

SCHEDULE OF RATES AND TERMS OF AGREEMENT

EXERGY Partners Corp. (EXERGY) provides services on the basis of rates and disbursements in accordance with the following schedule, unless different rates are agreed upon on a project specific basis.

FEES: Principal Consultant fees for 2005 are delineated below:

Standard Rate: EXERGY charges a Standard Rate of \$125 per for consulting services.

Daily Rate: A Daily Rate maximum of eight hours will be charged for work performed during normal business hours between 8:00 am to 6:00 pm.

Retainer: A Retainer time period may be reserved for a minimum commitment of a block of time per month. The Retainer approach makes sense during those months that you expect to require twenty or more hours of service in a single calendar month to secure services. You must enter into the retainer relationship by paying the retainer fee before the first retained hour of service begins. The retainer fee covers up to contracted hours of service in a single calendar month, and is not prorated or refundable if you do not make use of all four hours before the end of the month.

DISBURSEMENTS: including: airfares, taxis, vehicle hire, courier, freight, accommodation, meals, photography, reproductions, printing, etc are provided at cost plus 5%

All work is performed in accordance with the following Standard Terms of Agreement.

1. EXERGY shall provide to the Client the consulting services described in the accompanying document.
2. In providing the services, the EXERGY shall exercise the degree of skill, care and diligence normally exercised by consultants in similar circumstances.
3. The Client shall provide to the EXERGY briefing and all information concerning the Client's requirements for the project.
4. The Client shall pay to EXERGY the Fee and the Reimbursable Expenses as set out in the accompanying letter.
5. All monies payable by the Client to the EXERGY shall be paid within 30 days of invoice. Moneys not paid within that period shall accrue interest from the date of invoice until payment at the rate of 18% per annum.
6. Copyright in all information, reports and other documents provided by the EXERGY in connection with a project shall remain the property of the Client.
7. EXERGY shall carry Worker's Compensation, including Employer's Liability Insurance, and/or all other insurance required by law in accordance with the statutory requirements of the jurisdiction in which the Work will be performed. EXERGY shall maintain Commercial General Liability Insurance coverage having a minimum limit of Two Million Dollars (\$2,000,000.00) per occurrence. Such insurance shall cover all of the Work and operations performed by EXERGY.
8. Confidential information shall be held in confidence by the receiving party, shall not be published in any form, shall not be used, and shall not be discussed with or disseminated to any individual or organization other than the parties (EXERGY and/or Client). Such terms shall apply for a period commencing upon the execution of any agreement and extending five (5) years after the work has been completed. Confidential information shall not apply to information.
 - (a) Which is not in writing and clearly marked "Confidential". Information transmitted orally or visually may be classified as information pursuant to this provision by so designating at the time of disclosure, followed by a subsequent reduction to writing and submission to the receiving party within thirty (30) days from the date of initial disclosure;
 - (b) Which is already in the possession of the receiving party or its employees at the time of disclosure as evidenced by prior written documentation;
 - (c) Which now or hereinafter comes into the public domain without breach of any agreement,
 - (d) Which the receiving party rightfully receives from third parties without obligation of confidentiality;
 - (e) Which is approved by the disclosing party's written authorization for use or release by the receiving party.
9. Any dispute between the Client and the EXERGY shall first be the subject of mediation provided that this provision shall not prevent either party from instituting legal action at any time to recover moneys owing.
10. The Client may terminate its obligation under this Agreement:
 - (a) In the event of substantial breach by EXERGY of its obligations hereunder, which breach has not been remedied within 30 days of written notice from the Client requiring the breach to be remedied, or
 - (b) Upon giving the EXERGY 30 days written notice of his intention to do so.
11. EXERGY may suspend or terminate its obligations under this Agreement, in the event of:
 - (a) Monies payable to EXERGY hereunder being outstanding for more than 60 days.
 - (b) Other substantial breach by the Client of its obligations hereunder, which breach has not been remedied within 30 days of written notice from EXERGY requiring the breach to be remedied, or
 - (c) Upon giving the client 30 days written notice of his intention to do so.
12. Neither party may assign, transfer or sublet any obligation under any agreement without the written consent to the other. Unless stated in writing to the contrary, no assignment, transfer or subletting shall release the assignor from any obligation under any agreement.