

Commission Calculation Guide

Contract Language:

Commissions: Commissions will be calculated according to the percentages below for payments made by a Customer to Company pursuant to valid Purchase Contract payable in accordance with Section 5 of the Agreement.

| Type of Engagement | Commission Percentage |
|---|-----------------------|
| Energy Efficiency/Generation (LED, Solar, HVAC, controls, etc.) | 20% of Net Revenue* |

*Net Revenue: means (i) the gross revenue actually received by the Company from a Customer pursuant to a valid Purchase Contract minus (ii) the costs paid by the Company to perform under such Purchase Contract, including, but not limited to the cost of any Products purchased from a third party supplier, any subcontractor costs, insurance for the project, permits and related fees, taxes payable, travel expenses, administrative expenses, and expenses for Company staff to manage the project.

Example:

| | | | | | |
|-------------------------|-----------------|----------------------|-----------------|--------|-----------------------------------|
| Paid by Customer | | Paid by Verde | | | |
| Materials | \$13,000 | Materials | \$8,000 | | |
| Installation | \$20,000 | Installation | \$13,000 | | |
| Shipping | \$2,000 | Shipping | \$1,000 | | |
| | | Other Project Costs | \$7,000 | | |
| Gross Revenue | \$35,000 | Costs | \$29,000 | equals | Net Revenue \$6,000 |

Commission = \$6,000 (Net Revenue) * 20% (Commission Percentage) = \$1,200

Please contact Zoe with any questions at zking@verdesolutions.com