Purchase Money Security Interest, Non-Solicitation, Confidentiality and Non-Disclosure and Dispute Resolution) shall survive such termination or expiration indefinitely.

13. Independence of Parties. This Agreement does not make Distributor an agent of Supplier for any purpose and Distributor has no right or authority to, and shall not, make any representation or warranty or incur any liability or obligation for or on behalf of Supplier. Distributor is solely responsible for all expenses incurred in connection with the operation of Distributor's office, warehouse, and sales activities and shall provide all personnel, facilities and materials required in connection with Distributor's sale, marketing and distribution of the Products.
14. Confidentiality and Non-Disclosure. Distributor agrees to treat as confidential and proprietary information, and to take all reasonable precautions during the term of this Agreement and after its termination to protect the confidentiality and secrecy of, all information of Supplier which is not accessible or known to the general public, including information regarding the terms of this Agreement, Supplier's business and marketing methods, Product prices, Distributor's commissions, Product specifications and research, engineering data, operational methods, and customer identities and purchases ("Confidential Information"). Upon the termination of this Agreement, Distributor shall return to Supplier all Confidential Information of Supplier in tangible form, together with any copies or derivatives thereof in any form or medium which Distributor has made or caused to be made or which are in its possession or control, and shall destroy all Confidential Information of Supplier in intangible form which is in Distributor's possession or control. Distributor acknowledges and agrees that any violation or threatened violation of this Section 14 would cause irreparable harm to Supplier and, therefore, Supplier shall be entitled to an injunction, without posting bond, prohibiting Distributor from any such violation or threatened violation. The provisions of this Section shall survive the termination of this Agreement.
15. Non-Solicitation. Distributor shall not offer to hire or retain or solicit for hire or retention any person who, during the term of this Agreement or within twelve months after its termination or expiration, is an employee, independent contractor or consultant for Supplier.
16. Force Majeure. Neither party shall be liable for its failure to perform or delay in performing its obligations under this Agreement (other than obligations to pay money, which shall not be excused) due to events beyond its reasonable control, including but not limited to labor strikes or lockouts, riots, war, power failures, embargo, government action or inaction after the Effective Date, shortages of materials, severe weather or acts of nature. Notwithstanding the preceding sentence, each party shall use its reasonable commercial efforts to remedy any disruption in its performance under this Agreement as quickly as possible, and shall give notice to the other party of any event which will delay or prevent its performance.
17. Distributor's Representations, Warranties and Covenants. Distributor represents, warrants and covenants to and with Supplier that (a) Distributor has all required corporate power and authority (or if Distributor is not a corporation, it has sufficient power and authority under its organizational documents or agreements and applicable law) to enter into this Agreement and to carry out its obligations hereunder, (b) the execution, delivery and performance of this Agreement have been duly authorized by Distributor, (c) Distributor is not insolvent and is not the subject of any filing or proceeding relating to bankruptcy or insolvency, and has not made any assignment in lieu of foreclosure or any compromise with its creditors, (d) its entry into this

Agreement does not violate or constitute a breach of any court or administrative order or any material agreement to which it is a party or by which it is bound, (e) Distributor has complied and shall continue to comply with all applicable laws, regulations, rules and orders in connection with its business operations and the transactions contemplated by this Agreement, and has caused and will continue to cause its employees and agents to do so, and (f) Distributor has obtained, and throughout the term of this Agreement shall maintain, all required licenses, permits and certificates relating to the operation of its business and the performance of its obligations under this Agreement. Distributor covenants that it promptly will give notice to Supplier of the commencement of any legal action or investigation, or the issuance of any order, injunction, violation notice or decree of any court, agency or other governmental instrumentality which could adversely affect the operation of Distributor's business.

18. Insurance. Throughout the term of this Agreement Distributor shall maintain in effect the following types and amounts of insurance, naming Supplier and its owners, officers, employees and agents as additional insureds:
- Commercial general liability insurance, including bodily injury, property damage and products liability: \$1,000,000 per occurrence
 - Workers' compensation insurance covering all statutory liabilities: \$1,000,000

Distributor shall provide certificates of coverage to Supplier within ten days after the Effective Date. Such insurance policies must provide that they cannot be cancelled or the coverage materially changed without at least thirty (30) days' prior written notice to Supplier.

19. Assignment; Change of Control. Distributor has been selected by Supplier based on its performance and reputation in the renewable energy sector. Distributor may not delegate or assign any of its rights or obligations under this Agreement without the prior written consent of Supplier. Subject to the preceding sentence, the parties' rights and obligations inure to and are binding on their representatives, successors and permitted assigns. Distributor shall give notice to Supplier promptly upon Distributor becoming aware of any pending or completed change in the control of Distributor from that existing on the date of this Agreement or any event or action which is likely to result in Distributor ceasing to conduct business in the manner in which it does so on the Effective Date.
20. Governing Law. This Agreement shall be interpreted and governed by the internal laws of the State of Colorado, without reference to any choice of laws principles which would cause the laws of a different jurisdiction to apply.
21. Dispute Resolution. (a) If a dispute relating to this Agreement arises the parties will negotiate in good faith to settle the dispute. If the parties cannot resolve the dispute by negotiation, then either party may seek to enforce any provision of, or any right arising out of, this Agreement by arbitration conducted under the then-current Commercial Arbitration Rules (the "AAA Rules") of the American Arbitration Association (the "AAA"), except as the AAA Rules are modified herein. The arbitration shall be conducted before a single arbitrator mutually agreed on by the parties who does not have a conflict of interest. If the parties do not agree on the arbitrator within thirty (30) days after a notice of arbitration has been given by one party to the other, then an arbitrator shall be appointed by the AAA. The arbitration shall be conducted at a location in

Boulder, Colorado that is acceptable to Distributor and Supplier, or, if they cannot agree, at a location chosen by the arbitrator.

(b) The arbitrator's award shall be in writing and shall be final and binding on the parties. If either party fails to appear or be represented at the arbitration proceedings, then the arbitrator shall render a decision, which shall have the same force and effect as if the absent party had been present. Each party shall bear its own costs and expenses in connection with arbitration, and the parties shall share equally the costs of arbitration, including the arbitrator's fees.

(c) Any award rendered by an arbitrator may be entered for enforcement in any court of competent jurisdiction, and the party against whom enforcement is sought shall bear the expenses, including attorneys' fees, of enforcement. Each party consents to the jurisdiction of any such court in any enforcement proceeding and irrevocably waives any objection to venue therein.

22. LIMITATION OF DAMAGES. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR SPECIAL DAMAGES OF ANY NATURE, INCLUDING LOST PROFITS, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE PERFORMANCE OR NON-PERFORMANCE HEREOF. IN NO EVENT SHALL SUPPLIER BE LIABLE TO DISTRIBUTOR FOR ANY MONIES EXPENDED OR ANY INVESTMENT OF TIME, EFFORT OR FUNDS BY DISTRIBUTOR TO PERFORM ITS OBLIGATIONS HEREUNDER OR IN ANTICIPATION OF ACTING OR CONTINUING TO ACT AS SUPPLIER'S DISTRIBUTOR IN THE TERRITORY.

23. Notices. Any notice to be given in connection with this Agreement will be in writing and sent by a courier service that tracks deliveries. Notices will be sent to the applicable party's address set forth below its signature, or to any different notice address of which the applicable party subsequently gives notice pursuant to this Agreement.

24. Entire Agreement. This Agreement, including Schedule A, constitutes the entire agreement between Distributor and Supplier regarding the subject matter hereof, and supersedes and replaces any and all prior written or oral promises, representations, courses of dealing and understandings of the parties as to such subject matter. Each party acknowledges and agrees that no representation, promise, inducement or statement of intention other than those specifically set forth in this Agreement has been made by the other party or has been relied upon in entering into this Agreement. Except for the Product prices set forth in Sales Orders, no additional or different terms set forth in any purchase order, documentation or correspondence shall modify the provisions of this Agreement unless such purchase order, documentation or correspondence is in writing, is executed by both parties and specifically states that it is intended to modify some or all of the provisions of this Agreement. The parties intend each provision of this Agreement to be fully enforceable. However, if any arbitrator or court having competent jurisdiction finds that any provision is unenforceable under applicable law, then the parties intend that the arbitrator or court modify such provision to the minimum extent necessary for it to be enforceable and still carry out the parties' intent.

25. Signatures; Headings. This Agreement may be executed in counterparts, which together will constitute one and the same contract. A signature delivered by facsimile or as a PDF file shall

have the same force and effect as an original signature. The headings contained in this Agreement are for convenience of reference only and shall not be deemed to limit or affect the subject matter contained herein. The parties have jointly negotiated and prepared this Agreement, and the terms hereof shall not be construed in favor or against either party on account of its participation in such preparation.

Distributor: _____

Address: _____

By: _____

Print Name: _____

Date: _____, 2011

Next Generation Energy LLC
75 Waneka Parkway
Lafayette, CO 80026

By: _____
David Kreutzman, CEO

Date: _____, 2011

With a copy to:

Amy Hirter
Hutchinson, Black and Cook, LLC
921 Walnut Street, Suite 200
Boulder, CO 80302

SCHEDULE A

MARKS