Partnership Agreement

This Partnership Agreement (the "Partnership Agreement") is made and entered into by and between Energy Earth, LLC, a Tennessee limited liability company with its principal place of business at 501 Cumberland Street, Suite C, Chattanooga, TN 37404 ("EnergyEarth"), and Tennessee Valley Authority ("TVA"), a federal corporation with its principal place of business at 26 Century Blvd, Nashville, TN 37229

EnergyEarth provides specialized services and programs to encourage energy efficiency, shift or lower peak demand usage and/or reward customers for performing a task, such as participating in TVA's online and/or in-home energy evaluation programs, or making an energy efficient technology investment to improve their home. EnergyEarth's capabilities include creating energy efficiency and demand response programs, developing effective communication strategies to support the programs, altering customers' behavior, providing various program incentives and/or rewards, and measuring and recording energy and demand response savings results. EnergyEarth's core competency includes customer engagement and loyalty programs through advanced technology and customized ecommerce platforms. TVA desires to engage EnergyEarth to provide such services to TVA, as set forth in this Partnership.

1. Overview of Programs

- (a) The goal of this Agreement is to set forth the terms and conditions pursuant to which EnergyEarth will develop and implement programs to encourage and reward TVA's residential and/or commercial customers to alter their electricity consumption behavior and make energy efficienct technology investments ("Program Goal").
- (b) Using EnergyEarth's unique and proprietary incentive, reward and loyalty programs ("Programs"), EnergyEarth will customize Programs for TVA designed to assist TVA in achieving their energy efficiency and demand response goals while providing the end user customer the opportunity to select high efficiency products that will assist them in altering their behavior.
- (c) The Programs may include one or more of the following rewards to alter customer's electricity usage behavior, encourage energy conservation and reduce peak demand electricity usage.

i. Ecommerce Site

a. EnergyEarth will create a technologically advanced TVA/EnergyEarth ecommerce site (tva.energyearth.com) that allows TVA and its 155 Local Power Company ("LPC") Partners to customize logos, colors, advertisements/promotions and product selections as shown in Appendix A.

- b. The ecommerce site will display the collective measurable results totals from all purchases made on tva.energyearth.com, as shown in Appendix B.
- c. EnergyEarth will work with TVA and its LPC Partners to design and communicate their strategic partnership though various communication channels, such as statement messages, emails to end user customers and messaging on the EnergyRight website as shown in Appendix C.
- d. As partners, EnergyEarth will offer the 4everLED Lifetime Guarantee on EnergyEarth designated light bulbs purchased at tva.energyearth.com. This will ensure end user customers will never have to repurchase their LED bulbs as long as they live in their current residence, as shown in Appendix D.

ii. Loyalty Program

EnergyEarth will create a points-based system for TVA to alter their enduser customer's behavior. Points are awarded based on TVA's requirements for use and behavior pattern improvements and can be redeemed at tvarewards.energyearth.com for energy efficient products as shown in Appendix E.

iii. Ecommerce Coupons and Discounts

As an extension of the TVA/EnergyEarth ecommerce site, TVA may elect to offer coupons and/or discounts to their end user customers to promote the purchase and utilization of select products. The specifics for these coupons and/or discounts are determined by TVA and their LPC partners. The coupons may be given to end user customers in paper or electronic form, such as a statement insert, mailer, or email as shown in Appendix F. These printed coupons can offer high tech solutions including, but not limited to, QR Codes. TVA can also offer discounts to end user customers directly through website communications, as shown in Appendix G.

iv. Green Reward

EnergyEarth will create and fulfill a TVA branded Green Reward to use as determined by TVA. TVA will pay full face value of the Green Reward, plus any issuance, mail and processing fees, and applicable taxes. Available in any denomination, this flexible product provides TVA with a reward that aligns with numerous energy efficiency, demand response and marketing initiatives. A TVA Green Reward is redeemable for energy efficient products or for a prepaid open loop stored value card, with additional rewards at tva.energyearth.com, as shown in Appendix H. The TVA Green Reward may be communicated to end user customers in various methods, such as email, mailings and online website communications, to drive specific actions, as shown in Appendix I. The collective lifetime savings of all products purchased at tva.energyearth.com using a TVA Green Reward will display on the homepage of the TVA/EnergyEarth ecommerce site. This data will also be available to TVA through an online reporting portal.

v. TVA Green Plus Reward Prepaid Open Loop Stored Value Card

EnergyEarth will design and fulfill a TVA branded Green Plus Reward Prepaid open loop stored value card that can be utilized by TVA to reward their end user customers. TVA will pay full face value of the Green Plus Reward Prepaid open loop stored value card, plus any issuance, mail and processing fees, and applicable taxes. The application of this reward will be determined by TVA, but can be used for numerous programs that best meet TVA's goals and objectives, as examples shown in Appendix J. The TVA Green Plus Reward Prepaid open loop stored value card may be redeemed anywhere it is accepted or for energy efficient products at tva.energyearth.com. If redeemed at tva.energyearth.com, EnergyEarth will provide additional benefits to TVA customers, on behalf of and at no cost to TVA. The collective lifetime savings of all products purchased at tva.energyearth.com using a TVA Green Plus Reward Prepaid open loop stored value card will display on the homepage of the TVA/EnergyEarth ecommerce site. This data will also be available to TVA through an online reporting portal.

vi. TVA \$witch and \$ave Boxes

EnergyEarth will create, design and fulfill TVA branded \$witch and \$ave Boxes, as shown in Appendix K. TVA will pay the value of the \$witch and \$ave Box, plus the cost of shipping, handling and applicable taxes. The TVA \$witch and \$ave Box contains energy efficient and water conservation products to help end user customers reduce peak demand consumption through various programs as shown in Appendix L. Each box contains a savings certificate displaying the potential lifetime savings in dollars and trees saved and gallons of water and kilowatt hours reduced, as shown in Appendix M. The collective savings data for \$witch and \$ave Boxes issued to end user customer will display on the homepage of the TVA/EnergyEarth ecommerce site. This data will also be available to TVA through an online reporting portal.

- (d) The actual rewards and details of the Programs will be approved by TVA, mutually agreeable to TVA and EnergyEarth and are set forth in <u>Schedule 1</u> attached to this Partnership Agreement ("Program Specifics"). The Programs and the Program Specifics will be consistent with the EnergyEarth System and EnergyEarth's ability to deliver the Programs and the Program Specifics within its business model.
- (e) An estimated project timeline to develop and implement the Programs is attached to this Partnership Agreement as <u>Schedule 2</u> attached to this Partnership Agreement ("Timeline"). The addition of features not originally included in, or changes to, the Programs may result in an extended timeline for implementation.

2. <u>EnergyEarth and TVA Support. Commitment and Investment</u>. A partnership between TVA and EnergyEarth provides numerous benefits for TVA and their LPC Partners as shown in Appendix N. In connection with the Programs, EnergyEarth and TVA will provide the respective support and investments detailed in <u>Schedule 3</u> and <u>Schedule 4</u> attached to this Partnership Agreement. Any requests made by TVA for products or services which add to or, in any way, modify the services to be provided by EnergyEarth to TVA pursuant to the Programs ("Additional Services") shall be outlined in an amendment to this Partnership Agreement. Pricing for Additional Services shall be negotiated by both parties and described in any such amendment.</u>

3. <u>**Compensation**</u>. TVA agrees to pay EnergyEarth an agreed upon pricing as set forth in the Program Specifics. TVA will pay for all coupons and discounts, which have been approved and agreed upon by TVA Management, offered to end user customers upon redemption. Costs associated with the Green Reward, Green Plus Reward Prepaid open loop stored value card, \$witch and \$ave Boxes and Points will be paid to EnergyEarth prior to issuance to the end user customer. These costs include but are not limited to:

- a. Mailing fees
- b. Processing fees
- c. Issuance fees

4. <u>Marketing</u>. TVA and EnergyEarth will cooperate to develop and implement mutually agreeable marketing programs and materials ("Program Materials") to advertise and promote the Custom Programs to TVA's end user customers. All Program Materials shall be subject to mutual written agreement and approval by each party prior to publication. All costs to develop, print, distribute and publicize Program Materials shall be paid by TVA.

5. <u>Exclusivity</u>. During the Term of this Partnership Agreement TVA agrees to use EnergyEarth as its exclusive ecommerce, incentive, gift card and loyalty programs partner, not including current vendors for existing programs, for services related to customer incentive and reward Programs for electricity reduction and demand response programs. TVA will have the opportunity to be the first electric utility provider in the world to offer its customers EnergyEarth's technologically advanced and innovative ecommerce website, energy efficiency and demand response programs which provide measurable results to TVA, the LPC Partners and end-user customers.

6. <u>Invoices and Payment Terms</u>. EnergyEarth will invoice TVA monthly. All properly invoiced amounts will be sent via email to an email address specified by TVA and be payable by TVA to EnergyEarth, via ACH transfer or check, within thirty (30) days from the invoice date. EnergyEarth has the right to suspend its obligations under this Partnership Agreement until the unpaid amount has been paid in full. TVA agrees to be liable, and reimburse EnergyEarth, for any and all expenses incurred by EnergyEarth associated with collecting any unpaid amounts from TVA including, but not limited to, reasonable attorneys' fees.</u>

7. Term and Termination.

- (a) The initial term of this Partnership Agreement shall begin on the Effective Date and will continue for a period of five (5) years (the "Initial Term"). This Partnership Agreement may be renewed and extended at the discretion of TVA ("Renewal Term") prior to the expiration of the Initial Term and each subsequent Renewal Term. The "Term" means the Initial Term together with any Renewal Terms.
- (b) This Partnership Agreement may be terminated prior to the expiration of the Initial Term or any Renewal Term as follows: (i) by either party, if the other party is in breach of any of its obligations or agreements contained in this Partnership Agreement and any such breach has not been remedied within 30 days after receipt of written notice from the other party specifying such breach; (ii) by EnergyEarth, if payment to EnergyEarth by TVA is not made when due and such payment is not made within five (5) business days from the date of written notice from EnergyEarth to TVA of such nonpayment.
- (c) This partnership Agreement may be terminated by either party with a thirty (30) day notice if reasonable changes in circumstances occur. This includes, but is not limited to, budget restrictions and/or major changes in core business objectives.

8. <u>Confidentiality</u>. Each party may learn confidential, proprietary, and/or trade secret information of the other party ("Confidential Information"). Confidential Information means any information, unknown to the general public, which is disclosed or created by a party (the "Disclosing Party") to the other party (the "Receiving Party") under this Partnership Agreement. Confidential Information includes, without limitation, the terms set forth in this Partnership Agreement, intellectual property, technical, trade secret, pricing, and commercial and financial information about either party. The Receiving Party shall not use or disclose Confidential Information from the Disclosing Party for any purpose other than in furtherance of the Programs. Upon request, the Receiving Party shall return to the Disclosing Party all tangible forms of Confidential Information, including any and all copies and/or derivatives of Confidential Information made by either Party or their employees. The obligations set forth in this Section, including the obligations of confidentiality and nonuse shall be continuing and shall survive the expiration or termination of this Partnership Agreement. The obligations of confidentiality and non-use set forth herein shall not apply to the following: (i) Confidential Information at or after such time that it is or becomes publicly available through no fault of the Receiving Party; (ii) Confidential Information at or after such time that it is disclosed to the Receiving Party by a third party with the legal right to do so; (iii) solely with respect to the specific relevant process, order or request, Confidential Information required to be disclosed pursuant to judicial process or otherwise as required by law or court order, provided that the Receiving Party shall so notify the Disclosing Party sufficiently prior to disclosing such Confidential Information as to permit the Disclosing Party to seek a protective order.

9. Intellectual Property.

- (a) TVA agrees that it shall have no rights to or interests in the EnergyEarth Intellectual Property. For the purposes of this Partnership Agreement, "EnergyEarth Intellectual Property" includes any proprietary know-how, software, trademarks, service marks, logos, trade dress, copyrights, patented and unpatented inventions, discoveries, trade secrets, information, reports, methods, practices, designs, processes, procedures, ideas, documentation, business plans, services, or databases developed, conceived or used by EnergyEarth related to the EnergyEarth System or the Programs, including, without limitation, all Program Materials; provided, however that EnergyEarth Intellectual Property shall not include any TVA Intellectual Property. For purposes of this Partnership Agreement, "TVA Intellectual Property" means all TVA logos, artwork, trade names and service marks owned or controlled by the TVA.
- (b) TVA grants to EnergyEarth a non-exclusive, royalty-free license during the Term of this Partnership Agreement to utilize the TVA Intellectual Property solely as necessary to allow EnergyEarth to perform its obligations under this Partnership Agreement.

10. Miscellaneous.

- (a) EnergyEarth represents that: (i) it shall perform its services in a professional, workmanlike manner, and in accordance with all applicable laws, rules and regulations; and (ii) it shall maintain in full force and effect all necessary licenses, permits, approvals required by law to carry out its obligations under this Partnership Agreement; and (iii) the execution, delivery and performance of this Partnership Agreement has been duly authorized by all requisite corporate action and the Partnership Agreement constitutes the legal, valid, and binding obligation of EnergyEarth. Except as otherwise expressly provided in this Section 10(a), EnergyEarth is making no representation or warranty, express or implied, with respect to the Programs, any of EnergyEarth's services, or any other matter.
- (b) TVA represents that: (i) the execution, delivery and performance of this Partnership Agreement has been duly authorized by all requisite corporate action and the Partnership Agreement constitutes the legal, valid, and binding obligation of TVA; and (ii) it will act in good faith to provide EnergyEarth with the necessary assistance required to enable EnergyEarth to perform the Services; and (iii) its trademarks, trade names and trade dress utilized in the Programs do not infringe on any intellectual property or product marketing rights of any other person or entity.
- (c) This Partnership Agreement shall be construed according to the laws of the State of Tennessee, <u>without regard to any law that would render such choice</u> <u>of law ineffective.</u> This Partnership Agreement constitutes the entire

agreement of the parties, all prior and contemporaneous agreements being merged herein, and may not be modified except by written instrument executed by duly authorized representatives of each party hereto. This Partnership Agreement may be executed in any number of counterparts, each of which, when executed, shall be deemed to be an original and all of which together shall constitute one and the same document.

WHEREFORE, the parties hereto have caused this Partnership Agreement to be executed by their duly authorized representatives.

ENERGY EARTH, LLC	TVA
By :	By :
Name :	Name :
Title :	Title :

<u>Schedule 1</u>

Program Specifics

To be completed as Programs and rewards are determined

<u>Schedule 2</u>

Project Timeline

September 30 th 2012	Contractual agreements finalized
October 1 st – 15 th 2012	Finalize ecommerce and marketing materials
October 16 th – 31 st 2012	Finalize incentive and rewards for energy efficiency and demand response programs.
November 1 st – 15 th 2012	Program Testing
November 16 th – December 31st 2012	Program Soft Launch
January 1st, 2013	Program Launch

<u>Schedule 3</u>

EnergyEarth Support. Commitment and Investment

In connection with the partnership and Programs, EnergyEarth will provide the following support, commitment and Investment at **<u>NO COST</u> to** TVA:

- 1. Commit to a long term partnership with TVA
- 2. Provide Programs with no start-up costs to TVA
- 3. Provide a variety of Programs that offer TVA's end user customers the flexibility to choose products that will alter their behavior.
- 4. Fund, create, develop and provide ongoing maintenance of a TVA / EnergyEarth branded ecommerce site, with measurable results for both TVA and their end user customers.
- 5. Fund and provide a graphic design team to design all program marketing materials.
- 6. Fund and provide project management support to oversee all program and fulfillment operations during the implementation stage.
- 7. Fund and provide an EnergyEarth Program Manager at one of the TVA locations determined by TVA to ensure program success post launch.
- 8. Fund and provide program customer service to end user customers.
- 9. Fund and provide online reporting with collective savings data for Program administrators at TVA.
- 10. Fund and provide an opportunity for TVA's end user customers to purchase relevant, energy efficient products upon taking the online and in-home energy evaluation.
- 11. Provide an EnergyEarth Green Plus Reward Prepaid open loop stored value card with additional rewards as a redemption option for the TVA Green Reward. All additional rewards associated with the prepaid card will be provided on behalf of, and at no cost, to TVA
- 12. Reward TVA end user customers on behalf of, and at no cost, to TVA with additional

rewards when redeeming their Green Plus Reward Prepaid open loop stored value card at tva.energyearth.com.

- 13. Fund shipping costs on all orders placed at tva.energyearth.com once shipping costs exceed \$2,000,000 (two million dollars) annually.
- 14. Provide a 4everLED Lifetime Guarantee on select LED light bulbs. EnergyEarth will fund the replacement cost and shipping for all 4everLED bulbs.
- 15. EnergyEarth commits to providing TVA the opportunity to be the first electric utility provider in the world to offer its customers EnergyEarth's innovative ecommerce and energy efficiency/demand response programs which provide measurable results to TVA, the Distributors and end-user customers.
- 16. Remain a Tennessee-based business and create new jobs for the Tennessee Valley area in a HUD designated, economically disadvantaged **Empowerment Zone** as shown in Appendix O.
- 17. Secure, fund and maintain all Program-related trademarks, patents and URLs.
- 18. Provide time and resources required to ensure a successful launch, implementation, and continued success of the Program.
- 19. Commit to a weekly meeting with the TVA/EnergyEarth Relationship Manager and key members of the TVA team to monitor the progress of the Program.
- 20. Process orders and/or redemptions by end user customers for products within three (3) business days and delivery within ten (10) to fourteen (14) business days from order.

<u>Schedule 4</u>

TVA Support, Commitment and Investments

In connection with the partnership and Programs, TVA will provide the following support, commitment and investments:

- 1. Commit to a long term partnership with EnergyEarth and encourage Distributor engagement.
- 2. TVA commits to a \$10,000,000 (ten million dollars) investment during the first twelve (12) months of the initial partnership launch.
- 3. Commit to integrating EnergyEarth's Programs and rewards (e.g., Green Reward, Green Plus Reward Prepaid open loop stored value card, \$witch and \$ave Boxes, etc.) into TVA's energy efficiency and demand response initiatives to reward end user customers and alter behavior.
- 4. Promote and fund TVA/EnergyEarth's jointly developed and approved Programs and the one-minute online audit through emails, mailings and mass media advertising as well as on TVA, Distributor and EnergyRight websites to end user customers.
- 5. Fund shipping costs, not to exceed \$2,000,000 (two million dollars) through January 2014, for purchases made at tva.energyearth.com, and annually thereafter.
- 6. Fund TVA approved coupons and discounts, redeemed by TVA end user customers, up to \$2,000,000 (two million dollars) through January, 2014, upon redemption.
- 7. Fund the cost of rewards issued to end user customers upon issuance (e.g., Coupons/discounts, Green Reward, Green Plus Reward Prepaid open loop stored value card, \$witch and \$ave Boxes, etc.)
- 8. TVA commits to make EnergyEarth its sole ecommerce source provider for energy efficiency and demand response programs, excluding current partnerships during the term of partnership agreement.
- 9. Provide time and resources required to ensure a successful launch, implementation, and continued success of the Program.

- 10. Provide a primary point of contact that will be responsible for facilitating a consistent free-flow of information and will commit to handling requests for information in a timely manner.
- 11. Commit to a weekly meeting with the TVA/EnergyEarth Relationship Manager and key members of the EnergyEarth team to monitor the progress of the Program.
- 12. Provide desk space at a TVA location for a full-time EnergyEarth Program Manager to ensure the success of the program post launch.