



3100 Airway Ave, Suite 128
 Costa Mesa, CA 92626
 Phone: (714) 486-1140
www.calmicroturbine.com

CAPSTONE FACTORY PROTECTION PLAN – END USER AGREEMENT

AGREEMENT NUMBER CMT-19-430	AGREEMENT EXECUTION DATE 4/10/2019
PURCHASER COMPANY NAME (BILL-TO) San Mateo Youth Complex	
ADDRESS (BILL-TO) 26 Tower Road	
BILLING CONTACT NAME Molly Villagomez	SERVICE CONTACT
NUMBER/TYPE OF TURBINES (8) C65, HPNG, GC, INDPKG, UL	ADDRESS (TURBINE LOCATION(S))
GAS PACKS or FGB (4) Fuel Booster	OTHER (8) Fuel Option Kits
ANNUAL PRICE: \$ 72,164.50	BILLING CYCLE: Annual

A. Factory Protection Plan Types and Optional Services

FACTORY PROTECTION PLAN TYPES ¹	
Plan A – 5 year or 39,999 system hours, Parts ONLY, NO Overhaul	<input type="checkbox"/> <4000 hrs/yr. <input type="checkbox"/> 4000-6000 hrs/yr. <input type="checkbox"/> >6000 hrs/yr.
Plan B – 5 year or 39,999 system hours, Parts & Labor, NO Overhaul	<input type="checkbox"/> <4000 hrs/yr. <input type="checkbox"/> 4000-6000 hrs/yr. <input type="checkbox"/> >6000 hrs/yr.
Plan C – 9 year or 79,999 system hours, Parts ONLY, with Overhaul	<input type="checkbox"/> <4000 hrs/yr. <input type="checkbox"/> 4000-6000 hrs/yr. <input type="checkbox"/> >6000 hrs/yr.
Plan D – 9 year or 79,999 system hours, Parts & Labor, with Overhaul	<input type="checkbox"/> <4000 hrs/yr. <input type="checkbox"/> 4000-6000 hrs/yr. <input type="checkbox"/> >6000 hrs/yr.
<input checked="" type="checkbox"/> Other – 5 year or 39,999 system hours, Parts & Labor, with Overhaul	<input type="checkbox"/> <4000 hrs/yr. <input type="checkbox"/> 4000-6000 hrs/yr. <input checked="" type="checkbox"/> >6000 hrs/yr.

¹ See Section B below for description of included services for each type of Factory Protection Plan.

B. Description of Factory Protection Plan Services

FACTORY PROTECTION PLAN INCLUDED SERVICES	PLAN A	PLAN B	PLAN C	PLAN D	Other
Maintenance Parts:					
• Scheduled maintenance parts as needed. ¹	✓	✓	✓	✓	
• Scheduled maintenance engine overhaul at ~40,000 engine hours.	No	No	✓	✓	
<ul style="list-style-type: none"> • Unscheduled maintenance parts as needed, including: • Engine assembly (Engine/Generator) • All power electronics components • All fuel system components • Optional/Accessory equipment (if installed) • Main battery pack • Heat Recovery Module (HRM) coil • Advanced Power Server (APS) • Dual Mode Controller (DMC) • External Fuel Filter • External Regulator 	✓	✓	✓	✓	
Maintenance Labor:					
• Scheduled maintenance labor.	No	✓	No	✓	
• Unscheduled maintenance labor.	No	✓	No	✓	
Additional Services:					
• Access to Capstone's Support Center, including 24/7 access to Emergency Technical Support.	✓	✓	✓	✓	
• Priority response to unscheduled maintenance service requests.	No	✓	No	✓	
• System software upgrades as released by Capstone.	✓	✓	✓	✓	
• Installation of system software upgrades.	No	✓	No	✓	

¹. Pursuant to the then current Capstone Standard Maintenance Schedule (Capstone document number 440000).

C. Service Conditions

1. Sites must be clean, free of debris and any other obstructions, well lit, and operating in an environment that will not cause equipment damage or excessive usage, or need for replacement of consumables and filters outside the parameters of Capstone's standard service intervals.
2. Sites must be installed in accordance with all Capstone installation requirements. Installation must be performed or supervised by a currently certified Capstone Factory Trained Installer (FTI). A completed Installation Check List (ICL), signed by the FTI who performed/supervised the installation, must be on file with Capstone.
3. Sites must be commissioned in accordance with all Capstone specifications, and Capstone must have an approved Commissioning Checklist on file. Commissioning must be performed or supervised by a Capstone Authorized Service Provider (ASP), currently certified for the applicable equipment model(s).
4. Sites must be safe for personnel access and performance of all required troubleshooting and scheduled and unscheduled maintenance procedures. Where installation conditions require assistive equipment to access equipment and/or perform procedures (e.g. forklifts, ladders, etc.), site conditions and site standard operating procedures must allow for safe usage of such equipment.
5. Fuel must meet Capstone's then current Capstone Fuel Specification as defined in Capstone Technical Reference 410002 Capstone Microturbine Fuel Requirements Technical Reference.

6. For purposes of this Service Agreement, customers shall communicate directly with Distributor, and Capstone shall communicate directly with Distributor. Distributor shall coordinate any communications between Distributor's customers and Capstone.

D. Term of Agreement

1. *Start of Services:* The Services shall commence on _____.

2. *End of Services:* The Services shall expire as specified by the Plan elected, either by years or by total run hours, whichever comes first.

E. Payment Terms

1. Payment for the Service Agreement will be made in equal annual installments as listed for each site. The first installment is due upon the Start of Services Date (see Section D above). The remaining periodic payments will be due 30 days prior to the start of each succeeding billing period.

2. Unless otherwise provided for in the payment descriptions above, payments for Services are due 30 calendar days from date of the invoicing, are stated in U.S. dollars, and exclude sales and other taxes.

3. Overdue payments shall be subject to a late charge, calculated from the date of invoice on the date of payment, equal to the lesser of 1.5% per month or the highest applicable rate allowed by law. The foregoing shall in no way limit any other remedy that may be available to Cal Microturbine, Inc.

4. Purchaser's obligations to Cal Microturbine, Inc. to pay in full all amounts owed to Cal Microturbine, Inc. as of the termination or expiration of this Agreement shall survive the termination for any reason or expiration of this Agreement.

5. Cal Microturbine, Inc. may adjust pricing for the services provided hereunder upon written notice to Purchaser should the total Consumer Price Index (CPI) exceed 3% for the 12 months immediately preceding.

6. All prices/discounts set forth are provided with the expectation that the contract will continue to be in effect for the entire duration of its specified term. However, in the event that the contract is cancelled prior to the contract end date, client will be subject to (i) repayment of any special discounts provided herein,

(ii) reimbursement to Capstone for any amounts owed pertaining to parts shipped and/or services provided, and (iii) any additional cancellation fees which Capstone may deem appropriate to be charged on a case by case basis.

F. Excluded Services

The following are specifically excluded from the Agreement:

1. Changes to the original design and configuration (alterations from "as commissioned").
2. Application engineering and installation; correction of latent or discovered defects or equipment failure due to application engineering, installation, settings and/or connections. For example, damages due to inadequate ventilation.
3. Operation of the Covered Equipment outside of Capstone's then current standard operating guidelines defined in the Capstone User Manual.
4. Usage/consumption of consumables (i.e. filters) outside the parameters of Capstone's standard service intervals.
5. Operation of Covered Equipment on a day-to-day basis.
6. Emissions testing or testing of exhaust gas – to be billed on a T&M basis.
7. Fuel analysis or laboratory analysis to confirm fuel composition.
8. Operator classroom training.
9. Any expenses resulting from failure to meet, or incurred as a result of, correcting deficiencies in order to meet Service Conditions specified in Section C above.
10. Operator classroom training
11. Tooling required to support performing Services on the Covered Equipment, e.g. maintenance tools, assistive lifting devices, trucks, crane or forklift rentals, etc.
12. Any expenses resulting from improper maintenance of Covered Equipment performed by any non-Capstone Authorized Service Provider.
13. Any expenses resulting from Force Majeure events.
14. Any expenses resulting from power quality disturbances (e.g. sags, surges, and harmonics) in grid-connected operation.

- 15. Any services requested by or performed by Customer which are determined, in Capstone's sole discretion, to be outside the scope of this Agreement.
- 16. Internet connection or related fees.
- 17. Balance of plant equipment: Cal Microturbine will provide Services for the Covered Equipment listed in Exhibit 1 only, as may be amended by the parties from time to time in writing.

Pursuant to this Services Agreement (the "Agreement"), Purchaser hereby authorizes Cal Microturbine, Inc. to provide the services described above (the "Services"), including the provision of any necessary parts (the "Parts"), on the Capstone Turbine generator systems, controls and/ or accessories identified above (the "Covered Equipment") in accordance with and subject to the terms and conditions described above.

CAL MICROTURBINE, INC.

CUSTOMER: COUNTY OF SAN MATEO

SIGNED: _____

SIGNED: _____

NAME: : _____

NAME: _____

TITLE: : _____

TITLE: _____

DATE: : _____

DATE: _____

FACTORY PROTECTION PLAN – END USER AGREEMENT

Exhibit 1

SITE NAME	DESCRIPTION	MANUFACTURER	MODEL CONFIGURATION	SERIAL NO	*TRH
San Mateo Youth Complex	C65 Microturbine	Capstone	C65, HPNG,GC,INDPKG,UL	3476	78140
San Mateo Youth Complex	C65 Microturbine	Capstone	C65, HPNG,GC,INDPKG,UL	3470	57389
San Mateo Youth Complex	C65 Microturbine	Capstone	C65, HPNG,GC,INDPKG,UL	3482	71048
San Mateo Youth Complex	C65 Microturbine	Capstone	C65, HPNG,GC,INDPKG,UL	3475	48818
San Mateo Youth Complex	C65 Microturbine	Capstone	C65, HPNG,GC,INDPKG,UL	3474	78846
San Mateo Youth Complex	C65 Microturbine	Capstone	C65, HPNG,GC,INDPKG,UL	3484	50418
San Mateo Youth Complex	C65 Microturbine	Capstone	C65, HPNG,GC,INDPKG,UL	3471	50575
San Mateo Youth Complex	C65 Microturbine	Capstone	C65, HPNG,GC,INDPKG,UL	3483	68580
San Mateo Youth Complex	FGB				
San Mateo Youth Complex	FGB				
San Mateo Youth Complex	FGB				
San Mateo Youth Complex	FGB				
San Mateo Youth Complex	Fuel Option Kit				
San Mateo Youth Complex	Fuel Option Kit				
San Mateo Youth Complex	Fuel Option Kit				
San Mateo Youth Complex	Fuel Option Kit				
San Mateo Youth Complex	Fuel Option Kit				
San Mateo Youth Complex	Fuel Option Kit				
San Mateo Youth Complex	Fuel Option Kit				
San Mateo Youth Complex	Fuel Option Kit				
END					

*Turbine Run Hours

FACTORY PROTECTION PLAN – END USER AGREEMENT

Exhibit 2

Additional Services to be performed on a T&M basis as requested by Client.

1. Emissions Testing



Cal Microturbine, Inc.

2537D PACIFIC COAST HWY
 #146
 TORRANCE, CA 90505

Quote

Date	Quote #
3/27/2019	1274

Name / Address
COUNTY OF SAN MATEO Thomas Sipp

Quote Expiration Date
4/26/2019

Item	Description	Qty	Cost	Total
Rental	Emissions Analyzer Rental Estimate	1	1,000.00	1,000.00
LABOR	PER HOUR	4	175.00	700.00
Travel Time	PER HOUR	3	65.00	195.00
MILEAGE	PER MILE	150	0.175	26.25
This Price Quote and all orders associated herewith are subject to the Company's Standard Terms and Conditions of Sale as may be attached hereto or issued by the Company.		Sales Tax (9.25%)		\$0.00
		Subtotal		\$1,921.25
		Total		\$1,921.25

Signature