

_____, 2013

Mr. Matt Piell
Synergy – World Energy LLC
600 Madison Avenue 16th Floor
New York, NY 10022

**RE: Non-Binding Letter of Intent to Construct a
Wastewater Purification and Power Generation Facility in
Oxford, Mississippi**

Dear Mr. Piell:

On behalf of the **City of Oxford, MS** (“City”), I am pleased to present to Synergy-World Energy LLC and Langenburg Technologies LLC (“SWE/Langenburg”) this Non-Binding Letter of Intent (“LOI”) to work with you on the installation of a wastewater purification and renewable energy facility in the **City of Oxford, Mississippi** utilizing your proprietary technology. This letter of Intent is conditional on an optional visit to the Langenburg facilities in Eugene, Oregon, seeing the equipment in good working condition and verifying that the technology will perform as represented. The LOI is also conditional on verifying the Bonding Company that will be issuing the performance bond guaranteeing the functionality of the equipment. Below is a summary of the terms and conditions under which we would consider entering into an agreement with Synergy-World Energy, LLC/Langenburg Technologies, LLC).

- 1. Project Description:** The proposed project consists of constructing a waste water purification and power generation facility complete with associated pumping and electrical connections to the local power grid. SWE/Langenburg and its financial and technical partners will provide all engineering, permitting and construction associated with the installation of the proprietary equipment. The City will provide the point of connection to the wastewater and discharge of the purified water from the proprietary equipment. The City will, at no charge to the project, provide the land needed for the facility and an uninterrupted source of a minimum of 1,000,000 gallons per day of wastewater effluent for a period not less than 20 years or the term of a fully executed Power Purchase Agreement (PPA) for this project whichever is longer. The City in turn will receive the water or wastewater back in a form of pure domestic grade water as defined under the Safe Drinking Water Act (SDWA) or as defined and approved by state and federal agencies having jurisdiction, less the amount needed to generate electrical power which is estimated to be approximately 5% of the total water input.

2. **Feasibility Period:** The City acknowledges the complexity of developing a project using this proprietary equipment. The City shall provide SWE/Langenburg a period of Sixty (60) days following the execution of this LOI to conduct independent studies concerning the proposed project (“Feasibility Period”). Approval or disapproval of the project shall be at the sole discretion of SWE/Langenburg and its financial and technical partners. It is understood that the acceptance of the project shall be based on, but not limited to, the following:
 - a. Review and acceptance of current agency regulations governing the use of wastewater effluent water and power generation, etc.
 - b. Preliminary acceptance of a PPA by the local electric utility at rates and terms acceptable to SWE/Langenburg.
 - c. Review and acceptance of a report on flooding, zoning and code compliance by the City’s Engineers.
 - d. An adequate reliable source of wastewater to operate the equipment.
 - e. The location and adequacy of the electrical grid to accept the power generated by the equipment.
 - f. Review and acceptance of satisfactory findings related to the Environmental Protection Agency (“EPA”) issues, toxic waste, pending zoning or usage changes of the selected property.
 - g. Acceptance of the project by SWE/Langenburg’s technical and financial partners.
 - h. The City and SWE/Langenburg reaching agreement on cost to the City for the purification of the wastewater.
3. **Project Site:** This facility will be constructed on property located in and owned by the City. The City shall provide the rights to construct and operate the equipment within the boundaries of said property by SWE/Langenburg and its financial and technical partners for the term of the Agreement at no charge. The exact location of the facility and the site shall be determined during the Feasibility Period and be mutually agreed upon by both SWE/Langenburg and the City. The City shall retain ownership of the property and maintenance of the real property.
4. **Agreement:** SWE/Langenburg will form a single purpose entity for the project. The newly formed entity will enter into an agreement (the “Agreement”) with the **City of Oxford** for the purification of wastewater at a price to be negotiated. The city acknowledges and agrees that it will have no rights to any revenue SWE/Langenburg receives from the sale of electrical power generated as a result of the purification of the wastewater effluent provided by the City.
5. **Term:** To be determined during the Feasibility Period and shall be equal to the term of the PPA to be obtained by SWE/Langenburg from the electric utility serving the area. This term shall be a minimum of 20 years.
6. **Access to Property.** At all times during the Term of the Agreement, The City shall provide access to the property to SWE/ Langenburg and its technical partners or their assigns for inspections and maintenance of the equipment.
7. **Project On-Site Construction Funding:** SWE/Langenburg shall provide all construction funding for the manufacturing and installation of the proprietary equipment, the construction of the site work and interconnection to the grid for the project, subject to the acceptance of the credit rating of the City and the purchaser of

the power generated by the facility under a PPA, that is acceptable to the financial partners.

- 8. Ownership of the Equipment** – The City understands and affirms that the water purification and electrical power generating equipment is proprietary to Langenburg Technologies LLC. Neither The City nor any of its affiliates shall own, sublease, work on or inspect the proprietary equipment at any time during the term of the of the Agreement or the PPA.. All maintenance of the proprietary equipment is the responsibility of Langenburg Technologies LLC at no charge to the newly formed single purpose entity or the City.
- 9. Intellectual Property Rights**–Langenburg Technologies LLC and its affiliates shall remain the sole owner of any and all rights, title and interest in all Intellectual Property pertaining to the equipment used to treat water or wastewater and generate electrical power which results directly or indirectly from this Agreement.
- 10. Provision for sale of Either Company** – If for any reason Langenburg Technologies, LLC or Synergy - World Energy, LLC are sold or assigned in part or in its entirety to another entity, any Agreement between the City and the special purpose entity shall survive and remain in full force and effect.
- 11. Representations and Warranties:** SWE/Langenburg and its financial and technical partners agree that they will warrant the equipment for the Term of the Agreement. If during the Term of the Agreement the equipment fails to function as agreed then SWE/Langenburg will replace or repair the equipment immediately at no charge to the City.
- 12. Hold Harmless:** Neither Party shall hold the other responsible for damages or delay in performance caused by acts of God, strikes, lockouts, accidents, utility companies, manufacturer delays or other events beyond the control of the other or the other's employees and agents. One or more waivers of any provision, term, condition, or covenant by either Party, shall not be construed as a waiver of a subsequent breach by the Party. SWE/Langenburg or the City (individually a “Party” or collectively the “Parties”) shall not be responsible for damages or be in default by reasons caused by failure of another Party or the other party’s agents to furnish information; or due to late, slow, or faulty performance by the Party and/or regulatory agencies beyond their reasonable control. In the case of any such cause of delay, the final cost and time of completion may be renegotiated accordingly. All Parties agree to indemnify, defend and hold each other harmless from liability, settlements, loses, costs and expenses, in connection with any action, suit, or claim resulting or allegedly resulting from their own negligent acts, omissions or activities, or from their own willful misconduct.
- 13. Exclusivity:** The City agrees that this technology and equipment is proprietary to Langenburg Technologies LLC. The City agrees they will not own the facility, equipment or the technology nor can it inspect or repair the equipment nor negotiate or discuss any sale, lease or option of the proprietary equipment or any interest in the equipment at any time. At no time during or after the conclusion of discussions or negotiations between the City and SWE/Langenburg shall the City or its representatives: (i) pursue or consummate the proposed transaction at issue with anyone other than SWE/Langenburg; (ii) directly or indirectly establish a business

relationship with any other person or entity attempting to participate in the proposed transaction other than with SWE/Langenburg; (iii) without SWE/Langenburg's written authorization, contact any lender, investor, service provider, member, partner, customer, licensee or technical and financial partners of SWE/Langenburg or their representatives; (iv) take any actions to directly or indirectly gain the benefits of any proprietary or confidential information provided to the City ("Confidential Information") without the approval of SWE/Langenburg; (v) contract directly with any other person or entity that SWE/Langenburg has identified as having access to the project's Confidential Information; (vi) hire or contract with any present or future employee, technical and financial partner or independent contractor of SWE/Langenburg, the special purpose entity or any of their affiliates.

This Letter of Intent is meant to be a general outline of the business terms upon which the **City of Oxford** and SWE/Langenburg could enter into a formal agreement to construct a water purification and power generation facility on land owned by the City. This Letter of Intent shall not be binding on the City or SWE/Langenburg (except for the provisions of the "Exclusivity" section) unless and until both parties execute a binding Agreement. If these terms are acceptable to you, then please so indicate by signing this Letter of Intent in the space provided below.

Sincerely,

City of Oxford, Mississippi

By: _____
Mayor George P. Patterson

Date: _____

Accepted by:

Synergy – World Energy LLC

By: _____
Matthew Piell, Managing Member

Date: _____