



SUNGEVITY®
SOLAR HOME SPECIALISTS

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LEASE AGREEMENT FOR PHOTOVOLTAIC SOLAR ENERGY EQUIPMENT

Sungevity Development, LLC 66 Franklin Street, Suite 310 Oakland, CA 94607	Name and Address of Property Owner: Richard Butler 36345 Provence Dr Murrieta CA 92562	Address for Installation (if different from Address of Property Owner):
Lease Signed by Property Owner on: 4/30/2013		Email Address and/or Facsimile Number for Notices (optional)

1. **Introduction.** This is the Lease Agreement for Photovoltaic Solar Energy Equipment (the "Agreement") between Sungevity Development, LLC ("Sungevity") and the property owner(s) listed above (collectively "you") for the lease of the photovoltaic solar energy equipment that is more fully described below (the "System"). Sungevity or its successor in interest under this Agreement (pursuant to Section 10) is referred to herein as the "Lessor," "us" or "we". By signing this Agreement, you agree to lease from us (and we agree to lease to you) the System on the terms and conditions contained in this Agreement. Our obligations under this Agreement include the installation of the System at the address listed above (the "Property") and your obligations include making the payments described in Section 5. Please ask your Sungevity solar consultant if you have any questions regarding these or any other terms of this Agreement. Also, please note that this Agreement contains disclosures required by the Federal Consumer Leasing Act and, as applicable, other federal and state law.
2. **Lease Term.** We will lease the System to you for the Lease Term. The "Initial Lease Term" is the period beginning on the Interconnection Date and ending on the date that is 20 consecutive years (240 consecutive calendar months) from the date on which you are required to make your first Monthly Payment as required by Section 5(b) below. For example, if your first Monthly Payment is due on January 15, then the Initial Lease Term would end 20 consecutive years from January 15. You may extend the Lease Term in accordance with Section 12 of this Agreement. The period of each extension is referred to as a "Renewal Lease Term". The "Lease Term" is the period beginning on the Interconnection date (defined below) and ending at the expiration of the later of (a) the Initial Lease Term or (b) any Renewal Lease Term(s) to which you have agreed, and cannot exceed 25 years.
3. **Description of the Photovoltaic Solar Energy Equipment.** The System is made up of the following components which are estimated to produce 5476 kilowatt-hours/year ("kWh/year") in the first year, and an average of 4986 kWh/year over the term of your lease. Based on this annual production and the amount listed in Section 5.d, the estimated price per kWh during the Initial Lease Term is \$0.23 (please note that you are leasing the System rather than buying energy).

Components	Quantity
ET Solar Industry ET-P660245BB	14
SMAAmerica SB3000HFUS-30 (240V)	1

4. **Performance Guarantee and Limited Warranty and Solar Operation and Maintenance Guide.** We have provided to you the "Performance Guarantee and Limited Warranty Agreement" (the "Limited Warranty") and "Solar Operation and Maintenance Guide" (the "Guide"). Please be sure to read these carefully as these documents are referenced in this Agreement and include some of your obligations with respect to the System.

(a) Amount Due at Lease Signing: \$0.00	(b) Monthly Payments (taxes not included): If the Interconnection Date (defined as the date that the System is fully operational and inter-connected to the electrical grid) is between the 1st and the 15th day of the month, your first Monthly Payment of \$95.15 is due on the 1st day of the calendar month following the Interconnection Date and subsequent Monthly Payments are due on the 1st day of each calendar month thereafter; or, if the Interconnection Date is between the 16th day and the last day of the month, then your first Monthly Payment of \$95.15 is due on the 15th day of the calendar month following the Interconnection Date and subsequent Monthly Payments are due on the 15th day of each calendar month thereafter. This first Monthly Payment covers the first full calendar month of the Lease Term; it is followed by: 11 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each, followed by 12 Monthly Payments of \$95.15 each. The total amount of Monthly Payments for the Initial Lease Term will be \$22,836.00. The Monthly Payment schedule above incorporates an annual increase at a rate of 0% applied to each full year of the Initial Lease Term (the "Annual Increase Rate").	(c) Other Charges: (not part of the Monthly Payments) None.	(d) Total of Payments: (The amount you will have paid by the end of the Initial Lease Term of this Agreement) \$22,836.00 (total of Monthly Payments, and any other amounts specified in this Section 5; does not include any additional installation cost or taxes)
(e) Purchase Option At End of Lease Term : If you are not in default under this Agreement, you will have an option to purchase the System at the end of the Lease Term for its fair market value.			
(f) Other Important Terms : See Section 2 above for additional information on the Lease Term and also see below for additional information on termination, purchase options, renewal options, maintenance responsibilities, warranties, late and default charges, required insurance and prohibition on assignment without our consent.			



6. Obligations.

- a. Payments. You agree to make the payments described in this Agreement.
- b. Notification. You agree to let us know in writing (i) within 24 hours of discovering that the System is not working properly and (ii) immediately upon discovery (a) of an emergency condition relating to the System, (b) that the System appears to have been damaged, or (c) that any portion of the System has been stolen.
- c. Property and System Maintenance. You agree:
 - i. to maintain the Property so that the System will receive the same amount of sunlight as it did when it was installed (which includes things like trimming trees and other plants and not making any modifications to the Property that might shade the System),
 - ii. to clean the System as described in the Limited Warranty and the Guide,
 - iii. not to do anything (or allow any condition or circumstance to occur or exist) which might cause the System not to properly function, and
 - iv. not to remove the markings and identification tags on the System.
- d. Use of System. You agree that the System will be used primarily for personal, family or household purposes (except that it will not be used to heat a swimming pool).
- e. No Alterations. You agree that you will not, without our prior written consent, make any improvement or modification to the System or take any other action that might void the Limited Warranty. You agree that improvements or modifications made to the System will become part of the System and our property.
- f. Access for Installation; Repair; Inspection.
 - i. You agree to give us and our affiliates, including Sungevity, Inc. (whose applicable contractor's license number is listed on Exhibit 2), and our respective agents, employees and contractors reasonable access to the Property and the System and cooperate with us so that we can:
 - A. install, construct, inspect, operate, own, repair, access, remove and replace the System
 - B. make any additions to the System or install complementary technologies on or about the location of the System,
 - C. enforce our rights under this Agreement and with respect to the System,
 - D. install, use and maintain electric lines and inverters and meters, necessary to interconnect the System to your electric system at the Property and/or to the utility's electric distribution system or
 - E. take other action reasonably necessary in connection with the construction, installation, operation, maintenance, removal or repair of the System insofar as those activities are contractually assigned to the parties identified above.

This right of access and your agreement to cooperate will end at the earlier of (A) ninety (90) days from the date this Agreement terminates or expires and (B) the date on which we complete the removal of the System (if applicable). To the extent we reasonably can, we will attempt to notify you prior to accessing the System.

- ii. You will take any actions needed to preserve our right to access the Property and the System granted above and you will not permit interference (directly or indirectly) with those rights. If requested by us, you agree to sign an easement that sets forth in writing Sungevity's right to access the Property for the purposes described above, and will reasonably cooperate with our obtaining such an easement, including providing relevant information we may request. We may file this easement in the public records.



- iii. You agree that we may file any UCC-1 financing statement or fixture filing that confirms our or our affiliate's ownership of the System. You agree that the System is not a fixture to the Property. You agree that for Systems located in California, we will file a "Notice of an Independent Solar Energy Producer Contract" with the county recorder for the relevant county, in accordance with Section 2869(b) of the California Public Utilities Code.
- iv. You agree to reasonably cooperate with us concerning any other filings or notices that we reasonably believe are necessary in connection with the Lease and the System (for example, if future changes to applicable laws require additional disclosures or if the credits and rebates described in Section 9 below require us to obtain your signature on additional documents).
- v. You agree that you will not repair the System (or have the System repaired) except for repairs made in accordance with the Limited Warranty.

- g. Late Charges; Return Fees; Automatic Payments. Payments not made when due will accrue interest at the lesser of (i) twelve percent (12%) per year and (ii) the maximum amount permitted by applicable law. You will be assessed an additional fee of twenty-five dollars (\$25) for each return or refusal of your bank to honor an ACH withdrawal or check. If you choose not to make automatic Monthly Payments through ACH withdrawals from your checking or savings account, an additional processing fee of \$10 per month will apply.
- h. Insurance. Sungevity provides insurance for the System during the Lease Terms (including any extensions) under the Limited Warranty.
- i. Taxes. You agree to pay when invoiced all applicable sales or use taxes and related fees on the Monthly Payments. You also agree to pay any sales or use taxes on the purchase price if you purchase the System. You also agree to pay as invoiced any applicable personal property taxes on the System that your state or local jurisdiction may levy.
- j. No Liens. You agree that you will keep the System free and clear of all liens, claims, levies and legal processes other than those created by us. You further agree to defend and protect us against all such liens, claims, levies and legal processes (other than those created by us).
- k. Indemnity. You agree to indemnify us against, and hold us harmless from, any and all losses, claims, damages, liabilities and related expenses (including all reasonable fees, costs and expenses of counsel), incurred by us or asserted against us by you or any third party arising out of, in connection with, or as a result of your negligence, willful misconduct or breach of your contract obligations to us. However, you will not be required to indemnify us for our own gross negligence or willful misconduct. This indemnity obligation will survive termination or expiration of this Agreement.
- l. Net Lease Payments. YOU AGREE THAT THIS AGREEMENT IS A "NET LEASE" AND YOUR OBLIGATION TO PAY ALL MONTHLY PAYMENTS AND ALL OTHER AMOUNTS UNDER THIS AGREEMENT IS ABSOLUTE AND UNCONDITIONAL AND SHALL NOT BE TERMINATED, EXTINGUISHED, DIMINISHED, SETOFF OR OTHERWISE IMPAIRED BY ANY CIRCUMSTANCE WHATSOEVER, IT BEING YOUR AND OUR INTENTION THAT ALL MONTHLY PAYMENTS AND OTHER AMOUNTS PAYABLE UNDER THIS AGREEMENT SHALL CONTINUE TO BE PAYABLE IN ALL EVENTS (INCLUDING PAYMENTS BY YOUR ESTATE AND HEIRS).
- m. Waiver. EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT OR BY APPLICABLE LAW, YOU HEREBY WAIVE ALL RIGHTS YOU MAY HAVE TO REJECT OR CANCEL THIS AGREEMENT, TO REVOKE ACCEPTANCE OF THE SYSTEM, OR TO GRANT A SECURITY INTEREST IN THE SYSTEM.

7. **Conditions to Installation.** Our obligation to install and lease the System is subject to our confirmation that the following conditions have been satisfied or waived by us:

- a. We have completed a physical inspection of the Property (which may include a geotechnical evaluation) and real estate due diligence which confirms that the Property is suitable in its current condition for the installation, construction and operation of the System and the performance guarantee provided in the Limited Warranty;



- b. We have received all necessary zoning, land use, building and other permits and permissions required for the installation, operation and maintenance of the System;
- c. This Agreement has been approved by our financing partner(s); and
- d. We have confirmed that we will obtain all of the applicable benefits in Section 9.

We may terminate this Agreement without liability if we believe that any of these conditions will not be satisfied for any reason beyond our reasonable control (for example, if your Property requires structural repairs or improvements to support the System, or we discover pre-existing hazardous substances on your Property). In that event, we may offer you a proposed revised Agreement that you will be able to accept or decline. Any other material changes to the System will be documented in a Change Notice or Change Order. YOU AUTHORIZE US TO MAKE CORRECTIONS TO THE REBATE AND OTHER ENVIRONMENTAL INCENTIVE PAPERWORK DESCRIBED IN SECTION 9 AND EXHIBIT 2 TO CONFORM TO THIS AGREEMENT OR ANY CHANGE NOTICE OR CHANGE ORDER TO THIS AGREEMENT.

8. **Warranty.** The Limited Warranty is a separate Agreement. Sungevity's obligations under the Limited Warranty are separate and independent from its obligations under this Agreement. Any obligations that Sungevity has and rights that you have under the Limited Warranty will not give rise to any recourse against us under this Agreement or otherwise affect your obligations under this Agreement. You understand and agree that you are not allowed to offset any payment or right you are entitled to under the Limited Warranty against any payment or obligation you owe under this Agreement. This Section 8 will prevail over any conflicting or inconsistent provision of this Agreement.

EXCEPT TO THE EXTENT PROHIBITED BY THE LAW OF THE STATE DEFINED IN SECTION 20, WE ARE PROVIDING THE SYSTEM TO YOU "AS IS"; AND OTHER THAN PURSUANT TO THE LIMITED WARRANTY, THERE ARE NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR ANY PURPOSE, CONDITION, DESIGN, CAPACITY, SUITABILITY OR PERFORMANCE OF THE SYSTEM OR ITS INSTALLATION AND YOU DISCLAIM AND WAIVE ANY RIGHT TO ASSERT ANY OF THOSE WARRANTIES UNDER THE LEASE.

Quiet Enjoyment. We agree that so long as you are in compliance with your obligations under this Agreement, neither we nor any successor in interest to us, or any party claiming through either of the foregoing, shall interfere with or interrupt your quiet enjoyment of the use, operation and possession of the System and your rights and interests therein, in accordance with the terms of this Agreement.

9. **Ownership of the System: Tax Credits: Rebates.** This Agreement is a lease and not a sale agreement. You agree that the System is our personal property under the Uniform Commercial Code. We own the System and any data from the System for all purposes. See Exhibit 2 for additional specific information concerning ownership of environmental incentives and tax benefits available with respect to the System, including, without limitation, (a) depreciation deductions, investment tax credits and any cash grant in lieu of investment tax credits and (b) any renewable energy credits, utility rebates (including performance based incentives), and any other environmental attributes associated with the electricity output from the System.
10. **Assignment; Transfer.** We may assign, sell or transfer the System and this Agreement. Upon such assignment, sale or transfer, the obligation to install the system and any obligations under the Limited Warranty and the Guide will remain with Sungevity. You also understand and agree that we may assign this Agreement separately from the Limited Warranty. EXCEPT AS COVERED IN SECTION 13 IN CONNECTION WITH A SALE OF THE PROPERTY, YOU AGREE NOT TO SUBLEASE, ASSIGN, SELL, PLEDGE OR IN ANY OTHER WAY TRANSFER THIS AGREEMENT WITHOUT FIRST OBTAINING OUR PRIOR WRITTEN CONSENT (WHICH CONSENT SHALL NOT BE UNREASONABLY WITHHELD).
11. **Purchase Option.**
- a. If you are in good standing under this Agreement, you may purchase the System on the date the last payment under this Agreement is due, provided that you (i) deliver to us an irrevocable notice at least one (1) month, but not more than three (3) months, prior to the scheduled purchase date, (ii) pay us the Monthly Payment due on such date (without regard to any right of prepayment under this Agreement) and (iii) pay to us the fair market value of the System. We will tell you what the fair market value is in advance within five (5) business



days of a written inquiry by you. In addition to the foregoing, you agree that you will pay all applicable taxes relating to the purchase and sale of the System.

- b. You may purchase the System in connection with your sale of the Property, provided that such purchase must be completed in accordance with Section 13, below.

12. Extending the Lease Term. If you are in good standing under this Agreement, you can extend the Lease Term for one (1) or more successive Renewal Lease Terms of five (5) years each, provided that all such Renewal Lease Terms, when combined with the Initial Lease Term, cannot exceed a total of 25 years. Here is how we will work with you to do this:

- a. Within three (3) months of the expiration of the then-current Lease Term, we will send to you an extension agreement setting forth the Monthly Payments that would be due during the five (5) year Renewal Lease Term based upon our assessment of the then current fair market value. As an incentive for you to renew for the first (1st) Renewal Lease Term, the extension agreement for the first (1st) five (5) year Renewal Lease Term will set forth Monthly Payments that increase at no greater than the Annual Increase Rate of 0% specified in Section 5 above.
- b. You need to send the completed extension agreement to us at least one (1) month prior to the end of the then-current Lease Term. If you do not return the completed extension agreement or disagree with the proposed Monthly Payments, the Lease Term will expire at the end of the then-current Lease Term.

13. Sale of the Property.

- a. If you sell the Property, you must do one of the following:
 - i. Assign this Agreement to the New Property Owner. If you sell the Property to a person who meets our credit requirements, as we determine them from time to time, you can transfer this Agreement and all of your rights and obligations under this Agreement to the new Property owner. We will provide a transfer agreement for the person buying your home to sign.
 - ii. Transfer Use of the System to the New Property Owner. If you sell the Property to a person who does not meet our credit requirements, as we determine them from time to time, and still wants to lease the System, you can assign all of your rights and obligations under this Agreement to the new Property owner by:
 - A. paying us all amounts accrued and unpaid under this Agreement including all accrued and unpaid Monthly Payments, penalties, late charges, taxes and interest,
 - B. paying us the sum of all Monthly Payments which are not yet due, discounted to present value at 5% per year (plus any applicable sales or use taxes), and
 - C. having the new Property owner sign a transfer agreement to assume all of your rights and obligations under this Agreement (which will no longer include any Monthly Payments). We will provide a transfer agreement for the person buying your home to sign.

If this option is selected, you may want to consider adding the cost of the System to the Property and funding these payments with the proceeds of the Property sale.

- iii. Remove the System. If prior to the end of the Environmental Incentives Recapture Period (see Exhibit 2), you sell the Property to a person who does not want the System, you may have the System removed at no additional cost to you under the Limited Warranty if you pay us the Termination Amount described in Section 17.a.vii. If you sell the Property after the end of the Environmental Incentives Recapture Period to a person who does not want the System, you may have the System removed at no additional cost to you under the Limited Warranty if you pay us (A) all amounts accrued and unpaid under this Agreement including, without limitation, all accrued and unpaid Monthly Payments, penalties, late charges, taxes and interest and (B) the sum of all Monthly



Payments which are not yet due discounted to present value at 5% per year (plus any applicable sales or use taxes).

- iv. Purchase the System. If you sell the Property, you may elect to purchase the System by paying us the Termination Amount described in Section 17.a.vii. If this option is selected and fully performed, none of you, us or the new Property owner shall have any further obligations under this Agreement (other than those which, by their terms, expressly survive termination).

- b. If you want someone to assume your obligations under this Agreement (options i. or ii. above) you agree to give us at least one (1) month's, but not more than three (3) months', prior written notice. Additionally, please note that the transfer of your rights and obligations under this Agreement will be effective only when you, the new Property owner and us have all signed the transfer agreement we provide.

For the avoidance of doubt, (i) this Section applies to sales by you, your estate or your heirs and (ii) if you sell the Property without complying in full with one of the options in subsection a, you will be in default under this Agreement.

14. Loss or Damage.

Unless you are grossly negligent or you intentionally damage the System, Sungevity will bear the risk of loss, damage, theft, destruction or similar occurrence to any or all of the System. No destruction, damage or theft will impair or reduce your obligations under this Agreement (including your obligation to make the Monthly Payments) and this Agreement will continue in full force and effect.

If there has been such an event of destruction, damage or theft of the System or any portion thereof, and you are not in default of this Lease, you shall continue to make all Monthly Payments and pay all other amounts due under the Lease and cooperate with Sungevity in our efforts to repair or replace the system pursuant to the Limited Warranty, which will be done at Sungevity's sole cost and expense unless you are grossly negligent or intentionally damage the System.

15. Limitation of Liability.

- a. No Consequential Damages. WE ARE LIABLE TO YOU ONLY FOR DIRECT, ACTUAL DAMAGES. IN NO EVENT WILL EITHER WE OR YOU BE LIABLE TO THE OTHER PARTY FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, TO THE GREATEST EXTENT PERMITTED BY LAW.
- b. Actual Damages. Our liability under this Agreement is limited to the maximum amount of the Termination Amount described in Section 17.a.vii. Damage to the Property during installation of the System or caused by the System may be covered by the Limited Warranty.

16. Default. You will be in default under this Agreement if

- a. you do not make a Monthly Payment or any other payment under this Agreement when due and such failure continues for ten (10) days,
- b. you fail to observe, keep or perform any other material term or condition of this Agreement and such failure continues for fifteen (15) days,
- c. YOU SUBLEASE, ASSIGN, SELL, PLEDGE, ENCUMBER OR IN ANY OTHER WAY TRANSFER THE SYSTEM OR THIS AGREEMENT WITHOUT FIRST OBTAINING OUR PRIOR WRITTEN CONSENT,
- d. you provided false or misleading information in connection with this Agreement or any of your personal or credit information, or
- e. you or your guarantor admits in writing its insolvency, assigns its assets for the benefit of creditors, enters any bankruptcy or reorganization proceeding (either voluntary or involuntary), is otherwise adjudicated bankrupt or insolvent or the occurrence of any similar event.

**17. Remedies in Case of Default.**

- a. If you are in default under this Agreement, we may take any one (or more) of the following actions. We will, to the extent required by this Agreement or applicable law, provide you notice and wait for the expiration of any applicable cure period before taking any of these actions. We may:
- i. terminate this Agreement.
 - ii. take any court actions or actions at law or in equity to enforce performance by you of the terms and conditions of this Agreement and/or recover damages for your breach.
 - iii. take any action we deem reasonable to correct or cover your default.
 - iv. require you to return the System.
 - v. repossess the System by legal process or self-help in any manner permitted by applicable law.
 - vi. terminate your option to purchase the System.
 - vii. require you to pay the "Termination Amount", in which case and upon payment of this amount by you, you will become the owner of the System on an AS IS, WHERE IS basis and we will have no further rights to the System or rights or obligations under this Agreement and neither we (nor Sungevity if this Agreement has been assigned) will have any further obligations under the Limited Warranty. The "Termination Amount" is an amount equal to the sum of (A) all amounts accrued and unpaid under this Agreement including, without limitation, all accrued and unpaid Monthly Payments, penalties, late charges, taxes and interest; plus (B) the sum of all Monthly Payments which are not yet due discounted to present value at 5% per year; plus (C) an amount which we reasonably believe compensates us (assuming a tax rate of 35%) for the loss or recapture of any of the Tax Benefits (which is defined in Section B of Exhibit 2 of this Agreement) as well as the loss or recapture of any other rebates or environmental benefits; plus (D) the estimated fair market value of the System at the end of the Lease Term as determined by us, discounted to present value at 5% per annum; plus (E) any applicable sales or use taxes relating to items (A) - (D).
 - viii. take any other action or pursue any other remedy available to us under this Agreement or by law.
- b. Please note that by taking any one or more of these actions (or by not taking any one or more of these actions), we do not give up the right to take any of the above actions in connection with the then-existing default or any future default. Additionally, we may take any of the above actions without notice to you, unless applicable law or the terms of this Agreement require us to provide you notice, in which case we will provide notice as required by this Agreement or applicable law.
- c. You agree that you will reimburse us (i) for any reasonable costs and expenses paid by us to correct or cover your default and (ii) for any amounts expended by us relating to the return of the System in connection with an early termination. Any such amounts, costs or expenses paid by us will be immediately due and will be added to the amount owed by you under this Agreement.
- d. Upon our collection of the Termination Amount following your attempt to assign this Lease in a manner not permitted herein, we will quitclaim the System to you, and not to the party to which you impermissibly attempted to assign the Lease.

18. Early Termination of this Agreement

- a. Prior to the end of the Environmental Incentives Recapture Period (see Exhibit 2), you may terminate this Agreement provided that you pay to Sungevity the Termination Amount described in Section 17.a.vii. After the Environmental Incentives Recapture Period ends, you may terminate this Agreement provided that you pay to Sungevity the sum of (i) if there is any damage to the System for which you are responsible under this Agreement, the cost of any such repair, plus (ii) all amounts accrued and unpaid under this Agreement



including, without limitation, all accrued and unpaid Monthly Payments, penalties, late charges, taxes and interest, plus (iii) the sum of all Monthly Payments which are not yet due discounted to present value at 5% per year, plus (iv) any applicable sales or use taxes relating to items (i) - (iii).

- b. If we determine after a site audit that the estimated kilowatt size of the System required at your Property is incorrect by more than 10%, then you may terminate this Agreement without penalty or fee at any time prior to the earlier of (i) the date we begin installing the System and (ii) one (1) month from the date we inform you in writing of the revised size estimate. Your right to terminate this Agreement under this Section will not apply in the case of a System that is moved under Section 13.a.iv of this Agreement.

19. **Disposition of the System at the End of this Agreement.** At the end of the Lease Term (as the Lease Term may have been extended pursuant to the extension option), or in the event of an early termination pursuant to Section 18.a, the System will either be removed or remain with you as follows:

- a. If the System has not been purchased by you in accordance with Section 11, we may elect to remove the System within ninety (90) days from the end of the Lease Term. This removal will be at no expense to you if you are not in default under this Agreement at the end of the Lease Term. If you are in default under this Agreement at the end of the Lease Term, however, you will pay us the reasonable costs and expenses of such removal.
- b. If the System has not been purchased by you in accordance with Section 11 and if you are not in default under this Agreement at the end of the Lease Term and we have not notified you of our election to remove the System, then you may make a demand under the Limited Warranty within ninety (90) days of the end of the Lease Term for the removal of the System.
- c. If we do not elect to remove the System under subsection a, and you do not make a demand for removal within ninety (90) days under subsection b, then the System automatically will be conveyed to you on an AS IS, WHERE IS basis and you will own the System.

20. **Applicable Law; Arbitration.** This Agreement is governed by the laws of the state in which the Property is located (without giving effect to principles of conflict of laws) (the "State"). Unless specifically prohibited by State law or you elect alternative dispute resolution procedures available under State law as specified in Exhibit 2 (if any), all claims, disagreements and disputes between you and us will be resolved through arbitration in accordance with the below procedures. If either party refuses or fails to participate in arbitration after receiving notice, then the arbitrator shall make an award based on the evidence presented. The judgments and awards of the arbitrator may be entered into any court having jurisdiction. All applicable statutes of limitations to the claim, disagreement or dispute shall also apply to any arbitration.

Unless other State law procedures are available as specified in Exhibit 2 and elected by you, the parties agree that JAMS ("JAMS") will administer each arbitration (including the selection of the arbitrator) under its Commercial Arbitration Rule and the Due Process Protocol for Mediation and Arbitration of Consumer Disputes most recently in effect. Arbitration will be governed by the Federal Arbitration Act (Title 9 of the U.S. Code). Either party can initiate an arbitration proceeding by filing the necessary forms with JAMS. To learn more about arbitration, you can call any JAMS office or review the materials at www.jamsadr.com. If a JAMS office does not exist in the county where you are located, and there is an office for the American Arbitration Association ("AAA") within that same area, the parties agree that AAA will administer each arbitration (including the selection of the arbitrator) under its Supplementary Procedures for Consumer-Related Disputes most recently in effect. If neither JAMS nor AAA have an office in the county where you are located, another arbitrator will be agreed upon or if no other arbitrator can be agreed upon, then we will use the JAMS office closest to the Property.

The parties will each bear our own costs and expenses, including attorneys' fees, with respect to any arbitration. However, if under the circumstances relating to the dispute it is determined by the arbitrator that it would be unconscionable or otherwise inappropriate for you to pay the arbitrator's filing and all other fees associated with the arbitration, we will pay those fees for you.



Only disputes involving you and us may be addressed in the arbitration. You agree that you cannot pursue any dispute as a "class action" unless the amount in dispute between us is less than three thousand dollars (\$3,000), not including any claim you might bring for attorneys fees or punitive or exemplary damages. This means that the arbitration may not address disputes involving other persons which may be similar to the disputes between you and us.

The arbitrator shall have the authority to award any legal or equitable remedy or relief that a court could order or grant. The arbitrator, however, is not authorized to change or alter the terms of this Agreement or to make any award that would extend to any transaction other than your own. The prevailing party in any arbitration or court action will be entitled to recover as part of the award its costs and reasonable attorneys' fees and expenses. Because we have agreed to arbitrate all disputes, UNLESS PROHIBITED BY STATE LAW, NEITHER OF US WILL HAVE THE RIGHT TO LITIGATE THAT DISPUTE IN COURT, OR TO HAVE A JURY TRIAL ON THAT DISPUTE, OR ENGAGE IN DISCOVERY EXCEPT AS PROVIDED FOR IN THE JAMS RULES. FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS PERTAINING TO ANY DISPUTE UNLESS THE AMOUNT IN DISPUTE IS LESS THAN THREE THOUSAND DOLLARS (\$3,000) NOT INCLUDING ANY CLAIM YOU MIGHT BRING FOR ATTORNEYS' FEES OR PUNITIVE OR EXEMPLARY DAMAGES. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING, EXCEPT TO THE EXTENT IT IS SUBJECT TO REVIEW IN ACCORDANCE WITH APPLICABLE LAW GOVERNING ARBITRATION AWARDS. OTHER RIGHTS THAT YOU OR WE WOULD HAVE IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

21. **Survival.** Sections 6.c.iv, 6.e, 6.f, 6.i, 6.j, 6.k, 15, 16, 17, 20, and each other provision that should reasonably be expected to survive expiration or termination of this Agreement will remain in full force and effect and survive the expiration or termination of this Agreement.
22. **Notices.** Any notice required or given under this Agreement must be in writing and delivered either by personal delivery, overnight courier, facsimile transmission, electronic mail, certified mail or registered mail, return receipt requested. Notices will be deemed received either (a) upon personal delivery, (b) acknowledgment of receipt of electronic transmission, (c) the promised delivery date after deposit with overnight courier, or (d) five (5) days after deposit in the mail. Notices may be delivered either to the address listed in this Agreement or any other address specified in writing. Documents received electronically shall be deemed an original document.
23. **Other Rights.** The state in which the Property is located may provide you with additional rights or impose additional responsibilities on us, including disclosure responsibilities. Any such rights or disclosures are attached to this Agreement as Exhibit 2.

[Signatures appear on last page after Exhibits]



Exhibit 1 (Customer Copy)

**NOTICE OF CANCELLATION
STATUTORILY-REQUIRED LANGUAGE
(Cal. Civil Code § 1689.7(c))**

"Notice of Cancellation"

In the following notice, Sungevity Development, LLC is referred to as the "seller":

Date of Transaction: The date of the Property Owner's signature as indicated in the signature block on the Lease (either handwritten for paper signatures or typed for electronic signatures).

You may cancel this transaction, without any penalty or obligation, within three (3) business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to Sungevity Development, LLC, 66 Franklin Street, Suite 310, Oakland, CA 94607 not later than midnight of the third (3rd) business day after the Date of Transaction.

I, _____ [Name], hereby cancel this transaction on _____ [Date].

Property Owner/Lessee's Signature:



Exhibit 1 (Sungevity Copy)

**NOTICE OF CANCELLATION
STATUTORILY-REQUIRED LANGUAGE
(Cal. Civil Code § 1689.7(c))**

"Notice of Cancellation"

In the following notice, Sungevity Development, LLC is referred to as the "seller":

Date of Transaction: The date of the Property Owner's signature as indicated in the signature block on the Lease (either handwritten for paper signatures or typed for electronic signatures).

You may cancel this transaction, without any penalty or obligation, within three (3) business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to Sungevity Development, LLC, 66 Franklin Street, Suite 310, Oakland, CA 94607 not later than midnight of the third (3rd) business day after the Date of Transaction.

I, _____ [Name], hereby cancel this transaction on _____ [Date].

Property Owner/Lessee's Signature:



Exhibit 2
Location-Specific Terms & Conditions
California

A. Contractor's License Number

Sungevity, Inc. is licensed by the Contractors State License Board (CSLB), License No. C-909236 with a B (General Contractor), C-10 (Electrician) and a C-46 (solar specialty) license.

B. Tax Credits: Rebates

Sungevity will claim certain incentives and tax benefits available with respect to the System, including (a) depreciation deductions, investment tax credits and any cash grant in lieu of investment tax credits and (b) any utility rebates (including performance based incentives)(all the above collectively the "Tax Benefits"). You agree to cooperate with us so we may apply for or claim any such incentives and benefits. Cooperation may include your filing or consent to filing applications with the federal, state or local government or a local utility and assigning these benefits to us. You agree not to claim any tax benefit, grant or other incentive that the owner of a solar system might be able to claim except for renewable energy credits or similar environmental attributes associated with the electricity output from the System, title to which shall specifically vest with and be owned by you or, if required by the applicable utility rebate program in order for us to receive any portion of the utility rebate amount, with that utility. You also agree not to hinder our ability to claim any of these tax benefits, grants or other incentives. The applicable utility rebate program may require us to submit a signed copy of this Agreement, which we will arrange, and if we make any changes to the terms of this Agreement with you, we will submit an updated copy, signed by you, to the utility.

C. Environmental Incentives Recapture Period

The first twenty (20) years after the Installation Date.

D. Solar Energy Equipment System Lease Disclosure

This Solar Energy Equipment Lease Disclosure is given to you by Sungevity Development, LLC ("**Sungevity**") under Section 2869(a)(1) of the California Public Utilities Code. You have entered into a Lease Agreement For Photovoltaic Solar Energy Equipment with Sungevity, by which Sungevity (or its successor in interest) will lease you solar energy equipment described more particularly in the Lease (the "**System**"). This document answers some important questions you may have regarding the terms of the Lease.

THE ANSWERS TO THESE QUESTIONS ARE NOT INTENDED TO ANSWER ALL QUESTIONS YOU MAY HAVE ABOUT THE LEASE AND ONLY SUMMARIZE TERMS OF THE LEASE. PLEASE READ THE TERMS OF THE LEASE CAREFULLY, AS THE TERMS OF THE LEASE, AND NOT THIS DISCLOSURE, WILL LEGALLY BIND YOU AND GOVERN YOUR RELATIONSHIP WITH THE LESSOR. IN THE EVENT THIS DISCLOSURE IS INACCURATE OR INCONSISTENT WITH THE LEASE, THE TERMS OF THE LEASE ARE CONTROLLING.

1. **How much energy will the System generate?** Sungevity estimates that 99714 kWh of electric energy will be delivered over the Initial Lease Term. Sungevity has provided you a limited output guaranty in the Performance Guarantee and Limited Warranty Agreement that accompanies the Lease (the "**Limited Warranty**"). The Limited Warranty describes the details of the output guaranty. Note that the Lease may be assigned by Sungevity and in such case, the Limited Warranty may remain with Sungevity and not be assigned to the new lessor.
2. **How does Lease pricing work?** Generally, the Lease requires you to make monthly payments that escalate every year. Specifically, the pricing under the Lease is as follows:

The estimated price per kWh during the Initial Lease Term is \$0.23

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4. What if I sell my home? If you sell your home you have four (4) options:

- a. you can assign the Lease to the new homeowner, but you can only elect this option if the new homeowner meets the lessor's credit requirements, as lessor determines them from time to time. If this option is selected the new homeowner will need to sign a transfer agreement;
- b. you can pay everything you owe under the Lease at the time of assignment and everything you will owe under the Lease in the future (discounted to present value at a 5% rate) and assign the Lease to the new homeowner. If this option is selected the new homeowner will need to sign a transfer agreement;
- c. you can have the system removed under the terms of the Limited Warranty if you pay everything you owe under the Lease at the time of assignment, everything you will owe under the Lease in the future (discounted to present value at a 5% rate), and an amount to compensate the lessor for the loss or recapture of tax and other incentives if the sale of the house is prior to the end of the Environmental Incentives Recapture Period; or
- d. you can purchase the System by paying everything you owe under the Lease at the time of assignment, everything you will owe under the Lease in the future (discounted to present value at a 5% rate), an amount to compensate the lessor for the loss or recapture of tax and other incentives, the price of the end of term purchase option (discounted to present value at a 5% rate) and any applicable sales or use taxes.

in each of the above cases, your remaining obligations under the Lease will cease.

If you sell your home and do not elect one of the above options then you will be in default under the Lease and the lessor will be entitled to do one or more of the following:

1. terminate the Lease;
2. take court action against you to compel you to perform your obligations and/or collect damages;
3. take action to correct or cover your default;
4. repossess the System through self help as permitted by law;
5. terminate your purchase option on the System;
6. collect from you everything you owe under the Lease at the time of default, everything you will owe under the Lease in the future (discounted to present value at a 5% rate), an amount to compensate the lessor for the loss or recapture of tax and other incentives, the price of the end of term purchase option (discounted to present value at a 5% rate) and any applicable sales or use taxes
7. pursue any other available legal remedies for breach of the Lease; and
8. recover from you the expenses of taking any of the foregoing actions.



5. **What happens at the end of the Lease?** At the end of the Initial Lease Term there are five (5) possibilities:
- a. If you are not in default under the Lease you can exercise your right to buy the System for fair market value;
 - b. If you are not in default under the Lease you can extend the term for one (1) or more additional five (5) year terms (provided that all such lease extensions, when combined with the Initial Lease Term, cannot exceed a total of 25 years) in which case the rental payments will be adjusted to fair market rental value each time the term is extended. The lessor will send you extension forms within three (3) months of expiration and, if you want to extend the term, you must execute the extension papers at least one (1) month prior to the end of the Lease;
 - c. If you haven't bought the System or extended the term, the lessor may remove the System within ninety (90) days from the end of the Lease. If you are in default under this Agreement at the end of the Lease you must pay the reasonable removal costs and expenses;
 - d. If you haven't bought the System or extended the term, you are not in default under the Lease and the lessor has not elected to remove the System, you can have Sungevity remove it under the Limited Warranty by a request made within ninety (90) days of the end of the Lease;
 - e. If the term is not extended, you don't buy the System and neither you nor the lessor elects to remove the System, then the System will automatically be transferred to you and you will own the System.



Entire Agreement; Amendment; Waiver . This Agreement contains the entire agreement and understanding between the parties to this Agreement relating to the lease of the System and supersedes any prior or contemporaneous agreement, either written or verbal. Any changes or amendments to, or waivers of, any provisions of this Agreement will only be effective if they are in writing and signed by both you and us. Our failure at any time to require strict performance by you or any of the provisions of this Agreement will not waive or diminish our right thereafter to demand strict compliance by you of that provision or of any other provision of this Agreement. If any provision of this Agreement is determined to be unenforceable, the remaining provisions shall be enforced in accordance with their terms or shall be interpreted so as to make them enforceable.

In the following notice, you, the lessee, are referred to as the "buyer" and we, the Lessor, are referred to as the "seller":

Notice of Right to Cancel . YOU, THE BUYER, MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT.

This notice (a) must be given in writing to Sungevity at our address listed at the beginning of this Agreement and (b) unless otherwise specified by State law, must be actually received by us within the time specified in the preceding sentence. IF THE SYSTEM IS INSTALLED IN A STATE THAT REQUIRES A STATUTORY FORM OF NOTICE OF CANCELLATION, IT IS ATTACHED AS EXHIBIT 1 .

Additional Rights to Cancel . In addition to any rights you have to cancel this Agreement listed in the Notice of Right to Cancel (above) or in Section 18(b), you may also cancel this Agreement under the following circumstances upon payment of the following amounts:

After home visit, prior to design: \$500
 After design, prior to permit: \$2,500
 After permit, prior to installation: \$2,500 plus permitting costs

If we determine that we cannot install per the conditions stipulated in Section 7, or you are within the three day right of rescission as noted in the Notice of Right to Cancel above, there will be no cancellation charge.

DO NOT SIGN THIS CONTRACT IF THERE ARE ANY BLANK SPACES (OTHER THAN SIGNATURE BLOCKS)

I have read this Agreement and the Exhibits in their entirety and I acknowledge that I have received a complete copy of this Agreement.

SUNGEVITY DEVELOPMENT, LLC

DocuSigned by:
 By: Sloane Morgan
 C69E178C5701412...
 Title: Authorized Agent

Date: 5/2/2013

Property Owner's Name: Richard Butler

DocuSigned by:
 Signature: Richard Butler
 2AB881A99ED548D...
 Date: 4/30/2013



PERFORMANCE GUARANTEE AND LIMITED WARRANTY AGREEMENT (LEASE)

This Performance Guarantee and Limited Warranty Agreement (the "Limited Warranty") provides you with Sungevity's warranties on the photovoltaic solar energy equipment (the "System") that you leased under a Lease Agreement with Sungevity (the "Lease"). A description of the System is attached to this Limited Warranty as **Exhibit A**. Where we use terms in this Limited Warranty that have been defined in the Lease, they have the meaning defined in the Lease.

1. Performance Guarantee.

a. Definitions.

- i. "Actual Annual kWh" means the AC electricity produced by your System in kWh measured and recorded by Sungevity during each Production Year. Sungevity uses the Sungevity Monitoring Service described below to measure the Actual kWh. To the extent such service is not available, we will estimate the Actual kWh by reasonable means, subject to the requirements of Section 3.b below.
- ii. "Guaranteed Energy Price per kWh" means a starting rate of \$0.2195 per kWh with an annual increase of 3.5 percent (3.5%).
- iii. "Production Year" means the twelve (12) month period beginning on the 1st day of the month in which your first monthly payment was due under the Lease Term, and each successive twelve (12) month period thereafter. For example, if the original Interconnection Date for your System occurred on March 15, each Production Year under the Lease Term would run from April 1 to March 31.

b. Energy Production Guarantee. Sungevity guarantees during the Lease Term that the System will generate the guaranteed annual kilowatt-hours ("kWh") ("Guaranteed Annual kWh") of energy set forth in **Exhibit B**, as follows:

- i. Production Year Deficit. If at the end of each successive twelve (12) month anniversary of your first monthly payment (a "Production Year") the Actual Annual kWh (defined below) generated by the System is **less** than the Guaranteed Annual kWh, **then we will send you a refund** equal to the difference between that Production Year's Actual Annual kWh and Guaranteed Annual kWh (minus any previous year's surpluses), multiplied by that Production Year's Guaranteed Energy Price per kWh (defined below). We will make that payment within thirty (30) days of the end of the calendar year in which the Production Year Deficit occurred.

For example, if a Production Year commenced on October 1, 2010 and ended on September 30, 2011, and had a Guaranteed Annual kWh of 5,000 kWh, and the Actual Annual kWh for that Production Year was only 4,500 kWh, and the Guaranteed \$/kWh Price for that Production Year was \$0.25, then assuming no prior Production Year Surpluses or payments for System Failures applied (as defined below), we would send you a refund for \$125.00 within thirty (30) days after December 31, 2011.

- ii. Production Year Surplus. If at the end of a Production Year the Actual Annual kWh is **greater** than the Guaranteed Annual kWh for that Production Year, there will be no additional cost to you for this surplus energy. However, this surplus will be carried over and used by Sungevity to offset any future Production Year Deficits.

c. System Failure. If during the Lease Term the System is unable to generate any electricity (a "System Failure") for a whole calendar day, within thirty (30) days **we will repay you for the Lease cost you paid during each whole calendar day of the System Failure**. The amount of such System Failure payments shall be deducted from any applicable payments owed to you for Production Year Deficits for the same Production Year in which the System Failure occurred.

d. Monitoring. During the Lease Term, we will provide you at no additional cost our Sungevity monitoring service ("Monitoring"), which is a third party proprietary monitoring system that records and displays historical energy



generation data over an Internet connection and consists of hardware installed by Sungevity on site and software accessed by Sungevity. If your System is not operating within normal ranges, Monitoring will tell us and we will notify you promptly.

2. Limited Warranties.

a. Limited Warranties. Sungevity warrants the System as follows:

- i. **Installation Warranty.** We will professionally install the System in a good and workman-like manner according to the standards defined in Section 4 below. This installation warranty will last for one (1) year following the completion of the System installation (the "Installation Warranty Period");
- ii. **Roof Warranty.** When we penetrate your roof during a System installation, we will warrant roof damage that we cause to areas that are within a three-inch (3") radius of our roof penetrations, as well as actual damage to your Property or personal belongings directly resulting from such roof damage. This roof warranty will last for the **longer of** (a) one (1) year following the completion of the System installation or (b) the remainder of any then-existing installation warranty on your roof (the "Roof Warranty Period");
- iii. **Use Warranty.** Under normal use and service conditions, the System will be free from defects in workmanship or defects in, or a breakdown of, materials or components. This use warranty will start when we begin installing the System at your property and will last throughout the entire Lease Term (the "Use Warranty Period");
- iv. **Repair Warranty.** Sungevity will repair or replace any defective part, material or component or correct any defective workmanship, at no cost or expense to you (including all labor costs), when you submit a valid claim to us under this Limited Warranty. If we damage your Property or your belongings, we will repair the damage or pay you for the damage that we cause in accordance with the provisions of Section 8 below. Sungevity may use new or reconditioned parts when making repairs or replacements. Sungevity may also, at no additional cost to you, upgrade or add to any part of the System to ensure that it performs according to the guarantees set forth in this Limited Warranty. This repair warranty will start when we begin installing the System at your property and will last throughout the entire Lease Term (the "Repair Warranty Period"); and
- v. **Output Warranty.** The System's electrical output shall not decrease by more than fifteen percent (15%) during the first ten (10) years of the Lease Term.

b. Making a Claim. You can make a claim by:

- i. Writing us a letter and sending it to us via certified or registered U.S. Mail or a reputable overnight delivery service; or
- ii. Sending us a fax at the number in Section 9 below.
- iii. Warranty service will be performed promptly and typically on site. If the affected equipment requires off site warranty service, Sungevity will arrange for its transportation under warranty.

c. Transfer of Limited Warranty. Sungevity will accept and honor any valid and properly submitted Warranty claim made during any Lease Term by any person who either purchases the System from you or to whom you properly transfer the Lease. If you have taken over an existing Lease, then the Limited Warranties specified above will cover you for the remainder of the Lease Term to the same extent as the person who originally leased the System.

d. Insurance. During the Lease Term, including any extensions, Sungevity will insure the System against all damage or loss unless (i) the damage or loss is caused by your gross negligence; or (ii) you intentionally damage the System. In the event that you, or someone who is on site with your permission (such as a family member, guest or a non-Sungevity service provider) damages the System, and the damage is not intentional



or the result of gross negligence, you will be responsible for the lesser of (x) the applicable insurance deductible, or (y) the actual costs of repairing the System. In connection with Sungevity's provision of this insurance, you agree to reasonably cooperate with Sungevity to provide any required information or assistance concerning coverage or claims.

3. Maintenance and Operation.

- a. **General.** When you sign your Lease you will be given a copy of Sungevity's Solar Operation and Maintenance Guide. This guide provides you with System operation and maintenance instructions, answers to frequently asked questions, troubleshooting tips and service information.
- b. **Monitoring Connectivity.** Monitoring requires a high-speed internet line to operate. Therefore, during the Lease Term, you agree to maintain the communication link between the on-site Monitoring hardware and the System and between the on-site Monitoring hardware and the Internet. You agree to maintain and make available, at your cost, a functioning indoor Internet connection with one available wired Ethernet port and standard AC power outlet within eighty (80) feet of the System's AC/DC inverter(s) (which shall not require Sungevity to perform trenching to access). This communication link must be a 10/100 Mbps Ethernet connection that supports common Internet protocols (TCP/IP and DHCP). If you do not have and maintain a working high speed Internet line, we will not be able to monitor your System and provide you with an Energy Production Guarantee.
- c. **Module Cleaning.** The Solar Operation and Maintenance Guide contains certain recommendations concerning periodically cleaning the solar modules, especially during the summer. If Monitoring indicates a drop in Actual energy production by the System that could result in a Production Year Deficit, Sungevity may ask for your cooperation in cleaning the solar modules. This may include arranging for a visit to the System by Sungevity, which would be at no charge to you unless one of the Exclusions in Section 7 below applies.

4. Sungevity's Standards.

The standards for our performance for the purpose of this Limited Warranty will be (i) normal professional standards of performance in the solar photovoltaic power generation industry in the relevant market; and (ii) Prudent Industry Practices. "Prudent Industry Practices" means those practices, as changed from time to time, that are engaged in or approved by a significant portion of the solar energy electrical generation industry operating in the United States to operate electric equipment lawfully and with reasonable safety, dependability, efficiency and economy.

5. System Repair, Relocation or Removal.

- a. You agree that if (i) the System needs any repairs that are not the responsibility of Sungevity under this Limited Warranty, or (ii) the system needs to be removed and reinstalled (e.g. to facilitate remodeling of your Home), you will have Sungevity, or another similarly qualified service provider approved by Sungevity, perform such repairs, removal and reinstallation, or relocation at your expense on a time and materials basis. Sungevity's customary rate for non-warranty work is \$70 per hour.
- b. If you want to return the System to Sungevity under Section 19 of the Lease then Sungevity will remove the System at no cost to you. Sungevity will remove the posts and waterproof the post area. Sungevity will warrant the waterproofing for the **longer of** (a) one (1) year following the completion of the System removal or (b) the remainder of any then-existing installation warranty on your roof. Sungevity will make commercially reasonable efforts to color match the patched roof area, including color matching using roofing material you provide to us. You agree to reasonably cooperate with Sungevity in removing the Solar Panel System including providing necessary space, access and storage and we will reasonably cooperate with you to schedule removal in a time and manner that minimizes inconvenience to you.

6. Force Majeure.

If Sungevity is unable to perform all or some of its obligations under this Limited Warranty because of a Force Majeure Event, Sungevity will be excused from whatever performance is affected by the Force Majeure Event, provided that:



- a. Sungevity gives you reasonably prompt notice describing the Force Majeure Event;
- b. The scope and duration of Sungevity's suspension of its obligations is no greater than is required by the Force Majeure Event; and
- c. No Sungevity obligation that arose before the Force Majeure Event that could and should have been fully performed before such Force Majeure Event is excused as a result of such Force Majeure Event

"Force Majeure Event " means any event, condition or circumstance beyond the reasonable control of and not caused by Sungevity's fault or negligence. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of electricity due to: an act of god; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; hail, drought; the binding order of any governmental authority (provided that such order has been resisted in good faith by all reasonable legal means); the failure to act on the part of any governmental authority (provided that such action has been timely requested and diligently pursued); unavailability of electricity from the utility grid, equipment, supplies or products (but not to the extent that any such availability of any of the foregoing results from Sungevity's failure to have exercised reasonable diligence), or unusual utility grid voltage fluctuations; and failure of equipment not utilized by Sungevity or under its control.

7. Exclusions and Disclaimer.

The limited warranties and performance guarantee provided in this Limited Warranty do not apply to (i) any lost electricity production or (ii) any damage, repair, replacement or correction required due to the following:

- a. Someone other than Sungevity or its approved service providers installed, removed, re-installed or repaired the System;
- b. Destruction or damage to the System or its ability to safely produce energy not caused by Sungevity or its approved service providers (e.g. a tree falls on the System, an animal causes damage, or the System is moved or damaged during roofing work);
- c. Your failure to perform, or breach of, your obligations under the Lease (such as if you modify or alter the System);
- d. Your breach of this Limited Warranty, including your being unavailable to provide access or assistance to us in diagnosing or repairing a problem, or your failing to maintain the System as stated in the Solar Operation and Maintenance Guide;
- e. Any Force Majeure Event (as defined above);
- f. Water ponding or puddling on your roof (i.e. standing water that fails to drain) not caused by Sungevity or its approved service providers;
- g. Damages resulting from mold, fungus and other organic pathogens, regardless of the cause;
- h. Superficial changes in the appearance of System components due to exposure to weather and atmospheric conditions (e.g. chalking or blemishes) that do not impact System performance;
- i. Increased shading (e.g. from foliage that is new growth or is not kept trimmed to its appearance on the date the System was installed, from snow that covers the System, or from new construction on your Property or adjacent property).

THIS LIMITED WARRANTY GIVES YOU SPECIFIC RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS THAT VARY FROM STATE TO STATE. THIS LIMITED WARRANTY DOES NOT WARRANT ANY SPECIFIC ELECTRICAL PERFORMANCE OF THE SYSTEM, OTHER THAN THAT DESCRIBED ABOVE.

THE LIMITED WARRANTIES DESCRIBED IN SECTION 2.a ABOVE ARE THE ONLY EXPRESS WARRANTIES MADE BY



SUNGEVITY WITH RESPECT TO THE SYSTEM. SUNGEVITY HEREBY DISCLAIMS, AND ANY BENEFICIARY OF THIS LIMITED WARRANTY HEREBY WAIVES, ANY WARRANTY WITH RESPECT TO ANY COST SAVINGS FROM USING THE SYSTEM.

8. Limitations of Liability.

- a. No Consequential Damages. YOU MAY ONLY RECOVER DIRECT DAMAGES, INCLUDING THOSE AMOUNTS DUE PURSUANT TO SECTION 1.b UNDER THIS LIMITED WARRANTY, AND IN NO EVENT SHALL SUNGEVITY OR ITS AGENTS OR SUBCONTRACTORS BE LIABLE TO YOU OR YOUR ASSIGNS FOR SPECIAL, INDIRECT, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.
- b. Disclaimer and Limitation of Duration of Implied Warranties. ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY ARE HEREBY DISCLAIMED TO THE EXTENT PERMITTED UNDER APPLICABLE LAW. ANY SUCH IMPLIED WARRANTIES THAT ARE NOT DISCLAIMABLE UNDER APPLICABLE LAW SHALL IN NO EVENT EXTEND PAST THE EXPIRATION OF ANY WARRANTY PERIOD IN THIS LIMITED WARRANTY. SOME STATES DO NOT ALLOW DISCLAIMERS OR LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE DISCLAIMER AND DURATION LIMITATION MAY NOT APPLY TO YOU.
- c. Liability Cap. Notwithstanding any other provision of this Limited Warranty to the contrary, and subject to the exclusion of consequential damages above, Sungevity's total liability arising out of relating to this Limited Warranty shall in no event exceed:
 - i. The sum of the Lease payments over the Term of the Lease in the event of System Failure or Replacement; and
 - ii. Two million dollars (\$2,000,000) in the event of damage to your Property or belongings, provided that the damages are caused solely by Sungevity or the System.

9. Notices.

All notices under this Limited Warranty shall be in writing and shall be provided by (a) personal delivery, (b) facsimile transmission with confirmation of successful transmission, (c) overnight courier, or (d) certified or registered U.S. mail (return receipt requested). A notice shall be deemed received upon personal delivery, confirmation of receipt of facsimile transmission, the promised delivery date after deposit with a reputable overnight courier, or five (5) days after deposit in the mail. Notices shall be sent to the address set forth below or such other address as either party may specify in writing. Each party shall deem a document faxed to it as an original document.

Notices to Sungevity:	Sungevity Development LLC 66 Franklin Street, Suite 310 Oakland, CA 94607 Fax: 866-421-1924
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Notices To You: At the billing address in the Lease or any subsequent billing address you give us.

10. Applicable Law/Arbitration.

The laws of the state where your Property is located shall govern this Limited Warranty without giving effect to conflict of laws principles (the "State"). Unless specifically prohibited by State law, we agree that any dispute, claims or disagreements between us shall be resolved by arbitration. If either party refuses or fails to participate in arbitration after receiving notice, then the arbitrator shall make an award based on the evidence presented. Judgment on an arbitrator's award may be entered in any court having jurisdiction. All statutes of limitations that are applicable to any dispute shall apply to any arbitration between us. Prior to any arbitration, the parties agree to consider mediating their claims.



Each arbitration, including the selecting of the arbitrator, will be administered by JAMS ("JAMS") under its Commercial Arbitration Rules and, in addition, the Due Process Protocol for Mediation and Arbitration of Consumer Disputes most recently in effect. Arbitration will be governed by the Federal Arbitration Act (Title 9 of the U.S. Code). Either party may initiate an arbitration proceeding by filing the necessary forms with JAMS. To learn more about arbitration, you can call any JAMS office or review the materials at www.jamsadr.com. If a JAMS office does not exist in the county where your Property is located, and there is an office for the American Arbitration Association ("AAA") within that same area, the parties agree that AAA will administer each arbitration (including the selection of the arbitrator) under its Supplementary Procedures for Consumer-Related Disputes most recently in effect. If neither JAMS nor AAA have an office in the county where you are located, another arbitrator will be agreed upon or if no other arbitrator can be agreed upon, then we will use the JAMS office closest to your Property.

Each party shall each bear its own costs and expenses, including attorneys' fees, with respect to any arbitration. However, if under the circumstances relating to the dispute it is determined by the arbitrator that it would be unconscionable or otherwise inappropriate for you to pay the arbitrator's filing or any other fees associated with the arbitration, we will pay those fees for you.

Only disputes involving you and us may be addressed in the arbitration. You agree that you cannot pursue any dispute as a "class action" unless the amount in dispute between us is less than three thousand dollars (\$3,000), not including any claim you might bring for attorneys' fees or punitive or exemplary damages where provided by law. This means that the arbitration may not address disputes involving other persons that may be similar to the disputes between you and us.

The arbitrator shall have the authority to award any legal or equitable remedy or relief that a court could order or grant. The arbitrator, however, is not authorized to change or alter the terms of this Agreement or to make any award that would extend to any transaction other than your own.

BECAUSE WE HAVE AGREED TO ARBITRATE ALL DISPUTES, UNLESS SPECIFICALLY PROHIBITED BY STATE LAW, NEITHER OF US WILL HAVE THE RIGHT TO LITIGATE ANY DISPUTE IN COURT, OR TO HAVE A JURY TRIAL ON A DISPUTE, OR ENGAGE IN DISCOVERY EXCEPT AS PROVIDED FOR IN THE JAMS RULES. FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS PERTAINING TO ANY DISPUTE UNLESS THE AMOUNT IN DISPUTE IS LESS THAN THREE THOUSAND DOLLARS (\$3,000), NOT INCLUDING ANY CLAIM YOU MIGHT BRING FOR ATTORNEYS FEES OR PUNITIVE OR EXEMPLARY DAMAGES WHERE PROVIDED BY LAW. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING, EXCEPT TO THE EXTENT IT IS SUBJECT TO REVIEW IN ACCORDANCE WITH APPLICABLE LAWS GOVERNING ARBITRATION AWARDS. OTHER RIGHTS THAT YOU OR WE WOULD HAVE IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

11. Assignment and Transfer of this Limited Warranty.

Sungevity may assign its rights or obligations under this Limited Warranty to a third party without your consent, provided that any assignment of Sungevity's obligations under this Limited Warranty shall be to a party qualified to perform such obligation. This Limited Warranty protects only the person who leases the System. Your rights and obligations under this Limited Warranty will be automatically transferred to any person who purchases the System from you or to whom you properly transfer the Lease.

[Signatures appear on last page after Exhibits]



Exhibit A

1. Lease Date: the date of Property Owner/Lessee's signature as indicated in the signature block on this Limited Warranty
2. Original Property Owner/Lessee Name: Richard Butler
3. Description of the System:
 - 3.43 kW DC (STC) photovoltaic system
 - Photovoltaic Modules
 - Inverter(s)
 - Mounting system
 - Monitoring system
 - Electric meter number:



Exhibit B

Table of Guaranteed Annual kWh

PRODUCTION YEAR	GUARANTEED ENERGY PRICE PER KWH	ESTIMATED ANNUAL KWH	GUARANTEED ANNUAL KWH *
1	\$0.2195	5476	5202
2	\$0.2295	5421	5150
3	\$0.2399	5367	5099
4	\$0.2508	5313	5047
5	\$0.2622	5260	4997
6	\$0.2741	5208	4948
7	\$0.2865	5156	4898
8	\$0.2996	5104	4849
9	\$0.3132	5053	4800
10	\$0.3275	5002	4752
11	\$0.3424	4952	4704
12	\$0.3579	4903	4658
13	\$0.3742	4854	4611
14	\$0.3912	4805	4565
15	\$0.4090	4757	4519
16	\$0.4275	4710	4475
17	\$0.4469	4663	4430
18	\$0.4673	4616	4385
19	\$0.4885	4570	4342
20	\$0.5108	4524	4298
21 (if extended)	\$0.5339	4479	4255
22 (if extended)	\$0.5582	4434	4212
23 (if extended)	\$0.5836	4390	4171
24 (if extended)	\$0.6101	4346	4129
25 (if extended)	\$0.6379	4302	4087

*Your Performance Guarantee is 95% of your Estimated Annual kWh.

Note - this Table may be updated by Sungevity prior to installation of the System; however, in the event that Sungevity updates this Table, Sungevity will also adjust the Monthly Lease Payment so that your Guaranteed Energy Price per kWh will remain the same. An update would only occur if Sungevity or its approved installation contractor determines after physically inspecting your Property (in accordance with Section 7.a of the Lease Agreement) that due to unforeseen factors (e.g. as a result of unanticipated shading or roof obstructions, etc.), the system output will be materially lower than originally estimated.

**Entire Agreement; Changes.**

This Limited Warranty contains the parties' entire agreement regarding the limited warranties and guarantees of the System, and supersedes any prior or contemporaneous agreement, either written or verbal. Sungevity's obligations under this Limited Warranty are separate and distinct from its, or its assigns, obligations under the Lease and any breach of this Limited Warranty shall not affect your obligations under the Lease. The Lease may be assigned to a third party without assignment of Sungevity's obligations under this Limited Warranty. Sungevity's obligations under this Limited Warranty may only be assigned in writing to a party that expressly accepts responsibility in writing for Sungevity's obligations under this Limited Warranty. There are no other agreements regarding the limited warranty of the System, either written or spoken. Any change to this Limited Warranty must be in writing and signed by both parties. If any portion of this Limited Warranty is determined to be unenforceable, the remaining provisions shall be enforced in accordance with their terms or shall be interpreted or re-written so as to make them enforceable. Provisions that should reasonably be considered to survive termination of this Limited Warranty shall survive.

Property Owner's Name: Richard ButlerDocuSigned by:**Signature:***Richard Butler*2ABB61A99ED548D...**Date:**4/30/2013



California Solar Initiative (CSI) Incentive Claim Form

Form Version	07-2009
Program Administrator	Southern California Edison
Reservation Number	SCE-CSI-49982
Preparation Date	11/12/13

Instructions: This checklist must be completed. Please refer to the latest version of the CSI Program Handbook for detailed instructions on eligibility and application requirements. The purpose of this checklist is to assist in the completion of information materials required for review of the incentive claim and to speed processing of the reimbursements. Incomplete Incentive Claim Forms will be returned to the sender. Print this form and obtain required signatures. Then proceed to the next page and electronically attach a scan of the signed form as a PDF file.

INCENTIVE CLAIM CHECKLIST

Please include these items with the application

- ☐ Completed Incentive Claim Form with Signature
- ☐ PMRS Cost Cap Exemption Documentation (if applicable)
- ☐ Revised EPBB Calculation Printout (if applicable)
- ☐ Signed Field Verification Certification Form (for Reservation Request Applications first received on or after 7/1/09)
- ☐ Copy of Retro-commissioning report (EPBB Existing Commercial buildings $\geq 100,000$ sq ft and Benchmarking < 75 for Reservation Request Applications first received on or after 7/1/09)

HOST CUSTOMER

Company Name	
Contact Person Name	Rich Butler
Contact Person Title	Homeowner
Mailing Address	36345 Provence Dr
City, State, Zip	Murrieta, CA 92562
Home Phone	

SYSTEM OWNER

Company Name	Sungevity Development, LLC
Contact Person Name	Erick Karlen
Contact Person Title	Rebate and Interconnection Specialist
Mailing Address	66 Franklin Street / Suite 310
City, State, Zip	Oakland, CA 94607-9460
Business Phone	(510) 496-5587

PAYEE

Company Name	Sungevity Development, LLC
Contact Person Name	Erick Karlen
Contact Person Title	Rebate and Interconnection Specialist
Mailing Address	66 Franklin St / Suite 310
City, State, Zip	Oakland, CA 94607-9460
Business Phone	(510) 496-5587

APPLICANT

Company Name	Sungevity, Inc.
Contact Person Name	Tatiana Taylor
Contact Person Title	
Mailing Address	66 Franklin Street, Suite 310
City, State, Zip	Oakland, CA 94607
Business Phone	(510) 496-5500

SELLER: Same as Applicant

SOLAR CONTRACTOR: Same as Applicant

* Verification of Amount Shown required prior to CSI Incentive Payment

Requested Project Incentive

Incentive Type	☒ EPBB ☐ PBI	
Incentive Level	\$235.81 per kW	
Eligible CSI System Size	2.882 kW-ptc	
Requested CSI Incentive	\$680.00	\$235.81 per kW x 2.882 kW CSI-AC
PERFORMANCE METERING AND PMRS INFORMATION		
Performance Monitoring and Reporting Service (PMRS) Provider	Locus Energy, LLC	

California Solar Initiative (CSI) Legal

Form Version	07-2009
Program Administrator	Southern California Edison
Reservation Number	SCE-CSI-49982
Preparation Date	11/12/13

System Owner Affidavit

By signing this affidavit ("Affidavit"), **Erick Karlen, Sungevity Development, LLC** ("System Owner"), with respect to the Photovoltaic (PV) system ("System") at **36345 Provence Dr, Murrieta, CA 92562** ("Site"), which is partially funded by the California Solar Initiative Program through the **Southern California Edison** ("Program Administrator") under Reservation Number **SCE-CSI-49982**, certifies and dedares under penalty of perjury under the laws of the State of California that each of the statements in the paragraphs below is complete, true and correct, and that System Owner is duly authorized to sign this Affidavit.

Ownership, Operation, and Final Cost

- When the incentive payment is made, System Owner will be the owner of the System.
- The System is operating in accordance with the specifications in the Incentive Claim Form.
- System Owner incurred all costs referenced in the PowerClerk database.
- System costs provided here, and in more detail in the Incentive Claim Form, are identical to the costs submitted by the System Owner to the Program Administrator in PowerClerk.

Total Eligible System Cost: **\$13,548.50**Total Incentive Amount: **\$680.00****Incentive Claim**

System Owner declares that 1) the information provided in the Incentive Claim Form is true, accurate and complete, 2) the above-described System is new and intended to offset part or all of the Host Customer's electrical needs at the Site, 3) the Site is located within the Utility's service territory and the System is not intended solely as a back-up generator, 4) the Host Customer has received a copy of this System Owner Affidavit, 5) the System satisfies the terms and conditions of the California Solar Initiative Program and has been installed and is operating satisfactorily as of this date, 6) the project is operating as intended according to the Contract between the System Owner and the Solar Contractor, if applicable, 7) the physical location of the System is as stated in the California Solar Initiative Program Reservation, Confirmation and the Incentive Claim Form, 8) The System Owner understands that all other agreements, other program rebates, grants, forgiven loans, gifted equipment, financial incentives, post-installation agreements, Renewable Energy Credits (aka REC's, Green Credits, etc.), and performance payments are "other incentives" and must be disclosed to the Program Administrator, and 9) except as identified in the Incentive Claim Form, there were no changes in the information regarding System specifications, installation location or price from that information provided in the Reservation Request Form originally acknowledged by System Owner.

System Warranty

Other than in the case of a self-installed System, System Owner declares that 1) the System includes a minimum 10-year warranty provided in combination by the manufacturer and solar contractor to protect the purchaser against defective workmanship, System or component breakdown, or degradation in electrical output of more than fifteen percent from their originally rated electrical output, 2) the warranty covers the entire System, including PV modules, inverters, solar collectors, tracking mechanisms, heat exchangers, pumps, and heat-driven cooling systems included in the System, and 3), the warranty provides for no-cost repair or replacement of the System and its components, including any associated labor during the warranty period.

For a self-installed System, System Owner declares that the System includes a minimum 10-year manufacturer warranty on the equipment to be installed to protect the System Owner against breakdown or electrical output degradation of major system components. In this case, the warranty need not cover the labor costs associated with removing or replacing major components because any repairs would be done by the self-installer or at the self-installer's expense.

CONFIRMATION OF INCENTIVE RESERVATION

The photovoltaic system must be placed in service and a copy of this Reservation Confirmation and Incentive Claim Form, including all appropriate documentation, must be submitted to the Program Administrator. Claim forms will be accepted no later than the Reservation Expiration Date. This reservation is nontransferable and the photovoltaic system must be installed on the Host Customer Site listed below and as submitted on the original Reservation Request Form. The information for this section is found on your Reservation Confirmation Letter.

Incentive Classification	☒ Residential ☐ Commercial ☐ Non-Profit ☐ Government
Site Address	36345 Provence Dr
City, State, Zip	Murrieta, CA 92562
Incentive Type	EPBB
EPBB Incentive Level	\$235.81 per Kilowatt
EPBB Incentive Amount	\$680.00
EPBB System Size	2.882 kW-ptc
Reservation Expiration	

AS-BUILT CLAIM**Equipment Information****PV MODULES**

Array	Manufacturer	Model Number	Model Rating	Quantity	Array Rating
Array 1	ET Solar Industry	ET-P660245BB	219.7 W-ptc	14	3,075.8 W-ptc

INVERTERS

Array	Manufacturer	Model Number	Model Rating	Quantity	Efficiency
Array 1	SMA America	SB3000HFUS-30 (240V)	3,000 W-AC	1	96.5%

CEC-AC System Rating

96.5% x (3.0758 kW) = **2.968 kW**

ARRAY ORIENTATION: Array 1

☒ Fixed ☐ Single-Axis Tracking ☐ Dual-Axis Tracking

MOUNTING METHOD

3" to 6" average standoff

SHADING

Jan: 100 Feb: 99 Mar: 99 Apr: 98 May: 99 Jun: 98 Jul: 99 Aug: 99 Sep: 99 Oct: 99 Nov: 100
Dec: 100

ENERGY PRODUCTION

Estimated Annual Energy Production	5,211 kWh/yr
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California Solar Initiative (CSI) Incentive Claim Form

Form Version	07-2009
Program Administrator	Southern California Edison
Reservation Number	SCE-CSI-49982
Preparation Date	11/12/13

Project Incentive Calculation and Cost Information**CSI System Rating Calculation**

CEC-AC System Rating	2.968 kW-ptc	Calculated above	(1)
Design Factor	97.115%		(2)
CSI System Size	2.882 kW-ptc	Multiply (1) times (2)	(3)

Prorate System Cost if CEC-AC System Size Exceeds 1,000 kW

CSI System Size	2.882 kW-ptc	Enter (3)	(4)
Eligible CSI System Size	2.882 kW-ptc	Enter the smaller of (4), or 1,000 times (2)	(5)
Project Cost	\$13,548.50	Enter project cost	(6)
Eligible Project Cost	\$13,548.50	Multiply (6) times (5) divided by (4)	(7)

Other Financial Incentives in Addition to CSI (See CSI Handbook for details)

Source	Amount	Type
Total Other Incentives	\$0.00	(8)

Verify Incentives Don't Exceed System Owner's Out of Pocket Expenses

Eligible Project Cost	\$13,548.50	Enter (7)	(9)
Total Other Incentives	\$0.00	Enter (8)	(10)
Requested CSI Incentive	\$680.00	Enter Requested CSI Incentive from next section	(11)
System Owner Out of Pocket Expenses*	\$12,868.50	Subtract (10) and (11) from (9)	(12)

Additionally, meters must have a one-year warranty to protect against defective installation breakdown, or degradation in metering accuracy of more than fifteen percent during the warranty period. For meters that are integrated into the inverter, the meter warranty period must be 10 years.

System Owner Initials		Date	
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Tax Liability

System Owner understands that the incentives may be taxable and, if greater than \$600, may be reported to the IRS unless exempt from reporting or if a residential customer is receiving the incentive. The Program Administrator may report such rebate payments on IRS Form 1099 unless System Owner has declared corporation or tax-exempt status. System Owner acknowledges receiving a recommendation from the Program Administrator to consult with a tax adviser concerning the taxability of incentives and that the Program Administrator is not responsible for any taxes that may be imposed on the System Owner as either an individual or as a business as a result of receipt of this rebate.

SYSTEM OWNER	
Name	Erick Karlen
Title	Rebate and Interconnection Specialist
Company	Sungevity Development, LLC
Signature	
Date	

Host Customer Affidavit (If Host Customer is not System Owner)

If the Host Customer is not the System Owner, the Host Customer declares 1) the Site is located within the Utility's service territory and the self-generating equipment is not intended solely as a back-up generator, 2) all other agreements, other program rebates, grants, forgiven loans, gifted equipment, financial incentives, post-installation agreements, Renewable Energy Credits (aka RECs, Green Credits, etc.), and performance payments are "other incentives" and must be disclosed to the Program Administrator, and 3) Host Customer is duly authorized to sign this Affidavit.

HOST CUSTOMER	
Name	Rich Butler
Title	Homeowner
Company	
Signature	
Date	11/19/13