

SECTION 2 – COMMERCIAL

2.1 PRICING

H₂O Innovation’s preliminary sale price(s) for FlexBox_UF™ Container(s) is/are provided below. Prices are exclusive of any amount for federal, state, local, sales, use, property, import, VAT or similar taxes or duties.

Item	Description	Price (USD/each)	Quantity	Price (USD)
Containers	FlexBox_UF™ containers as described herein	\$1,732,618.00	1	\$1,732,618.00
Controls	Modicon PLC in lieu of CompactLogix PLC platform, including vendor-standard IO design with a combination of Wago IO in main control panel along with frame-mounted Numatics NEMA 4 IO complete with M12 connectors.	\$68,250.00	1	\$68,250.00
Field Service	Field service for training and/or installation, startup, and commissioning assistance. See Notes for details (below)	\$1,800.00/day	20	\$36,000.00
	Annual service agreement 1. Two (2) days onsite per quarter (eight (8) days onsite/year) 2. 365 days/year remote monitoring and data collection	\$36,000.00	Annual	\$36,000.00
Spare Parts	Per Spare Parts List Appendix H	\$16,418.00	1	\$16,418.60
Subtotal				\$1,889,286.60
Pilot Rental	Pilot unit equipment rental only complete with one HFUG-2020AN module (excludes costs for mobilization and demobilization and shipping pilot to and from site)	\$45,000.00	3 months	\$135,000.00

Total	\$2,024,286.60
--------------	-----------------------

Notes:

- All pricing given in U.S. Dollars (USD)
- Pricing and scope based on Standard Terms and Conditions - H2O Innovation USA, Inc. (Appendix A)
- Shipping Ex-Works (EXW) H₂O Innovation’s designated manufacturing facility
- Proposal validity is thirty (30) days from proposal date.
- Rental duration assumes three (3) months of testing. Shipping, mobilization, and demobilization would be in addition to the quoted monthly rental rate.
- Our offer includes twenty (20) days of field service
 - Travel & living expenses are in addition to the daily \$1,800 rate and will be charged at cost +20% admin fee
 - Additional field service time billed at hourly rate per Section 2.3

Payment Terms: thirty (30) days net from invoice date.

	Description	Progress	Cumulative
1	Upon Purchase Order	25%	25%
2	Upon fabrication of skids (prior to skid installation within container)	35%	60%
3	Upon Notice of Readiness to Ship	30%	90%
4	Upon Shipment of Equipment from H ₂ O Innovation facility	10%	100%

2.2 SCHEDULE

One (1) H2O Innovation FlexBox_UF™ container, with standard scope and features, ready-to-ship within forty (40) weeks after mutually executed purchase order.

Pilot rental units are available on first-come first-served basis subject to mutual execution of rental agreement.