

Keystone TreeCycling, Inc.

WOOD CHIP BIOFUEL PURCHASE AGREEMENT

THIS AGREEMENT, made on August 22nd, 2016, between Keystone TreeCycling, Inc. of Spartansburg, PA (the seller) and Crawford Central School District (the Buyer) of Meadville, PA.

1. QUANTITY: The seller agrees to sell to the buyer and the Buyer agrees to purchase and pay for material under the terms and conditions contained in this Agreement. The volume of material is as agreed upon by the Buyer and Seller.
2. TERMS: This Agreement shall become effective on August 22, 2016 and shall terminate on May 2, 2018. (two year agreement)
3. PURCHASE PRICE AND METHOD OF DELIVERY: The purchase price and method of delivery is as agreed upon by the Buyer and Seller.
4. MEASUREMENT: The material will be weighed by the seller on certified scales or such a place as designated by the Buyer.
5. PAYMENT: Payment for material delivered to, and accepted by, the Buyer will normally be made to the Seller bi-monthly, on the 15th and the end of the month.
6. PRODUCTION: The material shall be produced by the Seller from sound, fresh, green hardwood and shall conform to the specifications contained in the schedule of material specifications for chips attached hereto and incorporated as part of this agreement.
7. QUALITY: The Buyer reserves the right to refuse delivery of any material which does not conform to the specifications contained in the attached schedule. If, in the Buyer's judgment, the Seller fails to maintain the quality of the material in accordance with such specifications, the Buyer may (notwithstanding any other provisions of this Agreement) terminate this Agreement by giving (15) days written notice to the Seller.
8. SELLER WARRANTY: The Seller agrees to fully warrant title, merchantability, fitness, origin, and distance of materials delivered to Buyer.

9. DELAYS BEYOND CONTROL OF PARTIES: There shall be no liability upon either party to this agreement because of delay in delivering or in receiving materials due to weather conditions, war, fire, strike, riots, lockouts, civil commotions, cessation or stoppage of labor, extraordinary breakdowns, acts of God, and any other causes reasonably beyond the control of either party.
10. FAIR LABOR STANDARDS ACT AND INDEMNIFICATION: Seller agrees to comply with and to abide by the Fair Labor Standards Act of 1938 as amended and any other federal or state laws now in force or which hereafter may become effective or may be enacted and Seller agrees to defend Buyer and to hold Buyer harmless from any and all loss, cost, liability or damage by reason of the failure of the Seller or those hired or employed by Seller to comply with said laws. Seller shall indemnify, hold harmless, and defend the Buyer from and against all claims, losses or liabilities asserted against Buyer by any party which results directly or indirectly from Seller's acts or omissions, or from acts or omissions of its agents, servants or employees hereunder.
11. INSURANCE: In all instances in which Seller or its agents deliver material to Buyer, Seller covenants and obligates itself, as well as any of its delivering agents, to carry the following insurance during the term of the Agreement:

Minimum Requirements for Certificate of Insurance

- A. Commercial General Liability
General Aggregate: \$2,000,000.00
Product/Completed Operations Aggregate: \$1,000,000.00
Occurrence Aggregate: \$1,000,000.00
- B. Automobile Liability
Liability Limit: \$1,000,000.00
- C. Excess (Umbrella Liability) Liability
- D. Workers Compensation and Employers Liability per Pennsylvania Statutes

Evidence of such insurance on the part of the Seller delivering material to Buyer shall be furnished to Buyer in advance of any deliveries. In the event of any cancellation or material change in Seller's insurance coverage as required, Buyer, may at its option, refuse to accept any further deliveries hereunder until the Seller furnishes the buyer satisfactory evidence that Seller is currently carrying the insurance coverage stated above.

The above policies shall be carried with an insurance carrier that is satisfactory to the Buyer. Certificates of each of the above policies together with a statement by the issuing company to the effect that said policies will not be canceled without a minimum of thirty (30) days' notice given to the Buyer.

12. HOLD HARMLESS: The Seller agrees to indemnify, hold harmless, and defend the Buyer against any and all claims for loss, damages, liability or other expenses of any nature, character and kind that may arise out of, be connected with or be the result of the Seller's performance under this Wood Chip Biofuel Purchase Agreement.
13. INSOLVENCY: In the event that either party should be adjudicated a bankrupt or in the case of its insolvency or if a receiver should be appointed for either party, then the other party, without previous notice may suspend or terminate the entire Agreement hereunder.
14. ASSIGNMENT: this Agreement is not transferable.

IN WITNESS WHEREOF, the parties have executed this Agreement.

Seller: Keystone Tree Cycling, Inc.

By: [Signature]

Title: President

Witness: [Signature]

Title: OFFICE MGR

Buyer: Crawford Central School District

By: [Signature]

Title: DIR. BLDGS, Grounds, Transportation

Witness: [Signature]

Title: Business Manager

Crawford Central School District Contract for Biomass Fuel Supply Services

__**Keystone TreeCycling, Inc.**__ (Seller) agrees to supply a minimum of **2,500** tons +/- 20%, of wood chip biomass fuel at a nominal moisture content of **25-35**% to Crawford Central School District (Buyer) per the specifications contained in the Table below and the attached purchase agreement for the duration of **(See Page 1, #2)** year(s). Wood chip fuel is to be F.O.B. CCSD Biomass Plant located at 860 Thurston Rd. Meadville, PA 16335. Payments will be made monthly for fuel received at a rate of \$**43.00**/ton. (Two year period/ 2016-2017 and 2017-2018)

Wood Chip Biomass Fuel Specifications

Description	Biomass Fuel
Size	2.5" X 2.5" X ½" or smaller. Not more than 1% shall be larger than 2.5" in any dimension.
Moisture Content (Wet Basis)	25% minimum to 35% maximum (wet basis) free from snow and ice.
Acceptable Types of Fuel	Dirty, virgin wood chips produced from hardwood sawmill waste containing a minimal amount of bark and substantially free of rot and decay.
Cleanliness	Clean wood chips that are free of dirt, rocks, metals, paint and other foreign materials are required.
Ash content	2% average or less
Unloading	Truck unloading is done using walking floor trailers. Unloading must be done in a clean manner. Cleanup of any spillage is the responsibility of supplier.
Weigh slips	Certified weigh slips are required.
Site Storage Size	Approximately 300 yd ³ of below grade fuel storage.
Access	Access for full size van trailers is available.
Fuel Usage	Estimated annual usage of 2,500 tons +/- 20%. Peak winter usage is estimated at 1 ton/hour.
Times Not Available for Delivery	Weekdays: 7:30am-9:00am 2:30pm-3:30pm