

COUNCIL ACTION FORM

SUBJECT: FLEET SERVICES – CARBON EMISSIONS REDUCTION – B100 PILOT PROGRAM

BACKGROUND:

In February of 2019, Ames based Renewable Energy Group (REG), and Optimus Technologies of Pittsburgh, PA presented their proposal for a 100% Biodiesel (B100) Pilot Program to representatives from the City of Ames, Iowa DOT, and other Iowa municipalities.

As presented, the B100 Pilot Program would require participant cities/agencies to provide 5 diesel powered trucks as pilot vehicles to operate year-round on B100 fuel, thereby taking full advantage of the B100 low carbon emissions. REG would be the exclusive supplier of B100 at a discounted rate to the City, and pay to fully equip the pilot trucks making it possible to use B100 year-round.

In support of the Ames City Council's initiative to promote city-wide environmentally sustainable projects, Fleet Services and the Public Works Street Division staff researched the proposal and found it to be feasible and beneficial to the City. Currently the City's diesel trucks burn 20% biodiesel blended with 80% ultra-low sulfur diesel (#2) (B20) during the warm months and a 3% bio-blend (B3) in the winter.

ABOUT THE COMPANIES:

Renewable Energy Group is the largest producer and marketer of biomass based fuel, with their Global Corporate Headquarters located in Ames. REG operates 10 bio-refineries in the United States, with expected 2019 production greater than 500 million gallons. In first quarter of 2019 REG sold 117 million gallons of biofuel resulting in a carbon reduction estimated at 900 thousand metric tons.

Optimus Technologies is the market leader in high performance biodiesel conversion solutions that utilize biodiesel (B100) and diesel for medium- and heavy-duty truck fleets. With Optimus, fleet operators have the simplest way to significantly reduce fuel costs and emissions, while addressing renewable fuel targets.

ABOUT B100 FUEL:

Biodiesel is made from feedstocks that are renewable resources such as animal fats, vegetable oils and recycled cooking oil. Refined biodiesel burns significantly cleaner

than standard diesel fuel (#2). **Looking at the full cycle of the fuel; from raw materials - to burning the finished product, there is an 85% reduction of harmful emissions when B100 is used instead of #2.**

B100 has equivalent fuel economy to #2 having the same miles per gallon. The lubricating characteristics (lubricity) of B100 is greater than #2, thereby adding protection against cylinder wear.

THE B100 PILOT PROGRAM:

The B100 Pilot Program will test and evaluate the use of B100 as a year-round fuel supply for 5 select City trucks equipped with the Optimus fuel management system for the purpose of reducing vehicle carbon emissions.

Fleet and Public Works staff have selected 5 heavy duty snow plow dump trucks to be equipped with the Optimus System for the pilot program. Provided the City agrees to have REG as the exclusive B100 supplier for the pilot program, REG agrees to pay for the 5 Optimus systems at \$12,000 each including installation. In addition, REG agrees to lease to the City of Ames a 12,000 gallon, above ground fuel dispensary for \$1 per year. City staff proposes the fuel dispensary location to be on the City's Maintenance Facility grounds located at 2207 Edison Street.

Optimus Technologies has developed a unique system to effectively use B100 year-round, even in cold temperatures. The Optimus system uses two fuel tanks, a smaller tank with #2 diesel, and a larger tank with B100. Optimus sends #2 diesel fuel to the engine at startup, then directs the heat from the engine to warm the B100 tank to a specified operating temperature, then switches to B100 for the majority of running time, even in cold temperatures. When the operator shuts off the engine Optimus will run the engine for about 30 seconds to purge the B100 from the engine's fuel lines – replacing it with petroleum diesel in preparation for the next cold engine start.

The Optimus system is backed with more than 10 years of research and development. In recent years the Optimus system has been successfully implemented in fleets in Chicago and Washington DC. The results from these fleets have been favorable with year-round B100 success even at cold temperatures.

BENEFITS OF THE PILOT PROGRAM:

- Places the City of Ames in a leadership position as the first government entity in the State of Iowa to implement this sustainable technology.
- Supports the City Council's goal to expand sustainability efforts.
- Provides accurate information about engine starts, idle time, vehicle location, miles, and fuel consumption.

- Guarantees a price for B100 slightly below the price per gallon offered by the Iowa DOT (the City's current provider).
- Identifies ways to reduce idle time.
- Improves vehicle performance with lower carbon exhaust output and greater lubrication to the engines.
- Does not prohibit the pilot trucks from operating solely on #2 diesel. The current engine and fuel systems stay intact, even with the Optimus system installed.
- Supports Iowa and local economies by the use of fuel produced in Iowa.

RISKS ASSOCIATED WITH THE PROJECT:

- The project could fail to meet the City's minimum expectations of performance.
- Regulatory changes could affect the availability and cost of B100 supplies affecting one or more of the project stakeholders.

IMPORTANT INFORMATION RELATED TO THE PILOT PROGRAM:

- Diesel consumption by City vehicles in FY 2019 including blended fuel (i.e. #2 diesel, B20, and B3) was 105,388 gallons
- The five pilot program vehicles burned 11,070 gal. of fuel in FY 2018-19
- B100 and #2 diesel have approximately the same fuel economy.
- **B100 has lifecycle carbon output 85% less than #2 diesel.**

CONTRACT DURATION:

The City staff agree the B100 Pilot Program supports the Ames City Council's initiative to promote city-wide environmentally sustainable projects, and demonstrate leadership in being a sustainable community.

REG and Optimus have presented the attached contract agreements to the City of Ames to participate in the proposed B100 Pilot Program. These contracts have been reviewed and determined acceptable by the City's Legal Department. The pilot program will continue for three (3) years beginning at the completion of the installation of the Optimus Systems onto the pilot trucks, or December 1, 2019, whichever is first.

ALTERNATIVES:

1. Approve the B100 Pilot Program participation
 - a. Approve the waiver of the Purchasing Policies and approve the attached contract with REG; 1) to be the exclusive provider to the City for 100% of the B100 required for the duration of the City's B100 Pilot Program, 2) to sell

- B100 to the City at the price five cents below the Des Moines area Gross Rack Average price per gallon for #2 Ultra Low Sulfur Diesel, 3) to lease one 12,000 gallon, above-ground B100 dispensary to the City for \$1 per year for the duration of the pilot program, and 4) pay to equip and install the Optimus system on 5 snow plow trucks.
- b. Approve the waiver of the Purchasing Policies and approve the attached contract with Optimus Technologies, Inc.; 1) to supply and install the Optimus system on selected City vehicles, 2) train City Fleet technicians to install and work on the system, and 3) collect real-time data about the fuel use, system performance, and location of the pilot program vehicles.
2. Instruct City staff to conduct further research into the B100 Pilot Program and report back to Council with additional information and recommendations.
 3. Reject the opportunity to participate in the pilot program.

MANAGER'S RECOMMENDED ACTION:

The participation in this pilot program will positively impact the City Council's goal of expanding the City's sustainability efforts. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 as described above.



BIODIESEL FUEL SUPPLY AND TANK LEASE AGREEMENT

This **Biodiesel Fuel Supply and Tank Lease Agreement** (“**Agreement**”) is made and entered into as of _____, 2019 (the “**Effective Date**”), by and between _____ (“**Customer**”) and REG Marketing & Logistics Group, LLC (“**REG**”). Customer and REG may each be referred to hereafter individually as a “**Party**”, and collectively as the “**Parties**”.

WHEREAS, Customer has entered into an agreement with Optimus Technologies, Inc. (“**Optimus**”), to modify the fuel systems on certain vehicles to allow the vehicles to run on either diesel or biodiesel fuel (“**Conversion Systems**”);

WHEREAS, Customer desires to lease fuel tanks from REG, and purchase biodiesel fuel from REG; and

WHEREAS, REG desires to lease fuel tanks to Customer, and sell biodiesel fuel to Customer.

NOW, THEREFORE, in consideration of the mutual covenants and agreements stated below, the Parties agree as follows:

1. Biodiesel Fuel Supply. REG will be the exclusive provider of B99 biodiesel fuel (the “**Product**”) to Customer under the terms and conditions of **Schedule A** (the “**Sales Contract**”).

2. Funding for Vehicle Conversions. In consideration for Customer entering into this exclusive arrangement with REG for the purchase of biodiesel fuel, REG agrees to pay Optimus _____ dollars (\$ _____) on behalf of Customer to fund the purchase of _____ (____) Conversion Systems for Customer from Optimus. Customer and Optimus have entered into a separate agreement for the Conversion Systems, and Customer acknowledges that REG is not a party to that agreement and, except for the payment obligation herein, has no obligations to Customer arising out of or related to that agreement. Customer further acknowledges that REG is paying Optimus on Customer’s behalf based on Customer’s promise to compensate REG under the terms of the Sales Contract, without set-off for any reason related to Optimus, even if the Customer is not satisfied with Optimus or its Conversion Systems.

3. Fuel Tank Lease. REG will lease fuel tanks to Customer under the terms and conditions of **Schedule B**.

4. Payment and Taxes. Each Schedule specifies the fees that Customer shall pay REG. Customer agrees to pay REG in U.S. dollars by bank ACH or wire transfer, without any adjustments, discounts, or setoffs, within seven (7) days of receipt of each invoice. Past due payments shall bear interest of one percent (1%) per month or the maximum rate authorized by law, whichever is less. In addition to all other rights and remedies, REG may suspend, cancel, or terminate this Agreement if Customer does not pay all amounts due to REG as required herein. Customer will be liable for, and will pay and/or reimburse REG for, the payment of any and all taxes, fees, duties, assessments, and other charges (“**Tax**”), whether now existing or hereafter arising, which are imposed, levied, or assessed by any federal, state, tribal, or local governmental or regulatory authority with respect to any products sold and delivered to Customer, the taxable incident of which arises out of or relates to the sale, delivery, receipt, or transfer of title of products to Customer, or its inspection, removal from storage, measurement, receipt of payment, or other activity, regardless of when imposed. Customer agrees to promptly reimburse REG

in the event REG is required to pay any such Tax directly to the appropriate authority. Customer will furnish REG with any exemption or resale certificate or direct payment permit to which Customer may be entitled and promptly notify REG of any change in the validity or scope of same. Customer shall not be responsible for any taxes based on REG's income, corporate franchise tax, or license fee.

5. Term and Termination. This Agreement shall commence on the Effective Date and shall continue in full force and effect until [REDACTED], or until terminated by either Party pursuant to the termination rights set forth herein. Either Party may terminate this Agreement and/or an applicable Schedule due to a material breach of this Agreement and/or such applicable Schedule by the other Party if such material breach remains uncured for a period of thirty (30) days following receipt by the breaching Party of written notice given by the non-breaching Party specifying the breach; provided, that, if such breach is not reasonably capable of cure within such thirty (30)-day period the non-breaching Party may terminate this Agreement immediately upon notice to the breaching Party. Unless otherwise expressly provided in a Schedule, upon termination of this Agreement and/or any Schedule, Customer shall compensate REG pursuant to the terms of this Agreement and the applicable Schedule for products provided prior to the effective date of such termination. The provisions of this Agreement that, by their terms, are to survive the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement. Without limiting the generality of the foregoing, Sections 5 through 10 shall survive the termination or expiration of this Agreement. Such expiration or termination shall also not affect any liability or obligation that accrues prior to such expiration or termination, including, without limitation, any liability for loss or damage on account of breach hereof by either Party.

6. Confidential Information. For purposes of this Agreement, “**Confidential Information**” shall mean all information, data, or other materials disclosed or made available by or on behalf of the disclosing Party to the receiving Party, regardless of the manner, medium, or form in which it is communicated or maintained, and regardless of whether the same is owned by the disclosing Party or a third party. Confidential Information shall not include information that: (i) can be clearly demonstrated to be generally known or available to the public prior to the Effective Date, or becomes so after the Effective Date through no act or omission on the part of the receiving Party; (ii) was in the possession of or rightfully known by the receiving Party on a non-confidential basis prior to its disclosure under this Agreement, or becomes available to the receiving Party on a non-confidential basis from a source other than the disclosing Party, as evidenced by the receiving Party's written records, provided that the source of such information was not bound by a confidentiality agreement or other contractual, legal, or fiduciary obligation of confidentiality to any person with respect to such material; or (iii) is independently developed by the receiving Party without reference to any Confidential Information of the disclosing Party and without the participation of any receiving Party personnel who or which have had access to the disclosing Party's Confidential Information, in each case as evidenced by the receiving Party's written records. The receiving Party acknowledges and agrees any and all Confidential Information that it receives from the disclosing Party is confidential in nature, constitutes a valuable asset of the disclosing Party, and is properly the subject of protection. As a result, the receiving Party agrees as follows: (i) the receiving Party shall use the disclosing Party's Confidential Information only for the specific purpose for which it was provided in furtherance of the relationship between the Parties, except to the extent otherwise authorized in writing by the disclosing Party; (ii) as between the Parties, the disclosing Party's Confidential Information shall at all times be owned solely and exclusively by the disclosing Party and the receiving Party shall not have any right, title, or interest in or to any of the disclosing Party's Confidential Information; (iii) the receiving Party shall not disclose or communicate the disclosing Party's Confidential Information to any third party, except to the extent the disclosing Party has provided its prior written consent to such disclosure and such third party has agreed in writing to be bound by the terms of this Agreement; (iv) the receiving Party shall grant access to the disclosing Party's Confidential Information only to its personnel that have a need to know such Confidential Information for the purposes permitted under this Agreement, and only after such person has agreed in writing to be bound by the

terms of this Agreement or is otherwise subject to an existing obligation of confidentiality and non-disclosure with respect to such Confidential Information that is no less stringent than the obligations set forth herein, and the receiving Party shall be liable hereunder for any failure of its personnel to abide by the terms of this Agreement; (v) the receiving Party shall protect the disclosing Party's Confidential Information with the same degree of care as it uses to protect its own confidential information, but in no event shall the receiving Party use less than a commercially reasonable degree of care to protect the security of such Confidential Information; (vi) upon learning of any unauthorized disclosure or use of the disclosing Party's Confidential Information, the receiving Party shall promptly notify the disclosing Party of such unauthorized disclosure or use and fully cooperate with the disclosing Party to protect such Confidential Information; and (vii) the receiving Party shall comply with all applicable local, state, and federal laws, regulations, ordinances, and orders related to the permissible use of the disclosing Party's Confidential Information. Upon the written request of the disclosing Party, the receiving Party shall promptly return to the disclosing Party or destroy all or any part of the disclosing Party's Confidential Information. Upon such return or destruction, the receiving Party shall deliver to the disclosing Party a certificate signed by an authorized representative of the receiving Party, in a form satisfactory to the disclosing Party, certifying that the disclosing Party's Confidential Information specified in the request has been returned or destroyed. Notwithstanding the foregoing, the receiving Party shall be permitted to (i) retain the disclosing Party's Confidential Information in archival storage in accordance with its internal data retention policies (but only to the extent such retention is otherwise permitted by applicable law), and (ii) retain copies of the disclosing Party's Confidential Information to the extent necessary to comply with applicable legal and regulatory requirements.

7. Indemnification.

(a) Customer agrees to defend, indemnify, and hold REG, including its affiliates, and all of their respective officers, directors, agents, and employees (each, an "**REG Indemnitee**"), harmless from and against any and all claims, demands, liabilities, losses, damages, actions, judgments, costs, expenses, fines, and reasonable attorneys' fees (collectively, "**Claims**") asserted by a third party against any REG Indemnitee to the extent arising out of, related to, or in connection with: (A) any breach of this Agreement (including any Schedule) by Customer; (B) any damage to or loss or destruction of the Fuel Tank(s) while in the possession or under the control of Customer; (C) any fuel spills or leaks from the Fuel Tank(s), or other release of fuel into the environment, except to the extent caused by negligent acts or omissions of REG while refilling or servicing the Fuel Tank(s); (D) Customer's negligent acts, omissions, and/or willful misconduct; or (E) any violation by Customer of any federal, state, or local laws, regulations, ordinances, or orders.

(b) REG agrees to defend, indemnify, and hold Customer and all of its officers, directors, agents, and employees (each, a "**Customer Indemnitee**"), harmless from and against any and all Claims asserted by a third party against any Customer Indemnitee to the extent arising out of, related to, or in connection with: (A) any breach of this Agreement by REG; (B) REG's negligent acts, omissions, and/or willful misconduct; or (C) any violation by REG of any federal, state, or local laws, regulations, ordinances, or orders.

(c) Any Indemnitee seeking indemnification for a Claim made by a third party under this Section shall give prompt written notice to the indemnifying party of such Claim; provided, however, the failure by an Indemnitee to give such notice shall not relieve the indemnifying party of its obligations under this Section, except to the extent that the indemnifying party is materially prejudiced as a result of such failure. In addition, the Indemnitee shall allow the indemnifying party to direct the defense and settlement of any such Claim, with counsel of the indemnifying party's choosing, and shall provide the indemnifying party, at the indemnifying party's expense, with such information and assistance as is reasonably necessary for the defense and settlement of the Claim. The Indemnitee shall have the right to

employ separate counsel and to participate in (but not control) any such action, but the fees and expenses of such counsel shall be at the expense of the Indemnitee. The indemnifying party shall not consent to the entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to the Indemnitee a release from all liability with respect to the Claim.

8. LIMITATION OF LIABILITY. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, OR PUNITIVE DAMAGES ARISING OUT OF ANY BREACH OF THIS AGREEMENT.

9. Notice. All notices required under this Agreement or any Schedule shall be in writing and shall be considered given: (a) when delivered personally; (b) three (3) days after mailing, when sent certified mail, return receipt requested and postage pre-paid; or (c) one (1) business day after dispatch, when sent via a commercial overnight courier, fees pre-paid. All notices to REG shall be sent to: Renewable Energy Group, Attn: Jon Scharingson, 416 South Bell Avenue, Ames, IA 50010; with a copy to Renewable Energy Group, Attn: Matt Giles, 416 South Bell Avenue, Ames, IA 50010. All notices to Customer shall be sent to: _____.

10. General Provisions.

(a) **Entire Agreement.** This Agreement sets forth the entire and exclusive understanding and statement of the relationship between the Parties and supersedes, and hereby renders null and void, all previous or contemporaneous oral or written proposals, negotiations, arrangements, understandings, agreements, guidelines, representations, warranties, terms, conditions, covenants, and any other communication between the Parties, including their respective officers, employees, agents, or affiliates, relating to the subject matter of this Agreement. In the event of a conflict between or among the provisions of this Agreement, a Schedule, or a Sales Contract, the terms of such documents shall control in this order of precedence: (i) Sales Contract, (ii) a Schedule, and (iii) this Agreement. Any pre-printed terms and conditions on any materials that either Party uses (e.g., purchase orders, order forms, invoices) are null and void and of no consequence whatsoever in interpreting the Parties' legal rights and responsibilities hereunder.

(b) **Assignment.** Notwithstanding any term or condition in this Agreement that may appear to be to the contrary, neither this Agreement, nor any rights or obligations of either Party, may be assigned, delegated, or subcontracted unless such assignment, delegation, or subcontract is in writing and consented to in writing by the other Party. Any attempt by either Party to assign, delegate, or subcontract this Agreement other than as permitted herein shall be null and void.

(c) **Amendments.** No amendment, change, or modification of any of the terms, provisions, or conditions of this Agreement shall be effective unless such amendment is clearly identified as an amendment to this Agreement, made in writing, and signed by authorized personnel of both Parties.

(d) **Waiver.** No failure or delay on the part of either Party in exercising any right, power, or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power, or remedy. No waiver of any breach of this Agreement shall be effective unless in writing and signed by an authorized representative of the non-breaching Party. Any waiver of any provision of this Agreement, and any consent to any departure from the terms of any provision of this Agreement, shall be effective only in the specific instance and for the specific purpose for which made or given.

(e) **Severability.** In the event any provision of this Agreement is held invalid, illegal, or unenforceable, in whole or in part, the remaining provisions of this Agreement shall not be affected thereby and shall continue to be valid and enforceable. In the event any provision of this Agreement is held to be unenforceable as written, but enforceable if modified, then such provision shall be deemed to be amended to such extent as shall be necessary for such provision to be enforceable and it shall be enforced to that extent.

(f) **Parties in Interest.** This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective legal representatives, heirs, and permitted successors and assigns. Nothing in this Agreement, express or implied, is intended to confer, or shall confer, upon any person, other than the Parties (and their respective legal representatives, heirs, and permitted successors and assigns), any rights, remedies, obligations, or liabilities under or by reason of this Agreement; provided, however, that the persons indemnified hereunder shall have the right to enforce the indemnification provisions of this Agreement.

(g) **Remedies not Exclusive; Specific Performance.** Unless otherwise expressly stated herein, the rights and remedies of each Party under this Agreement are cumulative and not exclusive of any rights or remedies to which a Party is entitled at law, in equity, or otherwise. The exercise by either Party of any right or remedy under this Agreement or under applicable law shall not preclude such Party from exercising any other right or remedy under this Agreement or to which it is entitled by law, in equity, or otherwise.

(h) **Change in the Law.** Should any federal, state, or local statute, regulation, ordinance, incentive, or tax credit change in a manner that materially advantages or disadvantages a Party (in each Party's sole judgment), the Parties agree to, in good faith, renegotiate this Agreement to account for such change. Should that renegotiation be unsuccessful, then the disadvantaged Party may, at its sole discretion, unilaterally terminate this Agreement and all of each Parties' rights, duties, and obligations under this Agreement shall terminate and be of no further force and effect thirty (30) days after such Party provides written notice to the other Party that it does not believe in good faith that efforts to renegotiate the Agreement will be successful.

(i) **Force Majeure.** Neither Party shall be liable to the other for any delay or failure in performance hereunder to the extent that it is caused by circumstances beyond its reasonable control, including fire, explosion, plant or equipment failure, flood, earthquake, storm, act of God, sabotage or vandalism, strike or other labor disturbance, interruption of utility services, or compliance with any law, regulation, or order of any governmental or military authority ("Force Majeure Event"), provided that the Party invoking the Force Majeure Event agrees to (i) give prompt written notice of the Force Majeure Event; (ii) take all steps reasonably necessary to mitigate the effects of the Force Majeure Event; and (iii) if a Force Majeure Event extends for a period in excess of sixty (60) days in the aggregate, either Party may immediately terminate this Agreement upon written notice.

(j) **Construction.** This Agreement shall not be construed more strongly against either Party regardless of which Party was more responsible for its preparation.

(k) **Counterparts.** This Agreement may be executed in counterparts, each of which shall constitute an original, and all of which together shall constitute one and the same instrument. Any signatures to this Agreement transmitted by facsimile or electronic means shall have the same force and effect as original signatures.

(l) **Governing Law.** This Agreement shall be governed by and construed in accordance with the substantive laws of the state of Iowa, without giving effect to any conflict of law principles that may require the application of the laws of another jurisdiction.

(m) **Consent to Jurisdiction.** Each of the Parties hereby irrevocably submits to the exclusive jurisdiction of any United States District Court or Iowa District Court in any action or proceeding arising out of or relating to this Agreement, and each Party hereby irrevocably agrees that all claims in respect of such action or proceeding shall be heard and determined in either of such courts. Each of the Parties irrevocably waives any objection, including, without limitation, any objection on the grounds of forum nonconveniens, which it may now or hereafter have to the bringing of any such action or proceedings in such respective jurisdictions. In addition, the Parties agree that neither of them shall commence any action arising out of or relating to this Agreement in any court other than the United States District Court or the Iowa District Court.

(n) **WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT, OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF THE PARTIES IN THE PERFORMANCE OR ENFORCEMENT HEREOF.**

IN WITNESS WHEREOF, the authorized representatives of the Parties have executed this Agreement effective as of the Effective Date.

[Customer]

REG Marketing & Logistics Group, LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Schedule A

SALES CONTRACT

This Sales Contract (“Sales Contract”) is made and entered into as of [REDACTED], 2019 (the “Effective Date”), by and between [REDACTED] (“Customer”) and REG Marketing & Logistics Group, LLC (“REG”). Customer and REG may each be referred to hereafter individually as a “Party”, and collectively as the “Parties”.

WHEREAS, subject to the terms and conditions of this Sales Contract, Customer desires to exclusively purchase B99 biodiesel fuel manufactured by REG (the “Product”) and REG desires to be the exclusive provider of the Product to Customer; and

NOW, THEREFORE, in consideration of the mutual covenants and agreements stated below, the Parties agree as follows:

1. Exclusive Purchase and Sale of Product; Price. Subject to the terms and conditions of this Sales Contract, during the Term, Customer shall purchase exclusively from REG, and REG shall sell to Customer, one hundred percent (100%) of Customer’s requirements for the Product at a purchase price that is five (5) cents per gallon less than the Des Moines area Gross Rack Average price per gallon for #2 Ultra Low Sulfur Diesel (ULSD), as published by the Iowa Department of Transportation. This Sales Contract does not limit REG’s right to manufacture or sell, or preclude REG from manufacturing or selling, to any person or entity, or entering into any agreement with any other person or entity related to the manufacture or sale of, the Product and other goods or products that are similar to or competitive with the Product.

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2. Ordering Procedure. From time-to-time during the Term, Customer shall issue to REG purchase orders for the purchase and delivery of the Product. By issuing a purchase order, Customer makes an offer to purchase the Product pursuant to the terms and conditions of this Sales Contract, and on no other terms. For the avoidance of doubt, any variations made to the terms and conditions of this Sales Contract by Customer in a purchase order are void and have no effect. REG accepts a purchase order by confirming the order in writing or by delivery the Product to Customer, whichever occurs first. REG may reject a purchase order or cancel a previously accepted purchase order, which it may do without liability or penalty if: (a) Customer has failed to pay any amount when due under this Sales Contract or under any previous purchase order; (b) Customer has breached any of its duties or obligations under this Sales Contract and such breach remains uncured at the time such purchase order was made or after such purchase order was made but where the Product to be sold under such purchase order has not been delivered to Customer; or (c) REG reasonably believes that Customer is in breach of any of its duties or obligations under this Sales Contract at the time such purchase order was made or after such purchase order was made but where the Product to be sold under such purchase order has not been delivered to Customer. From time-to-time, Customer shall, upon the request of REG, provide REG with an estimated forecast of Customer’s requirements for the Product for the time period stated in REG’s request, which forecast shall approximate, as nearly as possible based on information available at the time to Customer, the quantity of the Product that Customer may order for such period. Forecasts are for informational purposes only and do not create any binding obligations on behalf of either Party; provided, however, that REG shall not be required to sell or deliver to Customer any quantity of Product that is unreasonably disproportionate to any forecast for the period covered by such forecast.

3. Delivery Terms. All Product shall be delivered to Customer at the address listed in the purchase order (the “FOB Point”). Unless otherwise expressly agreed by the Parties in writing, REG shall select the method of shipment of and the carrier for the Product. REG may, in its sole discretion, without

liability or penalty, make partial shipments of Product to Customer. Each shipment will constitute a separate sale to Customer and Customer shall pay for the Product shipped, whether such shipment is in whole or partial fulfillment of a purchase order. Any time quoted for delivery is an estimate only; provided, however, that REG shall use commercially reasonable efforts to deliver all Product on or before the delivery date requested in a purchase order. Customer, its agents, or subcontractors shall coordinate with REG in advance on a schedule for Product delivery or other suitable arrangement. Title and risk of loss shall pass to Customer as Product transfers from the exit flange of REG's freight truck to Customer's input flange at its receiving tank located at the FOB Point. REG shall retain title to any vapors or condensate recovered during delivery. Customer shall pay for or be charged back for all transport costs incurred by REG in delivering Product to the FOB Point. Customer will notify REG at least 24 hours in advance of any required delivery; Customer is responsible for additional costs associated with loads ordered within 24 hours of delivery. Customer will be allowed one (1) hour for truck unloading and will be charged \$75.00 per hour thereafter for truck detention. Customer is responsible for costs associated with unloading and incomplete unloading. If Customer does not take delivery of Product at the contracted-specified time, Customer agrees to pay a roll fee of \$0.05 per gallon (\$150.00 minimum) plus an additional \$0.05 per gallon for each 30 day period thereafter until Customer takes delivery. All charges will be billed monthly and include substantiating documentation.

4. Measurement. All volumes delivered shall be temperature-adjusted to 60°F via built-in temperature compensators or ASTM tables. Either Party may require that Product quantity be determined by a jointly selected, licensed petroleum inspector, whose findings shall be conclusive. Customary inspection costs shall be shared equally; additional services shall be paid by the requesting Party. "Gallon" means a U.S. gallon of 231 cubic inches. All measurements/tests shall be in accordance with the latest ASTM standards or guidelines. Objections to measurements, including claims for shortage, for quantities delivered by REG must be made to REG within thirty (30) calendar days of the delivery date.

5. Product Certification. Upon Customer's request, at invoicing, REG will make available to Customer: (i) a Certificate of Analysis for each B100/B99.9 load and (ii) a Product safety data sheet, which may be updated from time to time.

6. Warranties; Disclaimer. The following are the sole warranties made by REG with respect to the Product:

a. Warranty of Quality. All Product supplied to Customer under this Sales Contract shall comply with the current ASTM D6751 specification.

b. Warranty of Title. REG warrants that it has good title to any Product sold and delivered hereunder, free of all liens, charges, encumbrances, pledges or security interests.

EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION 7, REG MAKES NO AND HEREBY DISCLAIMS ALL OTHER EXPRESS AND IMPLIED REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE PRODUCT INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND IMPLIED WARRANTIES ARISING FROM A COURSE OF DEALING OR PAST PERFORMANCE, USAGE OR TRADE PRACTICE. OTHER THAN AS SET FORTH IN SECTION 7(A), REG MAKES NO REPRESENTATIONS AS TO THE QUALITY, SUITABILITY OR ADEQUACY OF THE PRODUCT. THE FORGOING DISCLAIMERS SHALL APPLY EVEN IF THE EXPRESS, LIMITED WARRANTY SET FORTH IN THIS SECTION 7 FAILS OF ITS ESSENTIAL PURPOSE.

7. Credits.

a. RINS. All Renewable Identification Numbers (“RINS”) generated as a result of REG’s production of Product shall remain the sole property of REG.

b. Tax Credits. REG shall have the right to claim and receive all federal and state tax credits available as a result of Product sales hereunder. In the event that the Biodiesel Mixture Excise Tax Credit (under 26 U.S. Code 6426) or any substantially equivalent federal tax incentive that may be enacted and claimed as the result of selling Product, including, without limitation a production tax credit (“BTC”), is enacted after the Effective Date, REG shall receive 100% of the BTC. REG shall be the blender of record (“Blender of Record”) on all sales hereunder. The forgoing shall apply even if the BTC is enacted retroactively. The Parties shall make all necessary reasonable efforts to ensure that the BTC is fully available to the Blender of Record, including, but not limited to, filing or causing to be filed all tax returns and related tax papers necessary to apply for and obtain the BTC.

c. Carbon Credits. All carbon credits as a result of Product sales hereunder shall remain REG’s property, including, but not limited to, Low Carbon Fuel Standard credits generated by REG in the State of California.

8. Customer Claims; Remedies. If Customer discovers that any Product tendered fails to comply with the warranties in Section 6 (the “Limited Warranties”), Customer agrees to provide REG prompt written notice and, upon request, a representative Product sample within five (5) days of such request. For any Product failing to meet the Limited Warranties, if Customer timely notifies REG (i) prior to Product delivery, Customer may reject same; or (ii) after Product delivery, as Customer’s exclusive remedy, REG will, within a reasonable period of time, at REG’s option and cost (including return/redelivery expense), remedy the defect in, replace, or refund the purchase price of the Product; provided that, in either case the Parties may negotiate a mutually agreed price adjustment or other resolution. If Customer fails to notify REG of a defect within fifteen (15) days of Product delivery, such delivery shall, for all purposes, be deemed to be free of any defects and operate as Customer’s waiver and release of REG of any liability in respect to such claim.

9. Compliance with Law. Each Party (on behalf of themselves, and their respective employees and agents) agrees to comply with all applicable laws, regulations, and standards for Product manufacture, storage, sale, transportation, and disposition. Any commodities, technology or software associated herewith must be exported from the U.S. in accordance with the Export Administration Regulations. Diversions contrary to U.S. law are prohibited. Customer agrees that Product purchased hereunder shall be used as a fuel per Internal Revenue Code (“IRC”) Section 40A(b)(1)(B) and shall not be separated per IRC Section 40A(d)(3)(A). Should REG be notified or otherwise become aware of its disqualification for potential receipt of the biodiesel mixture credit under IRC Section 6426 for all or any part of any sale to Customer, REG shall have the right thereafter to cancel all or any part of any such sales made under this Sales Contract. If such disqualification is as a result of Customer’s actions, Customer shall reimburse REG for the amount of any credit which REG fails to receive or has to pay back on any completed sales.

10. Change in Law. Should any federal, state or local statute, regulation, ordinance, incentive, or tax credit change in a manner that materially advantages or disadvantages a Party (in each Party’s sole judgment), the Parties agree to, in good faith, renegotiate this Sales Contract to account for such change. Should that renegotiation be unsuccessful, then the disadvantaged Party may, at its sole discretion, unilaterally terminate this Sales Contract and all of each Parties’ rights, duties and obligations under this Sales Contract shall terminate and be of no further force and effect thirty (30) days after such Party provides written notice to the other Party that it does not believe in good faith that efforts to renegotiate the Sales Contract will be successful.

Schedule B

FUEL TANK LEASE

This Fuel Tank Lease (the "Lease") is effective as of the Effective Date by and between REG and Customer. The Parties agree as follows:

1. Lease; Term. REG agrees to lease to Customer, and Customer agrees to lease from REG, the Fuel Tank(s) described more fully in the schedule attached hereto as **Schedule B-1** subject to the terms of this Lease. This Lease is a non-cancelable lease. Customer's obligation to make all payments and other amounts under the Lease is absolute and unconditional and is not subject to any abatement, counterclaim, defense, deferment, interruption, recoupment, reduction, or setoff for any reason whatsoever. Unless terminated earlier as set forth herein, the term of this Lease shall commence on the Effective Date and continue for one (1) year. This Lease shall automatically renew for additional terms of one (1) year, unless either party provides at least thirty (30) days' written notice to the other party of its intent not to renew the Lease. The initial term and any renewal terms, if applicable, are hereinafter referred to as the "**Lease Term.**"

2. Lease Payments. Customer shall pay to REG one dollar (\$1.00), in addition to other good and valuable consideration, including entering into a Sales Contract in exchange for REG leasing the Fuel Tank(s) to Customer.

3. Title; Delivery and Acceptance. The Fuel Tank(s) is and shall remain REG's sole and exclusive property and Customer shall have the right to peacefully possess and use the Fuel Tank(s) during the Lease Term provided Customer is not in breach of this Lease. REG shall install the Fuel Tanks at the location specified in Schedule B-1. Customer shall promptly inspect the Fuel Tank(s) upon delivery and promptly notify REG of any defects in the Fuel Tank(s). The Fuel Tank(s) will be irrevocably accepted by Customer upon: (a) at REG's request, the delivery to REG of a signed delivery and acceptance certificate acceptable to REG; or (b) ten (10) days after delivery of the Fuel Tank(s) to Customer if previously REG has not received written notice from Customer of Customer's non-acceptance.

4. UCC True Lease.

(a) The parties intend that the Lease, including Schedule B-1, constitutes a true lease under the Uniform Commercial Code Chapter 554, Code of Iowa (the "**UCC**"), and not an Article 9 Security Interest, and the filing of a UCC financing statement, UCC fixture filing, or other similar filing or recording shall not be evidence to the contrary. REG shall have title to the Fuel Tank(s) at all times. Customer acquires no ownership, title, property, right, equity, or interest in the Fuel Tank(s) other than its leasehold interest solely as Customer subject to all the terms and conditions of the Lease. REG and Customer agree that no Fuel Tank constitutes a fixture or real property and the filing of any UCC fixture filing shall not be evidence to the contrary. **TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, CUSTOMER WAIVES ANY AND ALL RIGHTS AND REMEDIES CONFERRED UPON A CUSTOMER BY ARTICLE 13 OF THE UCC, including, without limitation, Iowa Code § 554.13508 through § 554.13522.** If REG feels it is necessary, Customer agrees to provide REG with waivers of interest or liens in each Fuel Tank from anyone claiming any interest in the real estate on which any Fuel Tank is located.

(b) Customer authorizes REG to file UCC financing statements, UCC fixture filings, and other similar filings and recordings with respect thereto. Customer agrees not to file any corrective or termination statements or partial releases with respect to any UCC financing statement, UCC fixture

filing, or other similar filings, or recordings filed by REG in connection with any Fuel Tank except (i) if REG fails to file a corrective or termination statement or release on request from Customer after the expiration or earlier termination of, or release from, any Lease pursuant to any applicable provision of the Lease or (ii) if not permitted by clause (i), with REG's consent.

5. Tax Lease.

(a) Unless otherwise provided in the Schedule, REG and Customer acknowledge and agree that they are entering into the Lease on the income tax assumption that (a) REG will be treated for all federal income tax purposes (and to the extent allowable, for state and local tax purposes) as the owner of all Fuel Tank(s) leased pursuant to the Lease, (b) for all federal income tax purposes (and to the extent allowable, for state and local tax purposes), this Lease will be treated as a "true lease" of the Fuel Tank(s), and (c) REG is entitled to all deductions, credits, and other tax benefits that are provided in the Internal Revenue Code of 1986, as amended, to an owner of property ("**Tax Benefits**"). Notwithstanding the foregoing, Customer and REG each acknowledge and represent to the other that (a) each has made its own independent and separate analysis of the tax treatment and characterization for tax purposes of any Tax Benefits under this Lease, and (b) neither is relying on any representation, analysis, or advice of the other as to any tax treatment or characterization for tax purposes of any Tax Benefits under this Lease.

(b) Customer shall not take or omit to take any action that results in the disqualification of the Fuel Tank(s) for, or recapture of, all or any portion of the Tax Benefits. Without limiting the foregoing, Customer agrees that Customer will not at any time file any federal, state, or local income tax return that is inconsistent with the assumptions set forth in Section 5(a). Customer will file such returns, execute such documents, and take such actions as may be reasonable and necessary to facilitate accomplishment of the intent hereof. Customer will maintain sufficient records to enable REG to determine and verify REG's federal and state income tax liability with respect to the transactions contemplated herein and to determine and verify REG's potential tax liability with respect to each other taxing jurisdiction. In addition, within thirty (30) days after notice, Customer shall provide such information as REG may reasonably request to enable REG to fulfill its tax return filing obligation, to respond to requests for information, to verify information in connection with any income tax audit, and to participate effectively in any tax contest.

(c) If, as a result of a breach of any representation, warranty, or covenant of Customer: (a) REG determines that it is not entitled to claim on its federal income tax return all or any portion of the Tax Benefits; (b) any Tax Benefit claimed on REG's federal income tax return is disallowed or adjusted by the Internal Revenue Service; or (c) any Tax Benefit is recomputed or recaptured, Customer shall promptly pay to REG the amount, as determined by REG, of REG's net after-tax rate of return on such Fuel Tank(s) that would have been in effect on the date of the breach, had REG been entitled to use all of the Tax Benefits for such Fuel Tank(s), minus REG's actual net after-tax rate of return with respect to such Fuel Tank(s). The indemnities and assumptions of liability provided herein and all of REG's rights and privileges herein will inure to the benefit of REG's successors and assigns and will continue in full force and effect notwithstanding the expiration or termination of this Lease.

6. Exclusion of Warranties. REG MAKES NO WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, INCLUDING ANY (A) WARRANTY OF MERCHANTABILITY, (B) WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, (C) WARRANTY AGAINST INTERFERENCE, OR (D) WARRANTY AGAINST INFRINGEMENT OF ANY PATENT, COPYRIGHT, TRADEMARK, TRADE SECRET, OR OTHER PROPRIETARY RIGHTS OF A THIRD PARTY, WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE. CUSTOMER AGREES THAT REGARDLESS OF CAUSE, REG IS NOT RESPONSIBLE FOR AND CUSTOMER WILL NOT

ASSERT ANY CLAIM AGAINST REG FOR ANY LOSS, DAMAGE, OR INJURY CAUSED OR ALLEGED TO BE CAUSED DIRECTLY, INDIRECTLY, INCIDENTALLY, OR CONSEQUENTIALLY BY THE FUEL TANK(S), ANY INADEQUACY, DEFICIENCY, OR DEFECT OF OR RELATED TO THE FUEL TANK(S), OR BY ANY INCIDENT WHATSOEVER IN CONNECTION WITH THE FUEL TANK(S), ARISING IN STRICT LIABILITY, NEGLIGENCE, OR OTHERWISE, OR IN ANY WAY RELATED TO OR ARISING OUT OF THIS LEASE. REG MAKES NO WARRANTY AS TO THE TREATMENT OF THIS LEASE FOR TAX OR ACCOUNTING PURPOSES.

7. Fuel Sales Contracts. Customer will purchase transportation fuel from REG under the terms and conditions as set forth in the Sales Contract. A breach of the Sales Contract shall constitute a material breach of this Lease and an Event of Default (as defined below).

8. Customer's Representations and Warranties. Customer represents and warrants to REG:

(a) Customer is duly organized, validly existing, and in good standing in the jurisdiction of its organization; has all requisite right, power, and authority to execute, deliver, and perform its obligations under this Lease; and is duly authorized or qualified to do business and is in good standing in the jurisdiction in which it is using the Fuel Tank(s).

(b) Customer has full corporate power and authority to enter into the Lease, to carry out its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby. The execution and delivery by Customer of this Lease, the performance by Customer of its obligations hereunder, and the consummation by Customer of the transactions contemplated hereby have been duly authorized by all requisite action on the part of Customer. This Lease has been duly executed and delivered by Customer, and this Lease constitutes a legal, valid, and binding obligation of Customer enforceable against Customer in accordance with its terms.

(c) The execution, delivery, and performance by Customer under this Lease, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the certificate of incorporation, by-laws, or other organizational documents of Customer; (b) conflict with or result in a violation or breach of any provision of any applicable law; (c) require the consent of, notice to, or other action or, conflict with, result in a violation or breach of any other Lease, or constitute an Event of Default; or (d) result in the creation or imposition of any liens, security interests, or encumbrances on any Fuel Tank(s).

(d) No consent, approval, permit, order, declaration, or filing with, or notice to, any governmental authority is required by or with respect to Customer in connection with the execution of this Lease and the consummation of the transactions contemplated hereby and thereby.

(e) There are no actions, suits, claims, investigations, or proceedings pending or, to Customer's knowledge, threatened against or by Customer: (a) relating to or affecting Customer or any of Customer's property; or (b) that challenge or seek to prevent, enjoin, or otherwise delay the transactions contemplated by the Lease. At any time during the Term, if Customer shall become aware of any such action, suit, claim, investigation, or proceeding, Customer shall notify REG within fifteen (15) days of becoming aware of such matter.

(f) All permits, licenses, franchises, approvals, authorizations, registrations, certificates, variances, and similar rights ("**Permits**") obtained, or required to be obtained, from a governmental authority required for Customer to lease and use the Fuel Tank(s) have been obtained by

Customer and at all times during the Lease Term shall be valid and in full force and effect. All fees and charges with respect to the Permits will be paid in full.

9. Customer's Use of Fuel Tank(s). Customer shall keep and maintain the Fuel Tank(s) in good repair, condition, and working order, ordinary wear and tear excepted, and shall be responsible for any fuel spills or leaks from the Fuel Tank(s), except to the extent caused by negligent acts or omissions of REG while refilling or servicing the Fuel Tank(s). Customer shall grant access to the location of the Fuel Tank(s) to allow REG and/or its designated representative to install, refill, and service the Fuel Tank(s). Customer may not sublease the Fuel Tank(s) without REG's prior written consent. Customer may not move any Fuel Tank(s) from the location where it was installed by REG without REG's prior written consent. The parties intend that the Fuel Tank(s) remains at all times personal property and not a fixture under applicable law, even if the Fuel Tank(s), or any part thereof, may be or becomes affixed or attached to real property or any improvements. Upon REG's written request, Customer shall obtain and provide to REG, from each real property landlord, mortgagee, or lienholder for the location where the Fuel Tank(s) is located, a waiver of any interest that it may have in the Fuel Tank(s) arising from its interest in the real property. Customer, at its own expense, shall: (a) maintain all Fuel Tank(s)-related records, logs, and other materials in a manner no less comprehensive or accurate than Customer's normal customary practices with respect to Customer's similar equipment and as required by applicable law; and (b) promptly furnish to REG such records as may be required to enable REG to file any ownership or other reports required to be filed by REG with any governmental authority. Customer shall permit REG and/or its representatives, on reasonable notice, to inspect the Fuel Tank(s) and related records during regular business hours, and in compliance with Customer's reasonable security procedures. Customer agrees to provide REG with a agreement from anyone claiming any interest in the real estate on which any Fuel Tank is located or installed, granting REG access to the real estate to install, remove, refill, service, or inspect the Fuel Tank(s). Unless Customer has elected to renew this Lease, Customer shall during the last two (2) months of the Term, on REG's written notice, cooperate with REG's efforts to sell or lease the Fuel Tank(s), including, without limitation, permitting prospective purchasers or customers to fully inspect the Fuel Tank(s) and any applicable records during reasonable hours and in compliance with Customer's reasonable security procedures.

10. Loss. Customer shall bear all risk of loss, damage, destruction, theft, and condemnation to or of the Fuel Tank(s) from any cause whatsoever, other than those arising as a direct and proximate result of the gross negligence or willful misconduct of REG or its representatives ("**Loss**") whether or not insured, until the Fuel Tank(s) has been returned to REG. Customer shall promptly notify REG in writing of any Loss. In the event of any Loss, at REG's option, Customer shall either (i) repair the Fuel Tank(s) so that it is in good condition and working order or (ii) replace the Fuel Tank(s) with like equipment in good repair and working order, with clear title, whereupon such Fuel Tank(s) shall be subject to this Lease. No Loss shall relieve Customer from its payment obligations under this Lease.

11. Insurance. Customer, at its sole cost and expense, shall obtain (i) property insurance against the destruction of or loss to the Fuel Tank(s) for an amount at least equal to the full replacement value, ~~without deductible and without co-insurance~~, and (b) commercial general liability insurance in an amount not less than two million dollars (\$2,000,000) per occurrence and two million dollars (\$2,000,000) in the aggregate, and (c) environmental liability insurance (including clean-up costs) for pollution events with limits of liability of at least two million dollars (\$2,000,000) per occurrence and two million dollars (\$2,000,000) in the aggregate. Such insurance shall be in a form, amount, and with companies acceptable to REG and name REG as the sole named loss payee (on the property insurance policy) and name REG as an additional insured (on the commercial general liability insurance policy). Customer shall require its insurers to waive any and all rights of subrogation against REG.

12. Default. Each of the following events is an “**Event of Default**”: (a) if Customer fails to pay any amount or sum due REG within ten (10) days after the same is due and payable under this Lease, (b) if Customer fails to perform any other obligation under this Lease or in any other agreement (including a Sales Contract) with REG or with any affiliate of REG and such failure continues unremedied or without cure for ten (10) days after REG gives Customer notice specifying such failure, (c) if Customer becomes insolvent, dissolves or is dissolved, or assigns its assets for the benefit of its creditors, or any proceeding in bankruptcy, receivership, reorganization, or liquidation is instituted or filed by or against Customer, (d) if Customer suffers a material adverse change or a material deterioration in its financial condition or operations, or (e) if Customer merges or consolidates with or into another entity without REG’s consent. If an Event of Default occurs, REG may do one or more of the following: (i) recover from Customer all delinquent payments and other delinquent amounts, (ii) declare Customer in default and terminate this Lease, (iii) require Customer to immediately pay REG and declare immediately due and payable, as compensation for loss of bargain and not as a penalty, the present value of all unpaid amounts under this Lease and the Sales Contract for the remainder of the Lease Term discounted to the date of the Event of Default at the lesser of (A) a per annum interest rate equivalent to that of a U.S. Treasury constant maturity obligation (as reported by the U.S. Treasury Department) that would have a repayment term equal to the remaining unexpired Term, all as reasonably determined by REG or (B) three percent (3%) per annum, to the extent permitted by applicable law, and (iv) exercise any other right or remedy available to REG at law or in equity or under this Lease. After an Event of Default, Customer shall pay interest on all past due amounts, from the later of the date of the Event of Default or the date such amount was due until paid at an interest rate equal to twenty-one percent (21%) per annum or, if less, the maximum rate allowed by law. The remedies provided by this Lease in favor of REG shall not be exclusive, but shall be cumulative and in addition to all other remedies in REG’s favor existing at law or equity.

**Schedule B-1
Fuel Tanks and Locations**

**OPTIMUS TECHNOLOGIES, INC.
CUSTOMER AGREEMENT**

This **CUSTOMER AGREEMENT** (this "Agreement") is effective as of _____, 2019 (the "Effective Date"), by and between **OPTIMUS TECHNOLOGIES, INC.**, a Pennsylvania corporation with its principal offices at 6901 Lynn Way, Pittsburgh, PA 15208 ("OPTIMUS"), and _____, a(n) _____ with its principal offices at 515 Clark Ave. Ames, IA 50010 ("Customer"). For the purposes of this Agreement, OPTIMUS and Customer are sometimes referred to individually as a "Party" and collectively as the "Parties".

RECITALS

WHEREAS, OPTIMUS is engaged in the business of: (A) designing, developing, manufacturing, implementing, installing, and maintaining fuel systems that utilize renewable fuels; and (B) educating individuals and entities regarding such fuel systems and renewable fuels; and

WHEREAS, Customer desires to purchase the fuel systems from OPTIMUS and further engage OPTIMUS to perform the Services (as defined in **Section 1**) for and on the Customer's Original Vehicles (as defined herein), and OPTIMUS desires to sell the systems and undertake the Services upon such Original Vehicles, upon the terms, and subject to the conditions, set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, and intending to be legally bound hereby, the Parties agree as follows:

1. Scope of Work.

OPTIMUS, or a subcontractor acting on OPTIMUS' behalf, shall provide to Customer the core system components and goods for the fuel systems, and all software and technology integrated into the fuel systems, as more fully described and detailed on **Exhibit A** attached hereto and made a part hereof by this reference (the "Goods"), and perform and provide those installation, implementation, and training services specifically identified on **Exhibit A** (the "Services") in accordance with the terms and conditions of this Agreement during the Term (as defined in **Section 2**). The Services will also include an "Annual Technology Subscription" and the "Installation Services" as described in **Exhibit A**. The Parties acknowledge that OPTIMUS may, if identified on **Exhibit A**, provide Goods, Services, or both Goods and Services. The provision of Goods and Services hereunder may be together referred to herein as the "Work". The Work identified in this Agreement cannot be changed or cancelled, in whole or in part, without OPTIMUS' prior written consent (except as provided in **Section 8(B)**). In the event Customer requests such change or cancellation, it shall be at OPTIMUS' sole option and subject to extra charges and changes in terms as reasonably determined by OPTIMUS in its sole discretion. If OPTIMUS elects to use subcontractors to perform any of the Work and selects the subcontractors itself, it shall be fully responsible for the acts or omissions of the subcontractors. If Customer directs OPTIMUS to work with particular subcontractors of Customer's choosing, OPTIMUS will not be responsible for the acts or omissions of such subcontractors.

2. Term.

A. The term of this Agreement shall commence on the Effective Date first set forth above and shall remain in effect until the later to occur of the following: (i) expiration of the applicable warranty period for the Goods; (ii) completion of the performance of the Services and expiration of the applicable warranty period for the Services; and (iii) expiration or termination of the Annual Technology Subscription (the "Term") unless earlier terminated pursuant to the express terms set forth in **Section 8** herein.

B. **Sections 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19 and 21 and Exhibit D** hereof shall survive the expiration or termination of this Agreement.

3. Pricing and Payment Terms.

A. The price of the Work shall be those amounts set forth on **Exhibit B** attached hereto and made a part hereof by this reference (the "Price").

B. Unless otherwise set forth on **Exhibit B**, Customer shall make payments for the Goods and for the Services in accordance with the payment schedule set forth on **Exhibit B**. If no such milestone schedule is set forth on **Exhibit B**, OPTIMUS shall invoice that portion of the Price allocable to the Work completed during that calendar month or as otherwise set forth on **Exhibit B**.

C. Unless otherwise set forth on **Exhibit B**, Payments due to OPTIMUS shall be made by Customer no later than thirty (30) days after the date of Customer's receipt of an applicable invoice (the "Payment Period"). All payments shall be in U.S. Dollars. OPTIMUS shall be entitled to charge to Customer interest at a monthly rate equal to the lesser of one and one-half percent (1.5%) or the highest rate permitted by applicable law in the event payments are not remitted on or before their respective due dates.

D. In addition to the Price, Customer shall also be responsible for, and shall timely pay, any and all taxes, duties, assessments or charges (including, without limitation, sales taxes, if applicable) levied by any taxing authority with respect to the Goods and Services (except for income-related taxes incurred by OPTIMUS) ("Taxes"). OPTIMUS shall include the applicable Taxes on each invoice to Customer, and upon payment by Customer, shall timely remit the Taxes to the applicable taxing authority. Upon request, Customer shall supply OPTIMUS copies of evidence of payment of or exemption from any taxes, duties, assessments or charges which Customer is obligated to pay.

4. Completion, Acceptance, and Warranty.

When the Installation Services for the Customer's Original Vehicles meet the completion criteria attached as **Attachment 2** to **Exhibit A** (the "Completion Criteria"), OPTIMUS or its approved installer (the "Authorized Installer") shall so notify Customer and provide Customer a certificate certifying that the Completion Criteria have been met and the date thereof in the form attached hereto as **Attachment 1** to **Exhibit A** (such notice, the "Notice of Completion and Acceptance of Installation Services").

Customer shall either (i) reject such Notice of Completion and Acceptance of Installation Services and refuse to accept the Work, and state what Completion Criteria the Authorized Installer failed to achieve; or (ii) accept the Work and sign the Notice of Completion and Acceptance of Installation Services, with acceptance of all Goods and Services provided as part of the Installation Services being deemed to occur on the date set forth in such Notice of Completion and Acceptance of Installation Services.

If Customer rejects the Work, Authorized Installer shall (i) promptly correct the problem(s); or (ii) provide to Customer a plan and schedule for remedying the deficiencies specified in Customer's rejection if the corrections cannot occur immediately. Authorized Installer shall carry out such correction or plan at its own cost and expense, and, upon completion thereof, shall issue a new Notice of Completion and Acceptance of Installation Services.

The foregoing procedure shall be repeated until such time that either party provides a notice to terminate the specific Installation Services project, in accordance with **Section 8** hereof. To the extent Customer has not, within sixty (60) days of initial delivery of the Notice of Completion and Acceptance of Installation Services either: (x) signed and delivered to OPTIMUS the Notice of Completion and Acceptance of Installation Services, or (y) provided a notice of termination in accordance with **Section 8** hereof, the Installation Services project shall be deemed to be fully accepted by Customer.

If, following acceptance, Customer determines that the Goods or Services are not in conformity with the scope of Work set forth on **Exhibit A**, it shall immediately notify OPTIMUS in writing and pursue, if available, a permitted warranty claim in accordance with the provisions set forth in the OPTIMUS Statement of Warranty set forth in **Exhibit C** of this Agreement attached hereto and made a part hereof by this reference, which serves as the sole and exclusive warranty for the Work.

5. Limitation of Liability.

A. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT (AND EXCEPTING OPTIMUS' INDEMNIFICATION OBLIGATIONS FOR THIRD PARTY CLAIMS, DAMAGES CAUSED BY A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR BREACHES OF **SECTION 11**), IN NO EVENT SHALL EITHER PARTY BE RESPONSIBLE OR LIABLE TO THE OTHER FOR SPECIAL, INDIRECT, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, HOWEVER CAUSED, EVEN IF ADVISED OF THE POSSIBILITY THEREOF.

B. OPTIMUS' MAXIMUM LIABILITY TO CUSTOMER UNDER THIS AGREEMENT, REGARDLESS OF THE THEORY ON WHICH ANY CLAIM IS BASED (INCLUDING BREACH OF WARRANTY, BREACH OF CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR ANY OTHER CAUSE OR BASIS) SHALL NOT EXCEED IN THE AGGREGATE \$50,000.00 US DOLLARS (USD) FOR EACH INSTALLATION OF A VECTOR SYSTEM IN A CUSTOMER'S ORIGINAL VEHICLE; PROVIDED THAT, TO THE EXTENT CUSTOMER HAS NOT MAINTAINED THE ANNUAL TECHNOLOGY SUBSCRIPTION, OPTIMUS' LIABILITY WILL BE FURTHER LIMITED TO ANY REMAINING WARRANTY PROTECTION AS SPECIFIED ON **EXHIBIT C**. FROM AND AFTER THE EARLIER TO OCCUR OF: (I) FIVE (5) YEARS FOLLOWING RECEIPT BY OPTIMUS OF THE APPLICABLE NOTICE OF COMPLETION AND ACCEPTANCE OF INSTALLATION SERVICES; OR (II) EXPIRATION OF THE MANUFACTURER'S WARRANTY APPLICABLE TO THE CUSTOMER'S ORIGINAL VEHICLES' COVERED PARTS (AS DEFINED IN **EXHIBIT C**) BUT IN NO EVENT LESS THAN ONE (1) YEAR FOLLOWING RECEIPT BY OPTIMUS OF THE APPLICABLE NOTICE OF COMPLETION AND ACCEPTANCE OF INSTALLATION SERVICES, OPTIMUS SHALL HAVE NO FURTHER LIABILITY TO CUSTOMER IN CONNECTION WITH THE GOODS OR SERVICES. THE LIMITATIONS OF OPTIMUS' LIABILITY UNDER THIS SUBSECTION SHALL NOT APPLY IN THE EVENT OF OPTIMUS' GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, OR TO OPTIMUS' INDEMNIFICATION OBLIGATIONS FOR THIRD PARTY CLAIMS, OR TO OPTIMUS' BREACH OF **SECTION 11**.

6. Software; Performance Data; Annual Technology Subscription.

To the extent that the Goods include software (the "Software"), Customer hereby acknowledges and agrees that: (i) that from time to time, the Software may download and install upgrades, updates and additional features from OPTIMUS in order to improve, enhance, and further develop the Software and other components of the Work; and (ii) Customer shall not modify, reverse engineer, create derivative works of, decompile, or otherwise attempt to extract source code from OPTIMUS or from the Goods, Software or Performance Data (as defined below). Customer agrees to use the Software and other components of the Work for its internal business purposes only, and not for the commercialization of the Software or the Work and shall not (or permit any other person to) sell, resell, license, rent or lease the Software or the Work. Customer hereby assigns and/or grants to OPTIMUS any and all of its rights, rights, title and interest to any vehicle performance data collected by the Software or otherwise, which data may include, without limitation, mileage, fuel consumption, system performance, system diagnostics, technical data for use in troubleshooting, GPS-tracking refueling dates and times, and quantity and fuel type dispensed (collectively, the "Performance Data") for any business purpose whatsoever. Each party's obligations related to the Performance Data is set forth in the Performance Data Subscription Terms, which are attached hereto as **Exhibit D** and made a part of this Agreement by this reference. Customer acknowledges and agrees that Performance Data will be created as part of the Work performed, and Customer shall be bound by the Performance Data Subscription Terms, regardless of whether Customer elects to include an Annual Technology Subscription in the Goods or not. Customer agrees to use the Performance Data for its internal business purposes only, and not for the commercialization of the Performance Data and shall not (or permit any

other person to) disclose such Performance Data to any third party or sell, resell, license, rent or lease the Performance Data. Further, in the event that Customer does not elect to so include an Annual Technology Subscription, Customer may, in its sole discretion, grant OPTIMUS the right to install, at OPTIMUS' sole cost and expense, a WI-FI access point at Customer's site (in a mutually-agreed-upon location), as well as such additional software or equipment as may be necessary to enable OPTIMUS to continue to retrieve the Performance Data. Customer acknowledges and agrees that the disclosure of Performance Data in accordance with this **Section 6** in a manner that is not personally identifiable to Customer shall not be interpreted to result in such Performance Data becoming a part of the public domain for the purposes of **Section 11** or otherwise.

7. Original Vehicles and Products.

A. In the event Customer requests changes or modifications to the Work or the Original Vehicles and Other Products (as defined below) beyond what is contemplated in **Exhibit A**, such requests may result in an additional charge to Customer. OPTIMUS shall provide a quote for the additionally requested changes or modifications prior to the performance of such changes or modifications.

B. Customer acknowledges and agrees that OPTIMUS' products are unique, complex and will be interacting with and integrated into Customer's existing vehicles (the "Original Vehicles") and/or other products ("Other Products," and together with the Original Vehicles, collectively the "Original Vehicles and Other Products"). As such, even though OPTIMUS has made every attempt to determine the impact that the Work could potentially have on the Original Vehicles and Other Products, OPTIMUS is not capable of anticipating the full impact to such Original Vehicles and Other Products.

8. Termination.

A. In the event that Customer fails to perform any of its obligations pursuant to and in accordance with the terms and subject to the conditions of this Agreement, and such failure is not cured within forty-five (45) days after Customer's receipt of OPTIMUS' written notice alleging such failure, OPTIMUS may terminate this Agreement by providing written notice to Customer; provided that, OPTIMUS may immediately terminate this Agreement upon breach by Customer of the terms of **Section 6** or **Section 11** hereof. If such a termination occurs, OPTIMUS shall be entitled to receive and Customer shall be required to pay: (i) OPTIMUS' costs and expenses, including, without limitation, costs of goods, labor (both direct and third party costs) and services incurred with respect to the performance of Work up through the date of such termination; and (ii) an additional termination fee equal to 25% of the total Price paid by Customer up to the date of termination, should the termination occur prior to completion and acceptance of Installation Services; which the parties acknowledge is not intended as a penalty but is a reasonable approximation of the damages that would be suffered by OPTIMUS. OPTIMUS will invoice Customer for such costs, expenses and fees within fifteen (15) days following written notice of termination, and Customer shall pay such invoice within thirty (30) days of receipt thereof plus interest as set forth in **Section 3(C)** hereof. In addition to the foregoing, OPTIMUS shall also be entitled to pursue any and all remedies available to it at law or in equity.

B. In the event that OPTIMUS fails to perform any of its obligations in accordance with the terms and subject to the conditions of this Agreement, and such failure is not cured within forty-five (45) days after OPTIMUS' receipt of Customer's written notice alleging such failure, Customer may terminate this Agreement by providing written notice to OPTIMUS. Subject to the limitations of liability contained in this Agreement, Customer shall also be entitled to pursue any and all remedies available to it at law or in equity.

9. Excusable Delays; Unforeseen Events.

OPTIMUS shall not be responsible or liable for a failure to perform the Work or delays in the performance of Work hereunder arising from: (i) acts of God or a public enemy; (ii) acts of the Government of the United States or any political sub-division or any department or regulatory agency thereof or entity created thereby; (iii) act of any person or entity engaged in subversive activity, sabotage or terrorism; (iv) wars or riots; (v) fires, floods, explosions or other catastrophes; (vi) epidemics and quarantine restrictions; (vii) third-party strikes, slowdowns, lockouts or labor stoppages or shortages or disputes of any kind; (viii) embargoes; (ix) unusually severe weather; (x) delays of a supplier due to any of the above causes or events; or (xi) other causes or events beyond the reasonable control of OPTIMUS in failing to perform hereunder; provided, however, that if any of the events listed above lasts for more than ninety (90) days after receipt of notice to OPTIMUS by Customer, Customer may terminate this Agreement without penalty at the end of such ninety (90) day period and OPTIMUS shall promptly refund to Customer any money paid by Customer for Work that was delayed as a result of the same. The foregoing shall be in addition to, and not in limitation of any excuses for non-performance available to OPTIMUS under the Uniform Commercial Code or any other applicable law.

10. Independent Contractor.

The Parties agree that OPTIMUS shall at all times serve as an independent contractor under this Agreement, and not as an agent, servant or employee of Customer.

11. Confidentiality; Ownership of Technology.

A. The Parties acknowledge that in connection with the performance of this Agreement, each Party will be receiving (the "Recipient") from the other Party (the "Discloser") information that is proprietary or confidential in nature to the Discloser.

B. For purposes of this Agreement, the term "Confidential Information" shall include any and all information, whether oral, written or in electronic form, disclosed or communicated by the Discloser to the Recipient including, but not limited to, information relating to the Discloser's technology, patents, trade secrets, other intellectual property, customer lists, supplier lists, supply and logistics information, methods, processes, manufacturing techniques, research and development information, innovations, ideas, changes or modifications to its products, training and instructional materials, specifications, drawings and technical specifications. Confidential Information shall not include any information that the

Recipient can demonstrate: (i) enters into or is already in the public domain without a breach of this Agreement; (ii) is independently developed by the Recipient without using the Discloser's Confidential Information; or (iii) is known or received by the Recipient from a third party having no obligation not to disclose the Confidential Information. Without otherwise limiting the scope of Customer's Confidential Information, only Performance Data which is specifically identifiable to Customer is included in Customer's Confidential Information.

C. Each Party agrees that Confidential Information is exclusively owned by the applicable Discloser. Each Party agrees to maintain the Confidential Information it receives from the Discloser in confidence, and not to disclose the Confidential Information, or any part thereof, to any third party without the prior express written consent of the Discloser. The Recipient agrees to protect the Discloser's Confidential Information in a reasonable manner. Each Party further agrees that upon termination or expiration of this Agreement, it will promptly return in the same good condition as when received, reasonable wear and tear from normal use excepted, all of the Discloser's Confidential Information and other information not otherwise disposed of, in accordance with the Discloser's instructions.

D. The Recipient agrees that: (i) improper use or disclosure of the Discloser's Confidential Information shall cause irreparable harm to the Discloser and monetary damages for such improper use or disclosure will be inadequate and will not give full and sufficient relief to the Discloser; and (ii) if such improper use or disclosure occurs, the Discloser shall have, in addition to any and all other remedies available under this Agreement or in equity or law, the right to equitable relief (by way of specific performance and/or injunctive relief and without the necessity of posting a bond) to prevent any further improper use, disclosure, breach or threatened breach.

E. The Parties acknowledge and agree that all of OPTIMUS' product technology including, without limitation, its patents, its Confidential Information and any innovations, new developments, enhancements or products developed before, during or after the performance of the Work, shall remain the sole and exclusive property of OPTIMUS. Customer shall not use, and is hereby prohibited from using, any of the foregoing product technology, OPTIMUS' Confidential Information, OPTIMUS' products or the Work for any purpose whatsoever other than for the specific and intended use contemplated by this Agreement.

12. Customer's Original Vehicles.

A. If Customer sells, conveys, assigns or otherwise transfers (collectively, "Transfer") title to any of its personal property (including, without limitation, any Original Vehicles) to which all or any part of the Work or Goods are affixed, the remaining duration of the Covered Parts Warranty Period and the Vector System Warranty Period, if any, shall transfer to the buyer of the property but only if such buyer executes an OPTIMUS Warranties Transfer Certificate (to be provided upon request) certifying that it is bound by all of the terms, conditions, requirements, obligations and limitations of the OPTIMUS Warranty Program and Warranty including, without limitation, the limitations set forth in **Exhibit C** and limitations of liability set forth in **Section 5** of this Agreement; provided that, any buyer must install local wi-fi access at its own cost. If the Vector System Warranty and the Covered Parts Warranty have expired or the buyer fails to execute the OPTIMUS Warranties Transfer Certificate, then the Goods affixed to the transferred property shall be Transferred to the buyer in their "AS IS, WHERE IS" condition and OPTIMUS shall have no post-Transfer obligations or liabilities to such buyer; provided that, any such buyer shall continue to be subject to the provision of **Section 11** relating to confidentiality and OPTIMUS' ownership of product technology.

B. Customer shall, upon reasonable request, provide OPTIMUS with a commercially reasonable number of service records associated with vehicles to which all or any part of the Work or Goods are affixed or associated ("Service Records"). OPTIMUS may share Service Records with its contractors upon the prior written approval of Customer, which approval Customer shall not unreasonably withhold, condition or delay.

C. OPTIMUS may affix certain decals bearing OPTIMUS-related logos (the "Decal(s)") on Customer's vehicles to identify that such vehicles have been equipped with the Goods, are operating on OPTIMUS-approved fuel, or both, as applicable upon Customer's prior approval of the size and location of such Decals, which approval Customer shall not unreasonably withhold, condition or delay.

13. Indemnification.

Each Party (the "**Indemnitor**") agrees to defend, indemnify and hold the other Party, including its affiliates, and all of their respective officers, directors, agents and employees (each, an "**Indemnitee**"), harmless from and against any and all claims, demands, liabilities, losses, damages, actions, judgments, costs, expenses, fines and reasonable attorneys' fees (collectively, "**Claims**") asserted by a third party against an Indemnitee arising out of, related to or in connection with: (A) any breach of this Agreement by the Indemnitor; (B) any infringement or misappropriation of any patent, copyright, trade secret, trademark, service mark, trade name, proprietary information of other intellectual property rights alleged to have occurred because of the work; (C) any damage to or loss or destruction of any real or tangible personal property in the possession or under the control of the Indemnitor; (D) the Indemnitor's grossly negligent acts or omissions and/or willful misconduct in performing the Work; (E) the death or bodily injury of any agent, employee, subcontractor, customer, business invitee or business visitor of the Indemnitor; or (F) any violation by the Indemnitor of any applicable law.

Any Indemnitee seeking indemnification for a Claim made by a third party under this Section shall give prompt written notice to the Indemnitor of such Claim; provided, however, the failure by an Indemnitee to give such notice shall not relieve the Indemnitor of its obligations under this Section, except to the extent that the Indemnitor is materially prejudiced as a result of such failure. In addition, the Indemnitee shall allow the Indemnitor to direct the defense and settlement of any such Claim, with counsel of the Indemnitor's choosing, and shall provide the Indemnitor, at the Indemnitor's expense, with such information and assistance as is reasonably necessary for the defense and settlement of the Claim. The Indemnitor shall not be liable for any settlement of an action effected without its written consent (which consent shall not be unreasonably withheld or delayed), nor shall the Indemnitor settle any such action that affects the Indemnitee's rights or interests without the written consent of the Indemnitee. The Indemnitor shall not consent to the entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to the Indemnitee a release from all liability with respect to the Claim.

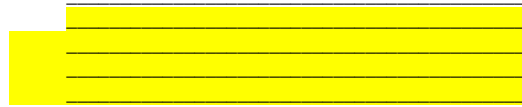
14. Notices.

All notices and invoices given pursuant to or in accordance with this Agreement shall be in writing and transmitted by personal delivery, overnight express mail or facsimile (evidenced by printed confirmation of delivery). Any such notice or communication hereunder, and every payment hereunder, shall be sent to the Parties at the following addresses, or such other address as either Party may designate from time to time:

If to OPTIMUS:

Optimus Technologies, INC
6901 Lynn Way
Pittsburgh, PA 15208
Attn: Colin Huwyler, CEO

If to Customer:



15. No Waiver of Rights.

A failure by either Party to assert its right(s) under this Agreement shall not be deemed a waiver of such right(s), nor shall any such waiver be implied. No waiver by one (1) of the Parties of any breach of this Agreement, or with respect to any right under this Agreement, shall extend to or affect any subsequent breach or right, either of a like or different kind, or impair any right consequent thereon.

16. Assignment.

This Agreement shall not be assigned, transferred or delegated, by either party in whole or in part, by operation of law or otherwise, without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed.

17. Severability of Provisions.

The invalidity under applicable law of any provision(s) of this Agreement shall not affect the validity of any other provision(s) of this Agreement, and in the event that any provision(s) hereof be determined to be invalid or otherwise illegal, the Parties intend that this Agreement shall remain effective and shall be construed in accordance with its terms as if the invalid or illegal provision(s) was not contained herein.

18. Power and Authority.

Each Party represents and warrants to the other Party that it has the requisite power and authority to execute, deliver and perform its obligations under this Agreement.

19. Choice of Law; Dispute Resolution; Waiver of Jury Trial.

This Agreement shall be construed by and interpreted in accordance with the laws of the State of Iowa, without regard to its conflict of laws principles. The Parties consent to the exclusive jurisdiction of the federal and state courts located in Story County, Iowa. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF THE PARTIES IN THE PERFORMANCE OR ENFORCEMENT HEREOF.

20. Counterparts; Section Headings.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which taken together shall constitute one (1) and the same instrument. The Section headings of this Agreement are for convenience of reference only and shall not affect the construction or interpretation of any provision(s) hereof.

21. Entire Agreement; Amendments; Construction.

This Agreement, including the Recitals hereof and all Exhibits hereto, which are hereby fully incorporated into this Agreement, constitutes the entire agreement and understanding by and between the Parties regarding the subject matter hereof, and there are no other representations, agreements or understandings, oral or written, express or implied, between the Parties relating thereto. This Agreement, including, without

limitation, any Exhibit hereto, may only be amended by means of a writing subsequently executed by both Parties that states that it is intended as an amendment to this Agreement. In the event of a conflict between this Agreement and any attached Exhibits, the Exhibits shall control.

IN WITNESS WHEREOF, the Parties, or the authorized representatives of the Parties, hereto have executed this Customer Agreement as of the Effective Date first set forth above.

OPTIMUS TECHNOLOGIES, INC.

By: _____

Name: Colin Huwyler

Title: CEO

By: _____

Name:

Title:

EXHIBIT A

DESCRIPTION OF THE WORK; SCOPE OF WORK

The Goods shall consist of the following:

Vector System Design: Optimus will design components for five (5) Vector Systems.

Vector System: The Vector System is comprised of multiple components. Components created from designs may vary depending on the specific vehicles but may include an auxiliary fuel tank with mounting brackets or tank adaptor kit, in-tank heat exchanger, brackets and associated parts. Additional components will include the Vector Manifold (fuel filter housing and element assembly, temperature and pressure sensors), solenoid valves, fuel line, heat exchanger, heater hose, electronic control unit, display, wiring harness, software, and all the necessary fittings, connectors, and clamps.

Vector System for the Following Vehicles:

Vehicle #	Engine Type	Year	Make	Model	VIN
Ames-933		2014	International	7300	
Ames-934		2017	International	Work Star	
Ames-967		2017	International	Work Star	
Ames-977	Cummins L9	2018	International	7500	
Ames-979	Cummins L9	2018	International	7500	

Manuals: Customer will receive an electronic copy of the Product Manual for each Vector System purchased.

The Services shall consist of the following:

Installation Services and Completion Testing: An Approved Installer will install and test the Vector System on the Customer's Original Vehicle. Installation and Completion Testing may take place at Customer provided facility or other location as agreed by the Parties. In the event that a specific piece needs to be modified once test fitting has occurred, modification will take place at Optimus' or a third-party facility depending upon the modification's requirements and the capability of that facility to provide for those requirements. Upon completion of Installation Customer must, within seven (7) days, submit to OPTIMUS the "Notice of Completion and Acceptance of Installation Services" form for each respective Original Vehicle.

Annual Technology Subscription: The project costs include a one (1) year Annual Technology Subscriptions for each vehicle. The subscription consists of the following for each vehicle:

- Access to performance data captured from the vehicle, that at may include: estimated daily fuel consumption (by type – biofuel or diesel); operational run time (diesel vs. biofuel warm-up vs. biofuel); fuel tank levels; and filter pressure levels.
- No-charge access to Optimus software upgrades, and
- No-charge access to Optimus technical phone support. If outside of the Vector System Warranty Period or not part of the Annual Technology Subscription, any support that is agreed to be provided by OPTIMUS will be provided at its then applicable costs.
- The Annual Technology Subscription is governed by the Performance Data Subscription Terms ("PDST"), attached to the Customer Agreement as Exhibit D, and incorporated by reference therein. Additional terms related to the Annual Technology Subscription are set forth in the PDST.

Customer Training: All training will be provided by an Authorized Installer. Each Customer will receive one (1), two (2) hour on-site training session to include how to operate, adjust, and maintain the installed equipment. Additional training is available at the Customer's cost. As part of this training, Customer's personnel will be instructed on the safety of using the installed equipment on the vehicle, including that the vehicle engine may continue running for several minutes after the ignition of such vehicles are turned to the "OFF" position. As such, Customer agrees that it shall not cause or otherwise permit the use of its vehicles in a manner contrary to that provided in such training, which includes, without limitation, PROHIBITING THE DRIVER OF SUCH VEHICLES FROM LEAVING SUCH VEHICLE UNATTENDED WHILE THE ENGINE RUNS.

Technician Training: Customer's technician, which may include technicians from the Customer's respective dealership or service center, will have the option to assist in the Vector system installation. Upon conclusion of the installation, Customer's technicians will be expected to demonstrate a basic knowledge/understanding of the Vector system.

**ATTACHMENT 1 TO EXHIBIT A
NOTICE OF COMPLETION AND ACCEPTANCE OF INSTALLATION SERVICES**

Date of Completion:	
Authorized Installer:	
Customer Name:	
Vehicle Number:	
VIN:	
Odometer Reading:	
Vector Manifold Serial #:	
Fuel Tank Serial #:	

Ladies and Gentlemen:

This Notice of Completion and Acceptance of Installation Services (the "Notice") is being provided by the Authorized Installer identified above, to the Customer, in connection with the Installation Services provided for the Customer's Original Vehicles, pursuant to that certain Optimus Technologies, Inc. Customer Agreement dated _____ (the "Agreement").

By its signature below, the Authorized Installer certifies that it has completed all deliverables pertaining to the above identified Original Vehicle and Vector System under the Completion Criteria provided on Attachment 2 to Exhibit A, in accordance with the specifications and terms and conditions of the Agreement. We ask for your concurrence with your signature below.

Authorized Installer Signature:

Company Name: _____

Primary Installer Name: _____

Signature: _____

Title: _____

Proof of Acceptance:

- Customer hereby certifies that the Goods and Services pertaining to the above identified Original Vehicle and Vector System provided by Authorized Installer are hereby accepted, and that all deliverables under the Compliance Criteria have been completed in full.
- The Goods and Services pertaining to the above identified Original Vehicle and Vector System are not accepted and the deliverables under the Compliance Criteria have not been completed in full. The following items remain uncompleted:

Customer Signature:

Company Name: _____

Representative Name: _____

Signature: _____

Title: _____

**ATTACHMENT 2 TO EXHIBIT A
COMPLETION CRITERIA**

- Fuel Tank**
 - Verify all parts are accounted for and installed on the tank.
 - Inspect tank placement and bracketing and ensure no interference with other components.
 - Verify that tank straps have been tightened to the proper specification.
 - Inspect all tank electrical harnesses to ensure they are properly secured and verify all connections are properly seated.
 - Verify all fittings on the tank are properly tightened, hoses are secured, and that there are no fluid leaks.

- Manifold, ECU, and PDM**
 - Verify all parts are accounted for and installed on the manifold, ECU, PDM, and any brackets.
 - Verify that the manifold, ECU, PDM, and any bracket mounting bolts have been tightened to the proper specifications.
 - Inspect all manifold, ECU and PDM electrical harnesses to ensure they are properly secured, verify all connections are properly seated, and verify installation of required fuses/relays and bus bars in the PDM.
 - Verify all fittings on the manifold are properly tightened, hoses are secured, and that there are no fluid leaks.
 - Verify appropriate biodiesel fuel system pressure and ensure pressure regulator locknuts have been tightened.

- User Interface, Ignition Integration, and Data Collection Module (if applicable)**
 - Verify all parts are accounted for and installed on the user interface, ignition integration, and data collection module.
 - Inspect all user interface, ignition integration and data collection module harnesses to ensure they are properly secured, verify all connections are properly seated.

- Valves**
 - Verify all parts are accounted for and installed on the valves.
 - Verify that the valves and any bracket mounting bolts have been tightened to the proper specifications.
 - Inspect all valve electrical harnesses to ensure they are properly secured and verify all connections are properly seated.
 - Verify proper actuation of all valves.
 - Verify all fittings on the valves are properly tightened, hoses are secured, and that there are no fluid leaks.

- Hoses**
 - Verify correct flow path, connections, and routing of all hoses.
 - Inspect all hoses and verify they are properly secured, there is no interference, all connections are properly tightened, and that there are no fluid leaks.
 - Verify any sheathing, if applicable, is installed.

- Wiring Harnesses**
 - Verify main system power has been securely connected to the 12v battery source.
 - Inspect all harnesses and verify they are properly secured, there is no interference, all connections are properly seated.
 - Verify any sheathing, if applicable, is installed.

- Engine Integration**
 - Verify correct flow path, connections, and routing of all hoses.
 - Verify all integration parts are accounted for and installed (if applicable).
 - Inspect all hoses and verify they are properly secured, there is no interference, all connections are properly tightened, and that there are no fluid leaks.
 - Verify any sheathing, if applicable, is installed.

- Operational Test**
 - Verify fuel level is appropriate for testing of both diesel and biodiesel systems.
 - Manually prime diesel and biodiesel fuel systems.
 - Operate engine at idle for a minimum of 15 minutes and verify that there are no fluid leaks.
 - Verify appropriate operating conditions/states, sensor reporting, data collection module connection, and CAN Bus connection via Optimus software.
 - Manually verify/test operation of biodiesel fuel system components via Optimus software overrides.
 - With system in normal operating state ensure engagement of biodiesel fuel system via 5 test cycles.
 - Verify proper purge cycles and engine shutdown via emergency stop function.
 - Operate vehicle for in-use test cycle to verify normal operation of biodiesel fuel system (if applicable).

EXHIBIT B

PRICING INFORMATION; MILESTONE SCHEDULE; PAYMENT DUE DATES

City of Ames Budget (Estimate)

DESCRIPTION	QTY	UNIT PRICE	EXTENDED PRICE
Vector System Base Cost	5	\$ 5,000	\$ 25,000
Vector Control System Package	5	\$ 2,250	\$ 11,250
Engine Integration Kit	5	\$ 1,250	\$ 6,250
Optimus Biodiesel D-Tank & Bracket Package 70 Gallons	5	\$ 1,417	\$ 7,085
Optimus Technology Subscription (per year)	5	\$ 500	\$ 2,500
Installation (hours)	100	\$ 100	\$ 10,000
Travel Expenses	1	\$ 3,104	\$ 3,104

TOTAL: \$ 65,189

All goods are FOB manufacturers' facility

OPTIMUS shall be reimbursed for reasonable travel expenses incurred by OPTIMUS in connection with the Work (the "Travel Expenses") if part of the original estimate set forth in this **Exhibit B**. If Travel Expenses exceed those set forth above, OPTIMUS will only be reimbursed if preapproved in writing by Customer and if documented and evidenced by receipts, invoices or other evidence reasonably acceptable to Customer.

OPTIMUS shall be reimbursed for additional expenses incurred by OPTIMUS in connection with the Work (the "Miscellaneous Expenses") if preapproved in writing by Customer.

Milestones (estimated business days):

- Engine integration system design (15 business days from execution of Customer Agreement)
- Fuel tank package submitted for approval (5 business days from completion of previous milestone)
- Manufacturing of Optimus Vector systems (15 business days from Customer tank package approval)
- Installation of first Optimus Vector systems (20 business days from completion of previous milestone)
- Customer acceptance of first Optimus Vector system (7 business days from completion of Vector installation)
- Customer training and review of provided materials (5 business days from completion of first Vector installation)
- Setup of Customer Technology Subscription portal (10 business days from completion of first Vector installations)
- Installation of second through fifth Optimus Vector systems (30 business days from Customer acceptance of first Optimus Vector system)
- Customer acceptance of second through fifth Optimus Vector systems (7 business days from completion of each Vector installation)

Payment Schedule:

- Optimus Vector Systems Costs due on receipt of project invoice
- Installation and Travel Expenses due on receipt of project closeout invoice

EXHIBIT C

OPTIMUS STATEMENT OF WARRANTY

I. Vector System Warranty

A. For a period of two (2) years from receipt by OPTIMUS of the signed Notice of Completion and Acceptance of Installation Services accepting the Work (“Vector System Warranty Period”), OPTIMUS warrants that the Goods shall be free from defects in material and workmanship and that the Services will materially conform to the scope of Work and specifications, if any, set forth on **Exhibit A** to this Agreement, and the Completion Criteria (the “Vector System Warranty”). The foregoing warranty excludes disposable or consumable Goods, including, without limitation, fuel lines, filters, clamps, screws, etc. as well as rust deterioration of the Goods. Goods sold to Customer, but not manufactured by OPTIMUS, do not carry a warranty from OPTIMUS and are hereby disclaimed. All Goods manufactured by OPTIMUS’ vendors and other third parties and sold as part of OPTIMUS’ Work shall carry the warranties given by the applicable vendors and third parties, which warranties OPTIMUS, at its option, will either assign or make available to Customer.

B. When delivered, all Goods shall be in compliance with the United States Environmental Protection Agency (the “EPA”), as defined by its then-current guidelines, and all other applicable law. Customer hereby acknowledges and agrees that such EPA guidelines may require OPTIMUS to affix an EPA supplemental emission control information label (the “EPA Label”) to the engine block of Customer’s vehicles. Customer further agrees that it shall be responsible to ensure that any and all required EPA Labels remain affixed to such vehicles and, in the event that such EPA Labels are no longer so affixed, to immediately notify OPTIMUS, in which case OPTIMUS shall replace such EPA Labels within seven (7) business days of its receipt of such notification by Customer.

C. Should the Goods, within the applicable Vector System Warranty Period, fail to materially conform to the scope of Work and specifications, if any, set forth on **Exhibit A** to this Agreement, or the Completion Criteria, Customer shall at its cost return the Goods to OPTIMUS, or to a facility or location designated by OPTIMUS, for repair or replacement, and bear the risk of loss while the Goods are in transit. In the event of a valid warranty claim, OPTIMUS shall reimburse Customer for reasonable shipping costs incurred to return the Goods for repair or replacement. OPTIMUS shall pay the shipping charges to return the Goods to Customer and bear the risk of loss during transit, unless such non-conformity was not covered by the Vector System Warranty. In such an event, OPTIMUS shall immediately notify Customer and request instructions regarding disposition. Customer agrees that its sole and exclusive remedy for a breach of the Vector System Warranty is limited to the correction of the non-conformity by repair or replacement and/or reperformance of the Services.

D. The Vector System Warranty shall NOT apply to: (i) Goods which have defects resulting from improper or inadequate maintenance or installation, unauthorized modification or misuse, or operation(s) outside of the environmental specifications by anyone other than OPTIMUS; and (ii) Goods that have been subject to mishandling, misuse, neglect, improper testing, repair, alteration, damage, assembly or processing by anyone other than OPTIMUS, that alters physical or electrical properties. Further, Customer hereby acknowledges and agrees that the Vector System Warranty shall be invalidated if: (a) Customer uses any fuel in connection with the Goods other than that which meets OPTIMUS’ required specifications set forth on **Attachment 1 to this Exhibit C**; (b) any of the Goods are not installed by OPTIMUS-trained and certified technicians; or (c) Customer has not purchased and maintained, during the Vector System Warranty Period, the Annual Technology Subscription for each vehicle.

OPTIMUS’ MAXIMUM LIABILITY TO CUSTOMER FOR ANY VECTOR SYSTEM WARRANTY CLAIM SHALL NOT EXCEED, PER EACH INSTALLATION OF AN OPTIMUS VECTOR SYSTEM IN A CUSTOMER ORIGINAL VEHICLE, FOR GOODS, THE AGGREGATE AMOUNT OF: (i) \$10,000 US DOLLARS (USD) DURING THE FIRST YEAR OF THE VECTOR SYSTEM WARRANTY PERIOD, AND (ii) \$5,000 US DOLLARS (USD) DURING THE SECOND YEAR OF THE VECTOR SYSTEM WARRANTY PERIOD. CLAIMS FOR WARRANTY OTHER THAN THE VECTOR SYSTEM WARRANTY ARE SUBJECT TO THE LIMITATION OF LIABILITY SET FORTH IN **SECTION 5** OF THE AGREEMENT.

II. Covered Parts Warranty

A. For a period of the sooner to occur of (a) five (5) years or (b) the expiration of the applicable original equipment warranty offered by the manufacturer on the Covered Parts (as defined in **Section II(B)** below), not to include third-party extended warranties, but in no event less than one (1) year, from receipt by OPTIMUS of the signed Notice of Completion and Acceptance of Installation Services accepting the Work (herein, the “Covered Parts Warranty Period”), OPTIMUS hereby warrants damage caused by the Goods to the Covered Parts installed in the Customer’s Original Vehicle(s), subject always to the limitations set forth herein (the “Covered Parts Warranty”).

B. The Covered Parts Warranty includes only the following components: The Original Vehicle’s Engine, Fuel System and Exhaust Components (collectively, the “Covered Parts”).

C. Should a Covered Part require repair or replacement during the Covered Party Warranty Period, the Customer shall promptly notify OPTIMUS of such Covered Parts Warranty claim. If requested by OPTIMUS, Customer shall promptly provide to OPTIMUS all reasonable information necessary to evaluate the claim including, without limitation, access to any Customer or third-party representative who may have evaluated and inspected the Covered Parts, documentation of any prior repairs or modifications to the Covered Parts and physical access to the Covered Parts for independent evaluation and inspection. If the damaged parts are covered by the Covered Parts Warranty, Optimus shall repair or replace the affected Covered Parts, or shall cause the affected Covered Parts to be repaired or replaced, all at its sole cost and expense (subject always to the limitations set forth in this Agreement). Customer agrees that its sole and exclusive remedy for a Customer’s Covered Parts Warranty claim is the remedy of the Covered Parts by repair or replacement in OPTIMUS’ sole reasonable discretion. If the damaged parts are not covered by the Covered Parts Warranty, OPTIMUS has the right to deny the Customer’s Covered Parts Warranty claim. If Customer has a right to recover its damages against an unrelated third party for any cost that OPTIMUS has paid to evaluate the claim, Customer, if requested by OPTIMUS, shall assign such rights to OPTIMUS. Customer agrees to provide reasonable assistance OPTIMUS to enforce Customer’s rights against any such third party who may be responsible to Customer for the costs of repairs OPTIMUS provided.

D. OPTIMUS' MAXIMUM LIABILITY TO CUSTOMER FOR ANY WARRANTY CLAIM UNDER THE COVERED PARTS WARRANTY SHALL NOT EXCEED, PER EACH INSTALLATION OF AN OPTIMUS VECTOR SYSTEM IN A CUSTOMER ORIGINAL VEHICLE, THE AGGREGATE AMOUNT OF \$50,000 US DOLLARS (USD).

III. Warranty Invalidated; Customer Requirements

A. The Vector System Warranty and the Covered Parts Warranty shall be invalidated and of no force and effect immediately in the event that (i) Customer has not completed the "Notice of Completion and Acceptance of Installation Services" form for each Original Vehicle within seven (7) days of its receipt and acceptance of the Work from OPTIMUS; (ii) Customer uses any fuel in connection with the Goods other than that which meets OPTIMUS' required specifications set forth on **Attachment 1 to Exhibit C** to this Agreement; (iii) Customer has an expired Annual Technology Subscription license, as defined in **Exhibit A** to this Agreement; (iv) Original Vehicle(s) aftertreatment assemblies are not maintained to the specifications originally set forth by the manufacturer or the manufacturer of the Original Vehicles the ("OEMs"); (v) Original Vehicle(s) engine oil, oil filter, and/or fuel filters are not replaced upon the later to occur of (a) the OEM recommended service interval; or (b) a Customer-specific OEM-approved service interval; (vi) Customer does not send oil analyses for each of its vehicles to OPTIMUS within thirty (30) days after every oil change; (vii) the Goods or the Covered Parts are modified or maintained by Customer or a third party in a manner that is inconsistent with Optimus's or the OEMs' service and operating manuals; (viii) Customer installs or uses component parts not authorized or approved by Optimus or the OEMs; (ix) the Goods or the Covered Parts are damaged or destroyed in a vehicle accident or wreck; (x) in relation to the Covered Parts Warranty, the manufacturer's warranty on the applicable Original Vehicle is expired after one (1) year from the date of receipt by OPTIMUS of the signed Notice of Completion and Acceptance of Installation Services accepting the Work; and/or (xi) the Customer's unauthorized modification, misuse, mishandling, neglect, improper or inadequate maintenance or operation of the Goods or Covered Parts.

IV. Limitation of Liability; Disclaimer

A. OTHER THAN THE WARRANTIES SPECIFICALLY SET FORTH IN THIS **EXHIBIT C**, OPTIMUS MAKES NO OTHER WARRANTIES, AND HEREBY DISCLAIMS ANY AND ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE, REGARDING, OR RELATING TO, THE WORK. EXCEPT AS SET FORTH IN **SECTION 12** OF THIS AGREEMENT, ANY AND ALL WARRANTIES SET FORTH WITHIN THIS AGREEMENT EXTEND TO CUSTOMER ONLY AND NOT TO ANY THIRD PARTIES.

B. CLAIMS FOR WARRANTY OTHER THAN THE VECTOR SYSTEM WARRANTY AND THE COVERED PARTS WARRANTY ARE SUBJECT TO THE LIMITATION OF LIABILITY SET FORTH IN **SECTION 5** OF THE AGREEMENT.

**ATTACHMENT 1 TO
EXHIBIT C
OPTIMUS REQUIRED FUEL SPECIFICATIONS**

The Optimus System requires the following base fuel quality specifications (“Level I Fuel Quality Specification(s)”) Minimum ASTM D6751 specifications with the following substitutions:

Property	ASTM Limit	Optimus Limit	Units	Method
Water & Sediment:	0.05	0.02	% volume, max	D2709
Oxidation Stability (110 °C):	3	6	Hours, min	EN 15751
Sodium & Potassium Combined:	5	-	ppm, max	EN 14538
Calcium & Magnesium Combined:	5	-	ppm, max	EN 14538
Sodium, Potassium, Calcium, & Magnesium Combined:	-	4*	ppm, max	EN 14538
Phosphorus:	10	4*	ppm, max	D4951

*4 ppm acceptable per individual fuel load; however, the weighted average for all biodiesel utilized must be 2 ppm or less.

If any updates to the fuel quality specifications are required, Optimus will provide these specifications to customer with 90 days’ notice.

EXHIBIT D
PERFORMANCE DATA SUBSCRIPTION TERMS

These Performance Data Subscription Terms (“PDST”) describe Customer’s rights and obligations with respect to Performance Data and as a purchaser of Optimus’ Annual Technology Subscription (which includes access to Performance Data, access to Software upgrades, and access to Optimus technical support services), as such terms are further described in the Customer Agreement (the “Subscription Services”). All capitalized terms not otherwise defined in these PDST shall have the meanings ascribed to them in the Customer Agreement.

1. Subscription Services; Restriction on Use; Ownership.

1.1. **Subscription; License.** In connection with the Work provided under the Customer Agreement, Optimus collects and retains Performance Data related to a Customer’s vehicle that is covered by the Customer Agreement. Customer hereby assigns and/or grants to OPTIMUS any and all of its rights, rights, title and interest to any vehicle Performance Data collected by the Software or otherwise. Subject to the terms and conditions of these PDST and the Customer Agreement, Optimus hereby grants to Customer a limited, non-exclusive, non-transferable, revocable right to download, access, and use the Performance Data solely in connection with Customer’s internal business purposes.

1.2. **Compliance with Laws.** In connection with its use of the Performance Data, both Customer and OPTIMUS shall (i) comply with all applicable national, international, federal, state, and local laws, rules, and regulations and self-regulatory guidelines, including, without limitation, laws relating to privacy and unfair business practices; and (ii) establish, implement, and maintain reasonable physical, electronic, and procedural safeguards to maintain the security and confidentiality of the Performance Data.

1.3. **Restrictions on Use of the Data.** Customer shall not (and shall not authorize or knowingly permit any third party to make) any use or disclosure of the Performance Data without OPTIMUS’ prior written consent or otherwise expressly permitted under these PDST. Without limiting the foregoing, Customer shall not (and shall not authorize or knowingly permit any third party to): (i) publish the Performance Data, in whole or in part; or (ii) resell, distribute, or sublicense the Performance Data.

1.4. **Optimus Obligations.** OPTIMUS shall not disclose any Performance Data that identifies Customer to any third party without Customer’s prior written consent. OPTIMUS shall be entitled to freely disclose Performance Data that does not include any personally identifiable information of Customer.

1.5. **Ownership.** Consistent with and subject to the terms of the Customer Agreement, Optimus owns and shall own all rights, title, and interest in and to the Performance Data. Customer has no rights with respect to the Performance Data other than those expressly granted hereunder.

2. Subscription Fee; Term; Cancellation of Subscription Services.

2.1. **Subscription Fee.** The annual cost of the Subscription Services for each PDST Term shall be described in **Exhibit B** of the Customer Agreement (“Annual Subscription Fee”).

2.2. **Term.** The “Initial PDST Term” for each vehicle is one (1) year from the receipt by OPTIMUS of the Notice of Completion and Acceptance of Installation Services. The Initial PDST Term will automatically renew for subsequent annual renewal terms (“Renewal Terms”) on the expiration of the then current Initial PDST Term or Renewal Term. Customer will be provided a notice of renewal sixty (60) days in advance of the expiration of the Initial PDST Term and each Renewal Term (collectively, the Initial PDST Term and subsequent Renewal Terms shall be the “PDST Term”). OPTIMUS will then send a PDST Term renewal invoice forty-five (45) days prior to the commencement of a Renewal Term. Customer shall pay all invoices in full within thirty (30) days of receipt.

2.3. **Cancellation of Subscription Services.** Customer may cancel the Subscription Services at any time by providing a written notice of non-renewal no less than thirty (30) days prior to the expiration of the PDST Term; provided that, Customer acknowledges that failure to maintain the Subscription Services will serve to void the Vector System Warranty and the Covered Parts Warranty. Failure to renew the Subscription Services will also result in the Customer losing access to any Performance Data from the OPTIMUS system, current pricing on any Software upgrades, and potential hourly charges for access to OPTIMUS technical support. In addition, Customer shall not be entitled to any refund of pre-paid Subscription Fees in the event that Customer cancels the Subscription Services. For purposes of clarity, subject to Section 6 of the Agreement, OPTIMUS shall continue to be entitled to collect and use Customer’s performance data, even if Customer fails to maintain the Subscription Services.

2.4. **Renewing Subscription Services After Cancellation.** If a Customer cancels their Subscription Services pursuant to these PDST, and later decides to renew the Subscription Services, Customer will be obligated to pay prior to the start of the Renewal Term, (i) prorated Annual Subscription Fees for any time Customer was without coverage, as well as (ii) the Annual Subscription Fee for that Renewal Term. This provides Customer with access to any available historical Performance Data from the covered vehicles, and any OPTIMUS Software upgrades that were missed. Renewal of the Subscription Services after a lapse will not reinstate the Vector System Warranty or the Covered Parts Warranty. Reinstatement of this coverage will be at OPTIMUS’ sole discretion. Any costs for OPTIMUS to reinstate the Vector System Warranty or the Covered Parts Warranty will be the responsibility of the Customer.

3. Additional Termination Rights.

3.1. **Termination for Breach.** In the event of a material breach of these PDST by a party, the other party may terminate this these PDST by giving fourteen (14) days prior, written notice to the breaching party; provided, however, that these PDST shall not terminate if the breaching party has cured the breach before the expiration of such fourteen (14) day period. In addition, in the event Customer fails to pay any Annual Subscription Fee in full when due, OPTIMUS may, at any time and without notice, suspend Customer's access to the Subscription Services and as a result, the Performance Data.

3.2. **Effect of Termination.** Upon termination of these PDST, (a) all rights granted hereunder to Customer shall immediately cease, and OPTIMUS shall immediately suspend Customer's access to the Subscription Services and as a result, the Performance Data; provided, however, that Customer may retain any Performance Data copied, transcribed, or downloaded prior to the termination date.

3.3. **Survival.** The following provisions shall survive termination of these PDST: Section 1.1 ("License"), Section 1.2 ("Compliance with Laws"), Section 1.4 ("Ownership"), Section 2.4 ("Renewing Subscription Services After Cancellation"), Section 3.2 ("Effect of Termination"), Section 4 ("Disclaimer"), Section 5 ("Limitation of Liability"), Section 6 ("Acknowledgement of OPTIMUS' Use of Performance Data as it Relates to Customer's Vehicle"), and this Section 3.3 ("Survival").

4. **Disclaimer.** THE PERFORMANCE DATA IS PROVIDED "AS IS" AND "AS AVAILABLE," AND OPTIMUS MAKES NO WARRANTY WITH RESPECT TO THE PERFORMANCE DATA OR OTHERWISE IN CONNECTION WITH THESE PDST AND HEREBY DISCLAIMS ANY AND ALL EXPRESS, IMPLIED, OR STATUTORY WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF TITLE, MERCHANTABILITY, NON-INFRINGEMENT, FITNESS FOR A PARTICULAR PURPOSE, AVAILABILITY, ERROR-FREE OR UNINTERRUPTED OPERATION AND ANY WARRANTIES ARISING FROM A COURSE OF DEALING, COURSE OF PERFORMANCE, OR USAGE OF TRADE TO THE EXTENT THAT OPTIMUS MAY NOT AS A MATTER OF APPLICABLE LAW DISCLAIM ANY WARRANTY, THE SCOPE AND DURATION OF SUCH WARRANTY SHALL BE THE MINIMUM PERMITTED UNDER SUCH LAW.

5. **Limitation of Liability.** EXCEPT IN THE EVENT OF A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO EACH OTHER FOR ANY INCIDENTAL, INDIRECT, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES OF ANY KIND (INCLUDING, BUT NOT LIMITED TO, LOST REVENUES OR PROFITS) ARISING FROM OR RELATING TO THESE PDST, REGARDLESS OF WHETHER THE APPLICABLE PARTY WAS ADVISED, HAD OTHER REASON TO KNOW, OR IN FACT KNEW OF THE POSSIBILITY THEREOF. EACH PARTY'S AGGREGATE LIABILITY FOR DIRECT DAMAGES UNDER THESE PDST SHALL NOT EXCEED THE FEES PAID BY CUSTOMER UNDER THE CUSTOMER AGREEMENT DURING THE PERIOD TWELVE (12) MONTHS PRIOR TO THE EVENT GIVING RISE TO THE CLAIM.

6. Acknowledgement of OPTIMUS' Use of Performance Data as it Relates to Customer's Vehicle.

CUSTOMER HEREBY ACKNOWLEDGES THAT THE GOODS CONTAIN SOFTWARE THAT COLLECTS PERFORMANCE DATA ON CUSTOMER'S VEHICLE. OPTIMUS COLLECTS AND/OR STORES INFORMATION ABOUT CUSTOMER'S VEHICLE, INCLUDING MILEAGE, FUEL CONSUMPTION, SYSTEM PERFORMANCE, SYSTEM DIAGNOSTICS, TECHNICAL DATA FOR USE IN TROUBLESHOOTING, GPS-TRACKING, REFUELING DATES AND TIMES, AND QUANTITY AND FUEL TYPE DISPENSED. THE SOFTWARE HAS THE ABILITY TO TRANSMIT INFORMATION TO A CENTRAL COMMUNICATIONS SYSTEM OR EXTERNAL DEVICE. CUSTOMER EXPRESSLY CONSENTS TO OPTIMUS' ACCESS TO THE GOODS AND SOFTWARE AND THE INFORMATION SUCH GOODS AND SOFTWARE CAPTURE AND TRANSMIT. CUSTOMER EXPRESSLY CONSENTS TO OPTIMUS' COLLECTION OF PERFORMANCE DATA FROM CUSTOMER'S VEHICLE. ADDITIONALLY, CUSTOMER ACKNOWLEDGES THAT IT SHALL FULFILL THE PURPOSE OF THE SUBSCRIPTION SERVICES FOR OPTIMUS TO ACCESS AND USE PERFORMANCE DATA IN ORDER TO: UNDERSTAND ALL ASPECTS OF THE USE AND OPERATION OF CUSTOMER'S VEHICLE, HELP FACILITATE MAINTENANCE AND REPAIRS TO CUSTOMER'S VEHICLE, COLLECT AND SHARE EMISSIONS DATA, AGGREGATE AND EXAMINE ALL COLLECTED INFORMATION WITH LIKE INFORMATION FROM OTHER CUSTOMERS, MAKE REPORTS TO REGULATORY AUTHORITIES, IF APPLICABLE, BASED ON COLLECTED INFORMATION, AND MONITOR AND OPTIMIZE CUSTOMER'S ORIGINAL VEHICLE MAINTENANCE AND SERVICE.



Proposal for City of Ames – Fleet Department

Carbon Emissions Reduction B100 Pilot Project Combating Climate Change

Rich Iverson, Fleet Support Manager, City of Ames

Dave Slade, Executive Director, Biofuel Technology
& Services

Brian Wierson, Biodiesel Sales & Marketing
Representative, Renewable Energy Group



RENEWABLE ENERGY GROUP

What is the B100 Pilot Project ?

- Reducing Carbon Emissions by using alternate fuel B100
- Five diesel trucks will be equipped to use B100 year-round
- B100 reduces Carbon Intensity by 85% vs. petroleum diesel
- Saving 111 metric tons of carbon emissions per year
- About the same as not burning 100,000 lbs. of coal per year
- Run project for 3 years - evaluate results and report



REG/Optimus Proposal City of Ames

- REG paying all costs associated with City of Ames pilot.
- Including cost to equip 5 vehicles.
- Including cost of storage tank and fuel dispenser.
- City to enter fuel supply agreement with REG to purchase biodiesel.



B100 Pilot Project Vehicles

- City staff selected 5 snow plow trucks for the B100 Project
- REG will pay to equip the 5 trucks for year-round B100 use
- The Optimus System will cost REG \$12,000 for each truck
- The City's 5 trucks to be equipped by end of 2019



Vehicle Selection



2014 7300 International



2018 International 7500 Cummins



2017 International Work Star



2018 International 7500 Cummins



2017 International Work Star



Benefits to City of Ames

- Position Ames as Sustainability Leader
- Reduce Emissions
- Cost Savings
- Data Generation



Making Ames a Sustainability Leader

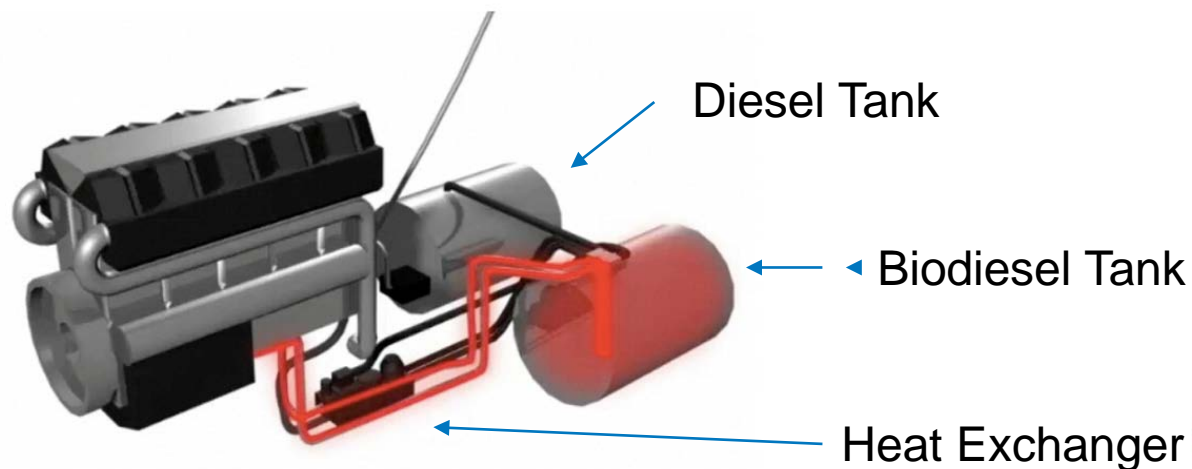
- Taking action to combat climate change
- Setting examples for sustainable future
- Supporting EcoSmart Goals
- First City in Iowa to utilize this technology with biodiesel



Optimus Technology

- Conversion system that allows diesel vehicles to operate on 100% biodiesel 24/7/365
- Vehicle operates on diesel fuel until tank warms up
- Vehicle switches to operating on 100% biodiesel
- >90% of fuel consumed is biodiesel

SYSTEM OVERVIEW



Who else is utilizing technology?

- Washington DC Department of Public Works
- City of Chicago Parks District
- City of Pittsburgh
- Renewable Energy Group



Thank you.

Questions?

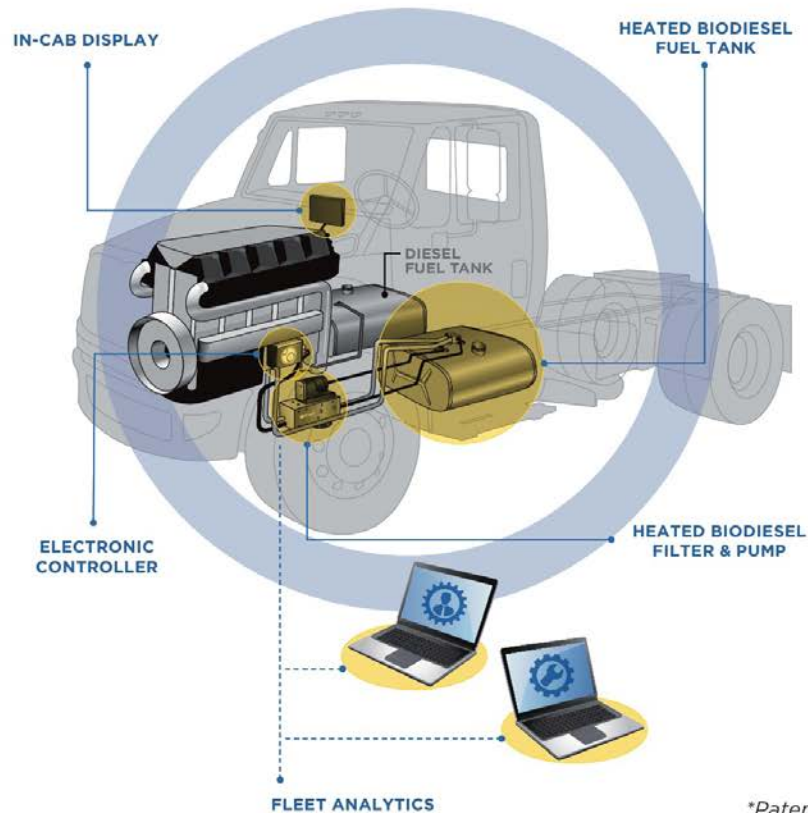
Jon Scharingson
Executive Director, Sales & Marketing
Email: jon.Scharingson@regi.com

Rich Iverson
Fleet Support Manger
Email: riverson@city.ames.ia.us

Appendix

Optimus Technology

SYSTEM OVERVIEW



**Patented*



Project Impact (25,000 gallons fuel)

➤ Emissions Reduction

- 264.267 Metric Tonnes of CO2 not released into atmosphere
- Equivalent to 56 passenger vehicles removed from road.

➤ Fuel Savings

- \$1,250 annual savings

➤ Data Generation

- Shared with other entities
- Case study

➤ Leadership

- Press release/case study

Broader adoption will lead to larger impact.



Seeking Approval

- Approval by Ames City Council to modify 5 existing diesel vehicles with technology that will allow them to operate on 100% biodiesel year round.
- Renewable Energy Group (REG) will pay all of the costs to convert the vehicles.
- REG will also pay for and install a dedicated neat biodiesel tank and dispenser at AMES DPW facility that will allow the modified vehicles to fill with biodiesel.
- City of Ames will enter into an exclusive fuel supply contract with REG to supply the converted vehicles.



B100 Dispenser & Tank Filling Outlet DCDPW

Dispenser Hose
Located
Inside Cabinet



Truck Offloading
Tank Inlet



Telemetry and Data

TELEMATICS PORTAL

Vehicle: Truck 1234

Template:	Fleet Template	[Remove]
VIN:		
Last Update Check:	4/11/2019 3:37 PM	
Status:	Active	
Data Plan:	Low (500 KB/month)	
Service Plan:	Gold	

TCM Details:

IMEI:	358539072428001
TCM S/N:	90104017813
Report Identifier:	35853907242800



Engineering Data	Updates	Latest	Active Faults
Report Data:			
First record:		2/5/2019 7:21 AM	
Last record:		4/11/2019 3:37 PM	
<input type="text" value="04/04/2019"/>	to	<input type="text" value="04/11/2019"/>	<input type="button" value="Download"/>
<input checked="" type="radio"/> CSV			
<input type="checkbox"/> Include GPS			
<input type="radio"/> KMZ (Google Earth)			
Configure Data Logging			

[Dashboard](#) |

| [TCM Index](#) | [Vehicle index](#)



District of Columbia Department of Public Works (DCDPW) 2500 Gallon Tank/Dispenser



2500 Gallon
Tank

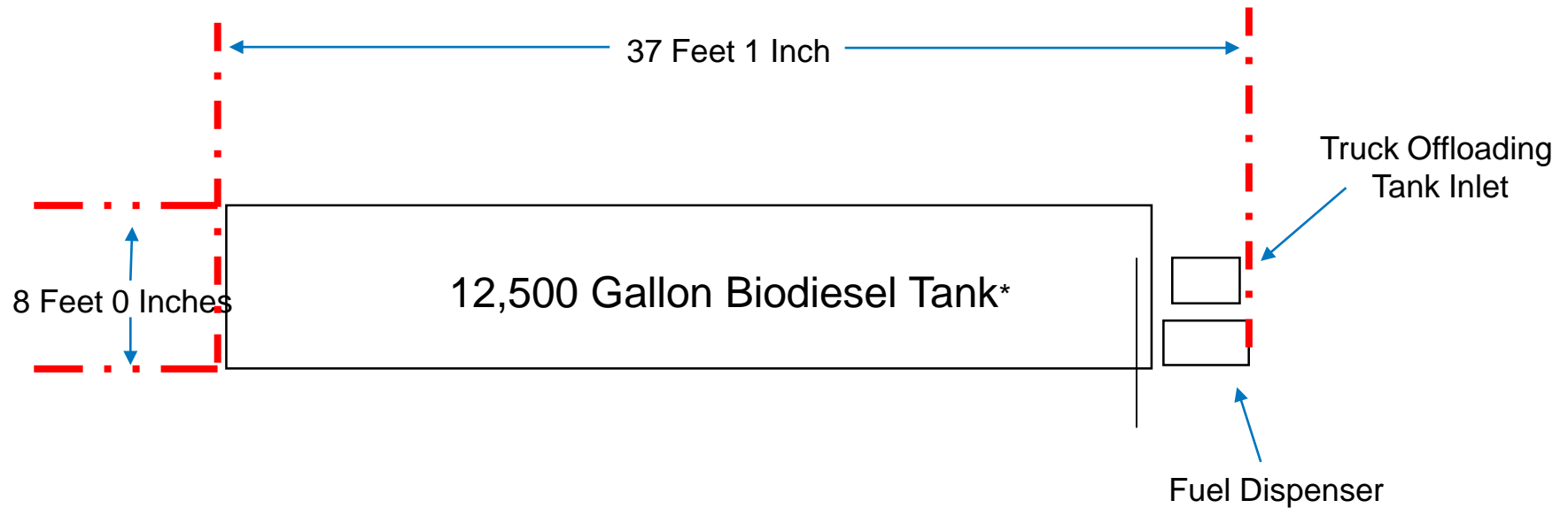
Fuel Dispenser

Fuel Hose in
Cabinet

Truck Offloading
Tank Inlet



Dimensions Tank/Dispenser for City of Ames



*Note tank for Ames is 5 times larger than DCDPW 2500 gallon tank.



Tank Description/Regulatory Requirements

- 12,500 gallon tank to allow full transport deliveries
- Dual wall tanks with 110% spill containment volume
- Flameshield registered
- Product will be minimum 99.9% biodiesel and considered non-hazmat



Principals Involved

➤ Renewable Energy Group

- Nation's largest producer and marketer of biomass based diesel fuel.
- 10 operating biorefineries in the United States.
- \$2.4 billion in revenue in 2018
- Global Corporate HQ: Ames, Iowa
- Publicly listed on NASDAQ: REGI

➤ Optimus Technologies

- Developed patented proprietary system that allows any existing diesel engine to operate on 100% biodiesel.
- Company formed in 2010.
- 2018 Optimus and REG entered into a strategic agreement to jointly market Optimus technology to fleets in key markets.

