

INTER-GOVERNMENTAL NET ENERGY POWER SALES AGREEMENT

BETWEEN

THE CAPE & VINEYARD ELECTRIC COOPERATIVE, INC.

AND

TOWN OF YARMOUTH, MASSACHUSETTS

FOR GROUND MOUNTED SOLAR PHOTOVOLTAIC ENERGY FACILITIES

WITH BATTERY STORAGE

October _____, 2019

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BETWEEN
THE CAPE & VINEYARD ELECTRIC COOPERATIVE, INC.
AND
TOWN OF YARMOUTH, MASSACHUSETTS**

This Inter-Governmental Net Energy Power Sales Agreement (“Agreement” or “Inter-Governmental PSA”) is entered into this ___ day of _____, 2019 (the “Effective Date”) and is by and between the Cape & Vineyard Electric Cooperative, Inc., a Massachusetts cooperative corporation (“Seller”), and the Town of Yarmouth, Massachusetts (“Buyer”).

RECITALS

A. Whereas, at Buyer’s request, Seller issued a Request for Proposals (“RFP”) pursuant to G. L. c. 164, § 137, seeking a Developer to design, procure, install, test, commission, own, operate and maintain a solar energy generation facility with or without a battery energy storage system (“PV System”) (defined herein and further identified in Exhibit B) to be located on property owned by the Buyer and leased to the Developer;

B. Whereas, pursuant to the RFP, Buyer has entered into a lease agreement (“Lease”) with the Developer to develop the PV System, specifically a ground mount PV System with battery storage (the “PV System”) at Yarmouth Parcel E, 47 Workshop Rd., S. Yarmouth, MA 02664 (the “Premises”), owned by the Buyer;

C. Whereas, Seller has entered into a Power Purchase Agreement (“PPA”) with Developer pursuant to which Seller will purchase Net Energy (as defined herein) generated by the PV System and in turn sell an allocated share of that Net Energy to Buyer, pursuant to this Agreement;

D. Whereas, Buyer desires to purchase the Net Energy generated by the PV System from Seller to reduce its electric load and to obtain Net Metering Credits to apply against electric bills; and

E. Whereas, Seller, to the extent permitted by law, will net meter the Net Energy generated by the PV System for the benefit of Buyer.

NOW THEREFORE, in consideration of the foregoing and the mutual promises set forth below, Seller and Buyer agree as follows:

ARTICLE I:DEFINITIONS

When used in this Agreement, the following terms shall have the meanings given, unless a different meaning is expressed or clearly indicated by the context. Words defined in this Article I that are capitalized shall be given their common and ordinary meanings when they

appear without capitalization in the text. Words not defined herein shall be given their common and ordinary meanings.

“Applicable Legal Requirements” means any present and future law, act, rule, requirement, order, bylaw, ordinance, regulation, judgment, decree, or injunction of or by any Governmental Authority, and all licenses, permits, tariffs, and other governmental consents, which may at any time be applicable to a Party’s rights and obligations hereunder, including, without limitation, the design, procurement, construction, installation, operation, ownership, maintenance, repair, decommissioning and removal of the PV System on the Premises, as well as the selling and purchasing of power therefrom.

“Alternative On-bill Credit” means the energy value of generation from an Alternative On-bill Generation Unit, as calculated in accordance with 225 CMR 20.08(1)(a)2.

“Alternative On-bill Generation Unit” has the meaning as set forth in in 225 CMR 20.02.

“Battery Energy Storage System” means battery or batteries and necessary controls to extend the power available to the host facility when installed in conjunction with a renewable energy resource and/or the grid.

“Business Day” means a day on which Federal Reserve member banks in Boston are open for business; and a Business Day shall open at 8:00 a.m. and close at 5:00 p.m. Eastern Prevailing Time.

“Commercial Operation” means that the PV System is ready for regular, daily operation, has undergone testing as provided in the PPA, has been accepted by Seller and Buyer (and to the extent required, the Distribution Company), is in compliance with Applicable Legal Requirements in all respects (including, but not limited to, a grant of permission to operate from the Distribution Company, and completion of all final inspections), and is capable of producing Energy and delivering it to the Point of Delivery.

“Commercial Operation Date” means the first day on which the PV System is ready for Commercial Operation, as certified in writing by Developer to Seller in the Notice of Commercial Operation.

“Commercially Reasonable” means any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known, or which in the exercise of due diligence, should have been known, at the time the decision was made, would have been expected in the industry to accomplish the desired result consistent with reliability, safety, expedition, project economics, and regulations.

“Cooperative Member” means any municipality, county or political subdivision thereof, or other body politic, that has duly joined Seller as a cooperative member. Although Buyer is a Cooperative member, Buyer shall be excluded from this definition under this Agreement.

“Developer” means the Lessee under the Lease who will develop the PV System and then sell the Net Energy to the Seller pursuant to the PPA.

“Distribution Company” means Eversource Electric Company or any successor thereto.

“Distribution Company System” means the electric distribution system operated and maintained by the Distribution Company.

“DOER” means the Massachusetts Department of Energy Resources.

“Effective Date” means the date set forth in the introductory paragraph of this Agreement.

“Energy” means the amount of electricity either used or generated over a period of time; expressed in terms of kilowatt hour (“kWh”) or megawatt hour (“MWh”). Energy shall not include Environmental Attributes.

“Environmental Attributes” means any credit, benefit, reduction, offset, financial incentive, tax credit and other beneficial allowance that is in effect as of the Effective Date or any expansion, reenactment, extension or replacement thereof that may come into effect in the future (except Shared Environmental Attributes), including, to the extent applicable and without limitation, (i) greenhouse gas offsets under the Regional Greenhouse Gas Initiative, (ii) Renewable Energy Credits or any similar credits under the laws of the Commonwealth of Massachusetts or any other jurisdiction, (iii) tax credits, incentives or depreciation allowances established under any federal or state law, (iv) energy investment tax credits under section 48 of the Internal Revenue Code of 1986, as amended, (v) incentives under the Solar Massachusetts Renewable Target (SMART) Program as provided in 225 CMR 20.00, and (vi) other allowances however named or referenced, with respect to any and all fuel, emissions, air quality, or other environmental characteristics, resulting from the use of solar energy generation or the avoidance of the emission of any gas, chemical or other substance into the air, soil or water attributable to the sale of Net Energy generated by the PV System during the Term and in which Developer has good and valid title. Environmental Attributes shall not include net metering credits, or any capacity credits for the PV System, including credits or payments related to the Forward Capacity Market or Shared Environmental Attributes.

“Event of Default” means any event of default as defined in Sections 8.2 and 8.3 of this Agreement.

“Event of Termination” means any event of termination as defined in Section 8.1 of this Agreement.

“Financier” means any individual or entity providing money or extending credit for the PV System to Seller or Developer for: (1) the construction, term or permanent financing of the PV System; or (2) working capital or other ordinary business requirements for the PV System. “Financier” shall not include common trade creditors of Seller or Developer.

“Force Majeure” means any cause not within the reasonable control of the affected Party which precludes that Party from carrying out, in whole or in part, its obligations under this Agreement, including, but not limited to, Acts of God; winds; hurricanes; tornadoes; fires; epidemics; landslides; earthquakes; floods; other natural catastrophes; strikes; lock-outs or other industrial disturbances; acts of public enemies; acts, failures to act or orders of any kind of any Governmental Authority acting in its regulatory or judicial capacity; insurrections; military action; war, whether or not it is declared; sabotage; riots; civil disturbances or explosions. Nothing in this provision is intended to excuse either Party from performing due to any governmental act, failure to act, or order, where it was reasonably within such Party’s power to prevent such act, failure to act, or order. Notwithstanding anything in this Agreement to the contrary, *Force Majeure* shall not mean:

- (a) Inclement weather affecting construction, start-up, operation, or decommissioning of the PV System.
- (b) Unavailability of sun.
- (c) Unavailability of equipment, repairs or spare parts for the PV System, except to the extent due to a qualifying event of *Force Majeure*.
- (d) Inability to obtain, maintain or renew any Permit or any delay in obtaining, maintaining, or renewing any Permit, except that Cooperative shall be able to assert Host Town’s governmental actions on Permits for the PV System as an event of *Force Majeure*.
- (e) Any nonpayment under this Agreement or any third party agreement.
- (f) Economic hardship of either Party.

“Forward Capacity Market” means the locational capacity market in which ISO New England projects needs of the power system three years in advance and holds an annual auction to purchase power resources to satisfy the New England region future electricity demand needs.

“Good Engineering Practice” means any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known, or which in the exercise of due diligence, should have been known, at the time the decision was made, would have been expected to accomplish the desired result consistent with reliability, safety, expedition, project economics and Applicable Legal Requirements for similar facilities in the Commonwealth of Massachusetts. Good Engineering Practice is not intended to be limited to consideration of any one practice, method or act, to the exclusion of all others, but rather, is intended to require the consideration of a spectrum of possible practices, methods or acts.

“Governmental Authority” means the United States of America, the Commonwealth of Massachusetts, and any political or municipal subdivision thereof, and any agency, department, commission, board, bureau, independent electric system operator, or instrumentality of any of

them, or any court or tribunal, excluding Seller and any Cooperative Members, including, without limitation, Buyer, unless acting in their regulatory authority.

“**Host Customer**” has the meaning set forth in 220 CMR 18.02.

“**ISO**” means the New England Independent System Operator established in accordance with the NEPOOL Agreement (the Second Amended and Restated New England Power Pool Agreement dated as of February 1, 2005) and the Interim Independent System Operator Agreement as those Agreements are amended, superseded or restated from time to time.

“**kW**” means Kilowatt.

“**kWh**” means Kilowatt hour.

“**Lease**” has the meaning set forth in the Recitals.

“**Metering Device(s)**” means any and all revenue quality meters installed by Developer, Seller or the Distribution Company at, before, or after the Point of Delivery necessary or appropriate for the delivery of Energy into the Distribution Company System, the calculation of Net Metering Credits, and the registration, recording, and transmission of information regarding the amount of Net Energy generated by the PV System and delivered to the Delivery Point for sale to Seller and/or Buyer.

“**Municipal Load**” means Buyer’s total annual energy usage as determined on the Effective Date of this Agreement, as specified in Exhibit C.

“**MW**” means Megawatt.

“**MWh**” means Megawatt hour.

“**NEPOOL**” means the New England Power Pool and any successor organization.

“**Net Energy**” means the actual and verifiable amount of Energy generated by the PV System and delivered to Buyer at the Point of Delivery or allocated to Buyer in excess of any Energy consumed by the PV System as metered in kWh at the Metering Device(s), and in conformance with Applicable Legal Requirements.

“*Net Metered Generation Unit*” has the meaning set forth in 225 CMR 20.02.

“**Net Metering**” means the process of measuring the difference between electricity delivered by a local electric distribution company and electricity generated by a net metering facility and fed back to the local electric distribution company, as set forth under M.G.L. c. 164, §§138 – 140 and 220 C.M.R. 18.00, as may be amended from time to time by a Governmental Authority, and pursuant to the Distribution Company’s tariffs.

“Net Metering Credits” shall have the meaning set forth in 220 C.M.R. 18.00, as may be amended from time to time by a Governmental Authority, as implemented by the Tariffs.

“Parties” means Buyer and Seller collectively, and their respective successors and permitted assignees.

“Party” means Buyer or Seller individually, and their respective successors and permitted assignees.

“Permits” means all state, federal, county, and local authorizations, certificates, permits, licenses and approvals required by any Governmental Authority for the construction, operation and maintenance of the PV System.

“Person” means an individual, partnership, corporation (including a business trust), limited liability company, joint stock company, trusts, unincorporated association, joint venture, Governmental Authority, or other entity.

“Point of Delivery” means the agreed location or locations on the Premises where Net Energy is to be delivered and received, as further set forth in Exhibit A to the Lease.

“PPA” means the Net Energy Power Purchase Agreement between Seller and Developer, a form of which is attached hereto as Exhibit D.

“Prime Rate” means the rate published from time to time in the “Money Rates” section of *The Wall Street Journal*, as the prime-lending rate. In the event this index is discontinued or its basis is substantially modified, the Parties shall agree on a substitute equivalent index.

“PV System” means the solar electric generating facility, including but not limited to the PV System Assets, which produces the Net Energy sold and purchased under this Agreement, as further identified in Exhibit B attached hereto. The PV System may (or may not include) a Battery Energy Storage System, as specified in Exhibit B.

“PV System Assets” means each and all of the assets of which the PV System is comprised, including the solar energy panels, mounting systems, carports, tracking devices, inverters, integrators, Battery Energy Storage Systems, if any, and other related equipment and components installed on the Premises, electric lines and conduits required to connect such equipment to the Delivery Point, protective and associated equipment, improvements, Metering Devices, and other tangible and intangible assets, permits, property rights and contract rights reasonably necessary for the construction, operation, and maintenance of the PV System.

“SMART Program” means the Solar Massachusetts Renewable Target (SMART) Program as established in 225 CMR 20.

“SMART Tariff” has the meaning set forth in 225 CMR 20.02, as may be amended from time to time by a Governmental Authority.

“**Solar Net Metering Facility**” has the meaning set forth in 220 CMR 18.00, as may be amended from time to time by a Governmental Authority.

“**Solar Tariff Generation Unit**” has the meaning set forth in 225 CMR 20.02, as may be amended from time to time by a Governmental Authority.

“**Term**” has the meaning set forth in Article IV (Term).

“**Termination Date**” means the earlier to occur of: (a) the last day of the Term; or (b) the date of termination.

ARTICLE II: CONSTRUCTION; OBLIGATION TO MODIFY AGREEMENT

2.1 Construction

The Parties acknowledge that inconsistencies may exist between this Agreement, the PPA and the Lease and that the Parties will use their best efforts to construe all agreements harmoniously.

2.2 Obligation to Modify

Upon implementation by the Massachusetts Department of Public Utilities, DOER, or other Governmental Authority of any rule or regulation that may affect any provision of this Agreement, in particular any rule or regulation regarding Net Metering, or any rule or regulation amending 225 CMR 14.00 (Renewable Energy Portfolio Standard) or 225 CMR 20.00 (Solar Massachusetts Renewable Target (SMART) Program), the Parties shall be obligated to amend this Agreement to conform to such rule(s), order(s) and/or regulation(s) to the extent that such amendments are Commercially Reasonable. The Parties shall use their best efforts to conform such amendment to the original intent of this Agreement and to do so in a timely fashion.

ARTICLE III: PURCHASE AND SALE

3.1 Conditions Precedent

The obligations of the Buyer and Seller under this Agreement shall be conditioned upon the following requirements:

(a) execution by Developer and Host of the Lease as of or of even date with the Effective Date of this Agreement.

(b) execution by Developer and Buyer of the PPA as of or of even date with the Effective Date of this Agreement.

3.2 Sale and Purchase

Buyer shall purchase and Seller shall sell the Net Energy pursuant to the terms and conditions set forth in Exhibit A.

3.3 ISO Forward Capacity Market.

Seller shall retain the right to all ISO Forward Capacity Market Demand Resource credits or payments associated with the Net Energy.

3.4 Take-or-Pay for Net Energy Delivered to Point of Delivery

Subject to Section 8.3 (Events of Default by Seller) and Section 8.4 (*Force Majeure*), if Buyer fails to take Net Energy allocated to Buyer or made available to Buyer at the Delivery Point that Buyer is required to purchase under the terms of this Agreement, then Buyer shall pay to Seller on a monthly basis the price of the Net Energy as specified in Exhibit A upon thirty (30) days prior written notice by Seller. Seller shall have no duty to mitigate any charges under this Section. Disputes regarding compensation under this provision shall be subject to Article X (Dispute Resolution). Buyer shall not enter into any other energy agreements, other than with the Seller, that would result in any reduction in the total number of kWh that are allocated to Buyer under this Agreement. Pursuant to M.G.L. c. 40, §4A, the obligation of the Buyer to purchase the Net Energy as required under the terms of this Agreement in any contract year shall not be subject to appropriation and the Buyer shall not be exempt from liability pursuant to M.G.L. c. 44, §31.

3.5 Environmental Credits and Value

The Net Energy to which Buyer is entitled shall not include any Environmental Attributes. Buyer may not, under this Agreement, make any claims whatsoever with respect to any Environmental Attributes or the corresponding Energy in regards to a renewable portfolio standard, emission offset or other environmental, disclosure or similar regulatory requirement.

3.6 Net Metering and Alternative On-bill Credits

Seller and Buyer acknowledge and agree that for purposes of complying with the regulations at 220 C.M.R. 18.07(2), Buyer shall: (i) sign the Interconnection Agreement as Host Customer (as such term is defined in 220 C.M.R. 18.02); and (ii) designate Seller as its agent for purposes of communications and interactions with the Distribution Company as necessary to carry out the terms of this Agreement, the Lease and the PPA.

(a) Allocation of Net Metering and Alternative On-bill Credits.

(i) Buyer with Seller's and Developer's assistance, shall: (i) designate on Schedule Z to the Interconnection Agreement Buyer's accounts for which Buyer desires to allocate its share of the Net Metering and Alternative On-bill Credits generated or created during the Term in connection with the operation of the PV System; and (ii) at Seller's direction, designate on Schedule Z the accounts of other Cooperative Members or governmental entities to receive Net Metering Credits generated or created during the Term in connection with the operation of the PV System in excess of Buyer's Municipal Load (as such term is defined in the Inter-Governmental PDA). Buyer acknowledges that for purposes of allocating Net Metering Credits, in Buyer's role as Host Customer, it shall have no interest in and title to any Net Metering and Alternative On-bill Credits

generated in connection with the operation of the PV System in excess of Buyer's Municipal Load.

(ii) Seller and Buyer acknowledge and agree that in accordance with the Distribution Company tariffs, the Host Customer may amend Schedule Z of the tariffs two (2) times per calendar year, or as otherwise agreed to by the Distribution Company. Buyer and Seller will use Commercially Reasonable efforts to request that the Distribution Company amend the Schedule Z to address any changes in the identified electric accounts. Buyer shall report to Seller as soon as reasonably possible in advance of any anticipated material change in Buyer's electric accounts that would require an amendment to the Schedule Z.

(b) Purchase of Net Metering Credits by Distribution Company.

In the event that there is Net Energy for which the Distribution Company elects to purchase rather than allocate Net Metering Credits to Buyer's designees, Buyer shall assign to Seller the right to receive such payment. Seller shall allocate to Buyer and any other purchaser of Net Metering Credits associated with the Net Energy of the PV System their respective shares of the Net Metering Credit value as paid to Seller by the Distribution Company pursuant to Buyer's assignment of such payment right.

Seller and Buyer acknowledge and agree to request on Schedule Z of the Distribution Company tariffs that the Distribution Company purchase Net Metering Credits from the Host Customer in connection with the operation of the PV System. In the event that the Distribution Company does not agree to such request and instead elects to allocate Net Metering Credits to the Host Customer or its designees, Seller and Buyer agree to use their best efforts to amend Exhibit A to conform to Section 3.4(a) and the original intent and economic effect of this Agreement in a timely fashion. Regardless of whether Buyer receives an allocation of Net Metering Credits or whether Buyer receives a payment for its share of the value of the Net Metering Credits purchased by the Distribution Company, Buyer must pay the price for each kWh of electric power set forth in Exhibit A.

3.7 Maximum Financial Liability of the Parties Pursuant to M.G.L. c. 40, Section 4A

This Agreement is not intended to impose any financial liabilities on the Parties other than as expressly set forth herein.

ARTICLE IV:TERM

4.1 Term

The term of this Agreement (the "Term") commences on the Effective Date of this Agreement and ends at the earlier of 11:59 PM on the day preceding the twentieth (20th) anniversary of the Commercial Operation Date (the "Termination Date") or such date as of which this Agreement may be earlier terminated pursuant to the provisions of this Agreement. The Term may be extended upon mutual agreement of the Parties and in conformance with all Applicable Legal

Requirements for one five (5) year period, with such modifications to the provisions hereto which may be appropriate to such extension and which are mutually agreed upon in writing. A Party seeking to extend the Term of this Agreement shall send written notice of such intent to the other Party no later than two (2) months prior to the Termination Date.

ARTICLE V: METERING AND BILLING

5.1 Billing

On or before the fifteenth (15th) day of each month during the Term (or if such day is not a Business Day, the next succeeding Business Day), Seller shall calculate the amount due and payable to Seller pursuant to Exhibit A, with respect to the immediately preceding month, and shall forward to Buyer two invoices. One invoice will be for the Net Energy payment. The second invoice will be for payment of the Operational Costs Adder and any other direct costs incurred by Seller in connection with the PV System as set forth in Section (b)(i) of Exhibit A. Each invoice shall include a calculation with sufficient detail for Buyer to verify the calculation and the total amount due and payable for the previous month. Each invoice shall also contain instructions for payment in accordance with Section 5.2 (Payment) of this Agreement.

5.2 Payment

Buyer shall pay Seller, within thirty (30) days of the receipt of Seller's invoice pursuant to Section 5.1 (Billing).

5.3 Metering Equipment and Testing

Developer and the Distribution Company shall provide, install, own, operate and maintain the Metering Device(s). Except as otherwise provided herein, readings of the Metering Device(s) shall be conclusive as to the amount of Net Energy delivered to Buyer. In accordance with the PPA, Developer shall maintain and test the Metering Device(s). At Buyer's request, Seller shall exercise its rights under the PPA to ensure that the Metering Devices are tested and are accurately measuring the Net Energy of the System.

5.4 Dispute

If a Party, in good faith, disputes a payment or calculation of Buyer's share of Net Metering Credits, as described in this Article V, the disputing Party shall immediately notify the other Party of the basis for the dispute and pay any undisputed portion of such invoice no later than the due date. Upon resolution of the dispute, any required payment shall be made within twenty-one (21) Business Days of such resolution along with the interest accrued at the Prime Rate per annum from and including the due date but excluding the date paid. Any overpayments shall be returned by the receiving Party upon request or deducted from subsequent payments with interest accrued at the Prime Rate. The Parties shall only be entitled to dispute an invoice within twelve (12) calendar months from the date of issuance of such invoice. If the Parties are unable to resolve a payment dispute under this Article V, the Parties shall follow the procedure set forth in Article X (Dispute Resolution). Buyer and Seller hereby acknowledge and agree that during the Term of the PPA (as defined therein), Seller will rely on the information in the invoices provided to Seller by Developer pursuant to Section 7.4 (Billing) of the PPA in the preparation of its

invoices sent to Buyer under this Article V, and that the dispute provision in the PPA will govern the dispute of invoices under this Article V. Buyer and Seller further acknowledge and agree that upon such time as Seller is the owner of the PV System, the dispute provisions of this Section 5.4 shall control the dispute of Seller's invoices to Buyer under this Article V.

ARTICLE VI: PARTIES' OBLIGATIONS

6.1 Seller's Obligations

(a) Seller shall maintain accurate operating and other records and all other data for the purposes of proper administration of this Agreement, including such records as may be required (and in the form required) by any Governmental Authority, NEPOOL, ISO, or as may be reasonably required by Buyer.

(b) For the duration of the Term, Seller shall provide Buyer with access to information regarding the operations of the PV System or other data concerning the PV System.

(c) For the duration of the Term, Seller shall notify Buyer as soon as practicable when Seller becomes aware that the Facility may be mechanically inoperable for more than a seven (7) day period.

6.2 Buyer's Obligations

(a) Buyer shall be responsible for any present and future taxes, fees and levies, if any, imposed on or associated with the Energy at and from the Delivery Point. Seller shall receive the benefit of any allowances or other credits related to the PV System to the extent provided in the PPA, and except as expressly provided to Buyer under this Agreement. During such time as Developer is owner and operator of the PV System, Buyer shall reimburse Seller for any Governmental Charges paid by Seller to Developer pursuant to the PPA Agreement.

(b) Buyer shall not be required to enter into collateral assignments of this Agreement except as provided by this Section 6.2(b). Subject to the terms and conditions of this Agreement, Buyer shall, upon prior written request by Seller or Developer, execute a consent and agreement with respect to a collateral assignment hereof in favor of any Financier in a form acceptable to Buyer, provided (i) Seller shall reimburse Buyer for all reasonable expenses and attorneys' fees incurred by Buyer in connection therewith, and (ii) that Buyer's duty to make factual statements or representations in such consent and agreement shall be contingent upon the truthfulness and accuracy of such statements or representations at the time the consent and agreement is delivered.

(c) Buyer further acknowledges that the Financier(s) may have other or further requests with respect to the assignment of this Agreement and may request that certain terms be incorporated into a consent and agreement or assignment agreement to be executed by Buyer. Buyer will consider any such requests and will cooperate and

negotiate any such consent and agreement or assignment in good faith. Upon Buyer's written request after execution of any such consent and agreement or assignment, Seller shall reimburse Buyer for any reasonable attorney's fees and expenses associated therewith.

(d) Buyer shall act expeditiously, cooperatively and in good faith in facilitating any amendments to this Agreement requested by Financier in connection with the financing of the PV System so long as said amendments do not change the substance and underlying agreement of the terms originally a part hereof.

(e) Buyer shall act expeditiously, cooperatively and in good faith in facilitating any Permit, license or similar authorization necessary for the PV System, including, without limitation, assisting Seller with the Interconnection Agreement required by the Distribution Company for Net Metering, in particular Schedule Z, but Buyer acting in its regulatory capacity shall not be required under this subsection to provide approvals or permits to Developer other than in the regular course of exercising its regulatory power.

(f) Buyer agrees that it will accept an assignment from Seller of the PPA in the event that Seller ceases its operations, or otherwise if the Parties mutually agree that it is in the best interests of both Parties for Buyer to assume the obligations of Seller to purchase Net Energy pursuant to the PPA.

6.3 Net Metering or Alternative On-bill Credits

(a) Each Party's obligations under this Agreement are subject to the PV System qualifying for Net Metering as a Solar Net Metering Facility or for Alternative On-bill Credits as an Alternative On-bill Generation Unit

(b) Subject to the provisions of this Agreement, each of Buyer and Seller agree to take all reasonable measures with respect to which it has legal capacity to facilitate and expedite the review of all approvals necessary for the PV System to be eligible for and participate in Net Metering or receiving Alternative On-bill Credits

(c) So long as any such amendment will materially benefit a Party without material detriment to the other Party, the Parties commit to each other in good faith to make Commercially Reasonable efforts to fully cooperate and assist each other to amend this Agreement to conform to any rule(s) or regulation(s) regarding Net Metering or Alternative On-bill Credits and ensure that the PV System is eligible for Net Metering or Alternative On-bill Credits.

ARTICLE VII: REPRESENTATIONS AND WARRANTIES

7.1 Seller's Representations and Warranties

As of the Effective Date of this Agreement, Seller represents and warrants to Buyer as follows:

- (a) Seller has full legal capacity to enter into this Agreement;
- (b) The execution of this Agreement has been duly authorized, and each person executing this Agreement on behalf of Seller has full authority to do so and to fully bind Seller; and
- (c) Seller knows of no pending or threatened action, suit, proceeding, inquiry, or investigation before or by any judicial court or administrative or law enforcement agency against or affecting Seller or its properties wherein any unfavorable decision, ruling, or finding would materially and adversely affect the validity or enforceability of this Agreement or Seller's ability to carry out its obligations under this Agreement.

7.2 Buyer's Representations and Warranties

As of the Effective Date of this Agreement, Buyer represents and warrants to Seller as follows:

- (a) Buyer has full legal capacity to enter into this Agreement;
- (b) The execution of this Agreement has been duly authorized, and each person executing this Agreement on behalf of Buyer has full authority to do so and to fully bind Buyer; and
- (c) Buyer knows of no pending or threatened action, suit, proceeding, inquiry, or investigation before or by any judicial court or administrative or law enforcement agency against or affecting Buyer or its properties wherein any unfavorable decision, ruling, or finding would materially and adversely affect the validity or enforceability of this Agreement or Buyer's ability to carry out its obligations under this Agreement.
- (d) Buyer agrees that it has read and fully understands the form of PPA (attached as Exhibit D to this Agreement), including, without limitation, the price paid for Net Energy to Developer thereunder.

ARTICLE VIII: TERMINATION; DEFAULT; REMEDIES

8.1 Termination

Subject to Section 8.4 (*Force Majeure*), this Agreement shall not be subject to termination, except for the following Events of Termination:

- (a) Either Party may terminate this Agreement in the event that an incurable material Event of Default by Developer under the Lease or the PPA that prevents operation of the PV System for twelve (12) months, except with respect to *Force Majeure* events.

- (b) Seller may terminate this Agreement if there is an Event of Default by Buyer pursuant to Section 8.2.
- (c) Either party may terminate this Agreement in the event that the Developer defaults under the Lease, either party may terminate this Agreement, and may exercise any other remedy provided for in this Agreement or otherwise allowed by law.
- (d) Seller may terminate this Agreement in the event that the PPA is terminated by either Seller or Developer, except to the extent the PPA is terminated due to Seller's or Buyer's exercise of their Purchase Options (as defined therein).

8.2 Events of Default by Buyer

The following shall each constitute an Event of Default by Buyer:

- (a) Buyer breaches any non-monetary material obligation under this Agreement, and fails to cure such breach within thirty (30) Business Days after notification by Seller of the breach.
- (b) Buyer fails to make any payment due under this Agreement within forty-five (45) Business Days after such payment is due unless such payment is contested.
- (c) If any material representation or warranty made by Buyer in Article VII (Representations and Warranties) of this Agreement proves to have been misleading or false in any material respect when made and to have a material adverse effect on the Seller and Buyer does not cure the underlying facts so as to make such representation or warranty correct and not misleading within ten (10) Business Days of written notice from the Seller.
- (d) Any breach by Buyer pursuant to any of the provisions in Section 3.3 (Take-or-Pay for Energy Delivered to Point of Delivery).
- (e) Any other material breach of this Agreement not specifically enumerated above.

Events of Default in this Section 8.2 are subject to, among other things, specific performance and monetary damages pursuant to Section 8.5 (Remedies).

8.3 Events of Default by Seller

It shall constitute an Event of Default by Seller if Seller breaches any material obligation under this Agreement that proves to have a material adverse effect on Buyer and fails to cure the breach within thirty (30) Business Days after notification by Buyer of the breach. Events of Default in this Section 8.3 are subject to specific performance and monetary damages pursuant to Section 8.5 (Remedies).

8.4 Force Majeure

Notwithstanding Sections 8.1 (Termination), 8.2 (Events of Default by Buyer) and 8.3 (Events of Default by Seller), if by reason of *Force Majeure* either Party is unable to carry out, either in whole or in part, its obligations herein contained, such Party shall not be deemed to be in default during the continuation of such inability, provided that: (a) the non-performing Party, as soon as practicable (and in any event within five (5) Business Days after the *Force Majeure* event first prevents performance, gives the other Party hereto written notice describing the particulars of the occurrence; (b) the suspension of performance be of no greater scope and of no longer duration than is required by the *Force Majeure* event; (c) no obligations of the Party which were to be performed prior to the occurrence causing the suspension of performance shall be excused as a result of the occurrence; and (d) the non-performing Party shall use Commercially Reasonable efforts to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its obligations. If an event of *Force Majeure* continues for a period of one hundred eighty (180) days or longer, either Party may treat such an event as an Event of Termination and may immediately terminate this Agreement by sending the non-performing Party a written termination notice setting forth the Termination Date, provided, however, that the other Party may not terminate this Agreement if the non-performing Party is using Commercially Reasonable efforts to cure the Event of Termination and the non-performing Party provides reasonable written assurances that it will be able to cure such Event of Termination within an additional one hundred eighty (180) days. In the event of termination under this Section 8.4, Financier shall have step-in rights as provided in Section 8.6.

8.5 Remedies.

- (a) Subject to the limitations set forth in Section 8.5(c) below, in the event the defaulting Party fails to cure the Event of Default within the period for curative action under Sections 8.2 (Events of Default by Buyer) or 8.3 (Events of Default by Seller), as applicable, the non-defaulting Party may seek, among other things, specific performance and/or monetary damages pursuant to this Section 8.5.
- (b) In the case of a payment default by Buyer hereunder, Seller shall have the obligation, during any cure or waiver period provided to Buyer, to sell Net Energy to any other party on Commercially Reasonable terms to mitigate its losses.
- (c) In the case of a payment default by Buyer hereunder, Seller's monetary damages shall be the difference between the price under this Agreement and the price at which Seller sells the Buyer's share of the Net Energy on Commercially Reasonable terms to mitigate its losses plus any costs of arranging for such resale. Provided, however, that if the price at which Seller sells the Buyer's share of the Net Energy to mitigate its losses is greater than the price under this Agreement, Seller's monetary damages shall be reasonable costs, including any costs of arranging for such resale, incurred by Seller.
- (d) Both Parties agree that they have a duty to use Commercially Reasonable efforts to mitigate damages that may be incurred as a result of the other Party's performance or non-performance under the Agreement.

(e) After the Termination Date of this Agreement, Buyer shall have no further obligation to purchase Net Energy or to make any payment whatsoever under this Agreement, except for payments for obligations arising or accruing prior to the Termination Date. After the Termination Date, this Agreement shall not be construed to provide any residual value to either Party or any successor or any other Person, for rights to, use of, or benefits from the PV System, subject to Section 11.10 (Survival).

(f) Buyer may not enforce any remedies against Developer under the PPA, except as otherwise provided therein. Seller agrees to enforce any and all remedies against the Developer under the PPA.

For breach of any provision for which an express remedy or measure of damages is provided, such express remedy or measure of damages will be the sole and exclusive remedy, the obligor's liability will be limited as set forth in such provision and all other remedies or damages at law or in equity are waived. If no remedy or measure of damages is expressly provided herein, the obligor's liability will be limited to direct actual damages only, such direct actual damages will be the sole and exclusive remedy and all other remedies or damages at law or in equity are waived.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, INDIRECT, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, LOST PROFITS, OR BUSINESS INTERRUPTION DAMAGES OF ANY CHARACTER, RESULTING FROM, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY INCIDENT TO ANY ACT OR OMISSION OF EITHER PARTY RELATED TO THE PROVISIONS OF THIS AGREEMENT, IRRESPECTIVE OF WHETHER CLAIMS OR ACTIONS FOR SUCH DAMAGES ARE BASED UPON STATUTE, TORT, CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR ANY OTHER THEORY AT LAW OR EQUITY.

8.6 Step-in Rights of Financier

(a) Buyer is cognizant of the need of Developer to finance its interest in the PV System. Pursuant to Sections 6.2 (Buyer's Obligations), and 9.1(a) (Seller Assignment), Buyer agrees without any further request for prior consent to permit Developer to mortgage, assign or transfer this Agreement for the purpose of obtaining financing of the PV System, provided: (i) the term of such mortgage, assignment or transfer shall not exceed the Term hereof; (ii) Seller shall give Buyer notice of the name and address of Financier, and a copy of the mortgage, assignment or transfer document within thirty (30) days of the execution of such mortgage, assignment or transfer; and (iii) that the existence of such mortgage, assignment or transfer, or any foreclosure by any Financier, shall not relieve Seller from any liability or responsibility for the performance of its obligations under this Agreement.

(b) Buyer agrees to give written notice to any Financier of which Buyer has written notice upon the occurrence of any Event of Default hereunder, and Financier shall have a period of sixty (60) days after receipt of said notice to cure such default, provided

however, that Financier shall have an additional reasonable period of time thereafter, not to exceed one hundred eighty (180) days, to cure the Event of Default if Financier uses Commercially Reasonable efforts to cure such Event of Default during the initial sixty (60) days after notice aforesaid, and Financier provides reasonable written assurances that it will be able to cure such Event of Default within such reasonable period of time thereafter.

(c) Buyer agrees that, prior to termination pursuant to Section 8.1 (Termination), Buyer shall give written notice to any Financier of which Buyer has written notice upon the occurrence of any Event of Termination hereunder, and Financier shall have a period of one hundred eighty (180) days after receipt of said notice to cure such default, provided however, that Financier shall have an additional one hundred eighty (180) days to cure the Event of Termination if Financier uses Commercially Reasonable efforts to cure such Event of Termination during the initial one hundred eighty (180) days after notice aforesaid, and Financier provides reasonable written assurances that it will be able to cure such Event of Termination within the additional one hundred eighty (180) days.

(d) Buyer also agrees that, in the event that Buyer terminates this Agreement pursuant to Section 8.1 (Termination), then the Buyer shall assume the obligations of the Seller in the PPA or a new agreement shall be executed by Buyer with Developer or Financier, as the case may be, to assume Seller's place, upon the same terms and conditions as are contained in this Agreement; provided, however, that any such new agreement will be for the unexpired term of this Agreement and provided further, nothing herein shall be construed to alter any substantive terms which would expand the rights of Developer or Financier.

8.7 Purchase Options

Seller agrees and understands that Buyer shall have the right to purchase the PV System from Developer pursuant to Article 13 of the PPA and Article VIII of the Lease. Buyer agrees and understands that if Buyer does not exercise its option to purchase the PV System in accordance with Article 13 of the PPA and Article VIII of the Lease, then Seller may exercise its purchase option under such provisions.

8.8 Effect of Purchase Options on this Agreement

In the event that Buyer exercises its right to purchase the PV System from Developer in accordance with the terms of the PPA and the Lease, then this Agreement shall terminate. In the event that Seller exercises its right to purchase the PV System from Developer in accordance with the terms of the PPA and the Lease, then this Agreement shall continue in full force and effect.

ARTICLE IX: ASSIGNMENT

9.1 No Assignment Without Permission

Subject to the following, the rights and obligations created by this Agreement shall inure to the benefit of, and be binding upon, the successors and permitted assigns of the respective Parties hereto:

- (a) Seller Assignment. Seller may assign, subcontract or delegate all or a portion of its rights, privileges or obligations under this Agreement to any Person, subject to the prior written approval of Buyer, such consent not to be unreasonably withheld; provided that prior notice to or consent of Buyer shall not be required: (i) for an assignment by Seller to any of Seller's individual other Cooperative Members or individual members of the Cape Light Compact; and (ii) for a collateral assignment by Seller to any Financier, subject to the terms and conditions of Sections 6.2(b), 6.2(c) and 8.6.
- (b) Buyer Assignment. Buyer shall not assign, subcontract or delegate its rights, privileges or obligations under this Agreement without the prior written approval of Seller, such consent not to be unreasonably withheld.

Notice of any assignment that does not require prior written approval shall be provided to the other Party as soon as practicable. If a Party fails to obtain prior written approval of the non-assigning Party to the extent required for an assignment under this Section 9.1, such assignment is voidable by such non-assigning Party.

ARTICLE X: DISPUTE RESOLUTION

10.1 Dispute Resolution

Unless otherwise expressly provided for in this Agreement, the dispute resolution procedures of this Article X shall be the exclusive mechanism to resolve disputes arising under this Agreement. The Parties agree to use their respective best efforts to resolve any dispute(s) that may arise regarding this Agreement. Any dispute that arises under or with respect to this Agreement that cannot be resolved shall in the first instance be the subject of informal negotiations between the Parties. The dispute shall be considered to have arisen when one Party sends the other Party a written notice of dispute. The period for informal negotiations shall be fourteen (14) days from receipt of the written notice of dispute unless such time period is modified by written agreement of the Parties. In the event that the Parties cannot resolve a dispute by informal negotiations, the Parties may agree to submit the dispute to mediation. If the Parties agree to mediation, within fourteen (14) days following the expiration of the time period for informal negotiations, the Parties shall propose and agree upon a neutral and otherwise qualified mediator. In the event that the Parties fail to agree upon a mediator, the Parties shall request that the American Arbitration Association, Boston, Massachusetts, appoint a mediator. The period for mediation shall commence upon the appointment of the mediator and shall not exceed sixty (60) days, unless such time period is modified by written agreement of the Parties. The decision to continue mediation shall be in the sole discretion of each Party. The Parties will bear their own costs of the mediation. The mediator's fees shall be shared equally by the Parties. In the event that the

Parties cannot resolve a dispute by informal negotiations or mediation, the sole venue for judicial enforcement shall be courts in and for Barnstable County, Massachusetts. Notwithstanding the foregoing, injunctive relief from such court may be sought without resorting to alternative dispute resolution to prevent irreparable harm that would be caused by a breach of this Agreement.

10.2 Stay of Termination.

(a) During informal negotiations and mediation pursuant to Section 10.1, the Parties shall not exercise any termination rights pursuant to this Agreement. During such informal negotiations and/or mediation, the Parties shall continue to fully perform their respective obligations pursuant to this Agreement. All applicable statutes of limitation and defense based upon the passage of time and similar contractual limitations shall be tolled while discussions in Section 10.1 are pending and the Parties shall take such action, if any, required to effectuate such tolling. Without prejudice to the procedure set forth in Section 10.1, a Party may file a complaint for statute of limitations purposes, if in its sole judgment such action may be necessary to preserve its claims or defenses.

(b) During the Term of the PPA (as defined therein), if there is any lawsuit pending between Seller and Developer, Buyer shall not exercise any termination rights pursuant to this Agreement and shall continue to fully perform its obligations under this Agreement. As to any claims that arise between the Parties under this Agreement, all applicable statutes of limitation and defenses based upon the passage of time and similar contractual limitations shall be tolled while such lawsuit is pending and the Parties shall take such action, if any, required to effectuate such tolling. Notwithstanding the foregoing, Buyer may file a complaint for statute of limitations purposes, if in its sole judgment such action may be necessary to preserve its claims or defenses. This provision may be waived by the Seller at any time by any reason.

ARTICLE XI: MISCELLANEOUS

11.1 Notices. All notices, demands, requests, consents or other communications required or permitted to be given or made under this Agreement shall be in writing and addressed to the following:

If to Buyer:

Daniel Knapik
Town Administrator
Town of Yarmouth
Yarmouth Town Hall
1146 Route 28
South Yarmouth, MA 02664
Phone: 508-398-2231
Email: dknapi@yarmouth.ma.us

If to Seller:

Cape & Vineyard Electric Cooperative, Inc.
23H2 White's Path
South Yarmouth, MA 02664
Attn: Liz Argo, Manager
Tel: (774) 722-1812
Email: largo@cvecinc.org

Notices hereunder shall be deemed properly served: (a) by hand delivery, on the day and at the time on which delivered to the intended recipient at the address set forth in this Agreement; (b) if sent by mail, on the third business day after the day on which deposited in the United States certified or registered mail, postage prepaid, return receipt requested, addressed to the intended recipient at its address set forth in this Agreement; or (c) if by Federal Express or other reputable express mail service, on the next business day after delivery to such express mail service, addressed to the intended recipient at its address set forth in this Agreement. Either Party may change its address and contact person for the purposes of this Section 13.2 by giving notice thereof in the manner required herein.

11.2 Entire Agreement; Amendments; Binding Effect. This Agreement and the PPA and Lease constitute the entire agreement between the Parties hereto with respect to the subject matter hereof and supersede all prior oral or written agreements and understandings between the Parties relating to the subject matter hereof. This Agreement may only be amended or modified by a written amendment to this Agreement signed by both Parties hereto. This Agreement inures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

11.3 Expenses. Each Party hereto shall pay all expenses incurred by it in connection with its entering into this Agreement, including but not limited to, all attorneys' fees and expenses.

11.4 No Joint Venture. Nothing herein contained shall be deemed to constitute either Party a partner, agent or legal representative of the other Party or to create a joint venture, partnership, agency or any relationship between the Parties. The obligations of the Parties are individual and not collective in nature.

11.5 Joint Work Product. This Agreement shall be considered the work product of both Parties hereto, and, therefore, no rule of strict construction shall be applied against either Party.

11.6 Waiver. No waiver by either Party hereto of any one or more defaults by the other Party in the performance of any provision of this Agreement shall operate or be construed as a waiver of any future default, whether of like or different character. No failure on the part of either Party hereto to complain of any action or non-action on the part of the other Party, no matter how long the same may continue, shall be deemed to be a waiver of any right hereunder by the Party so failing. A waiver of any of the provisions of this Agreement shall only be effective if made in writing and signed by the Party who is making such waiver.

11.7 Governing Law. This Agreement and the rights and duties of the Parties hereunder shall be governed by and shall be construed, enforced and performed in accordance with the laws of the Commonwealth of Massachusetts without regard to principles of conflicts of law.

The Parties agree that to the maximum extent permissible by law, nothing in this Agreement shall be interpreted to eliminate or reduce legal protections or defenses available to the Seller as public cooperative or to the Buyer as municipal entity.

11.8 Nondiscrimination. The Parties agree that they shall not, because of race, color, national origin, ancestry, age, sex, religion, physical or mental handicap, or sexual orientation, gender identity, genetic information, or status as a veteran, discriminate against any qualified employee, applicant for employment, subcontractor, or person or firm seeking to provide goods or services to each Party, or deny any person access to the Premises or to any activities or programs carried out upon the Premises. The Parties shall comply with all applicable federal and state statutes, rules, and regulations prohibiting discrimination in employment or public accommodation.

11.9 Severability. If any article, section, phrase or portion of this Agreement is, for any reason, held or adjudged to be invalid, illegal or unenforceable by any court of competent jurisdiction, such article, section, phrase, or portion so adjudged shall be deemed separate, severable and independent and the remainder of this Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such adjudication, provided the basic purpose of this Agreement and the benefits to the Parties are not substantially impaired.

11.10 Further Assurances. From time to time and at any time at and after the execution of this Agreement, each Party shall execute, acknowledge and deliver such documents and assurances, reasonably requested by the other and shall take any other action consistent with the terms of this Agreement that may be reasonably requested by the other for the purpose of effecting or confirming any of the transactions contemplated by this Agreement.

11.11 Survival. Termination of this Agreement for any reason shall not relieve the Parties of any obligation accrued or accruing prior to such termination, including, but not limited to, the obligations set forth in Article 10 (Dispute Resolution), which shall survive the expiration or termination of this Agreement.

11.12 Counterparts; Scanned Copy. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The Parties agree that a scanned or electronically reproduced copy or image of this Agreement bearing the signatures of the Parties hereto shall be deemed an original and may be introduced or submitted in any action or proceeding as competent evidence of the execution, terms and existence of this Agreement notwithstanding the failure or inability to produce or tender an original, executed counterpart of this Agreement and without the requirement that the unavailability of such original, executed counterpart of this Agreement first be proven.

11.13 Developer as Third Party Beneficiary. The Parties agree that the Developer shall be a third party beneficiary of this Agreement.

11.14 No Limitation of Regulatory Authority. The Parties acknowledge that nothing in this Agreement shall be deemed to be an agreement by any Party to issue or cause the issuance of any permit or approval, or to limit or otherwise affect the ability of any Party to fulfill its regulatory mandate or execute its regulatory powers consistent with Applicable Legal Requirements.

[Signature page to follow.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

SELLER

Cape & Vineyard Electric Cooperative, Inc.

By: _____

By: _____

Name:
Title: Executive Committee, Director,
Town of Barnstable

Name:
Title: President

23H2 White's Path
Suite 2
South Yarmouth, MA 02664
(774) 722 -1812 (voice)

BUYER

Town of Yarmouth, Massachusetts

By: _____

Name: Daniel Knapik
Title: Town Administrator
Town of Yarmouth
Yarmouth Town Hall
1146 Route 28
South Yarmouth, MA 02664
Phone: 508-398-2231
Email: dknapik@yarmouth.ma.us

List of Exhibits to Agreement

- Exhibit A – Prices and Terms
- Exhibit B – Description of the PV System
- Exhibit C – Special Terms and Conditions
- Exhibit D – Form of PPA

EXHIBIT A

PRICES AND TERMS

- (a) The Term for provision of Energy under this Agreement shall begin on the Effective Date and shall continue until the end of the twentieth (20th) year after the Effective Date unless otherwise terminated or extended in accordance with its terms.
- (b) (i) While the Developer owns the PV System, Buyer shall pay Seller the price paid by Seller to Developer under the PPA plus an operational cost adder as identified on Exhibit C.
- (ii) Alternatively, in the event that Seller exercises its purchase option and takes ownership of the PV System, the price shall be as follows: For the first year or any portion thereof following the date on which Seller takes ownership of the PV System, Buyer shall pay Seller a price to be determined for each kWh of electric power as delivered or allocated to Buyer from the PV System pursuant to Buyer's percentage share as determined in (d) below.
- (c) This price does not include any applicable taxes.
- (d) Buyer's percentage share of the Net Energy generated by the PV System shall be 100%. In the event the Distribution Company allocates rather than purchases Net Metering Credits, and the Net Energy projected to be produced in the PV System's first year of operation is greater than the Buyer's Municipal Load as determined on the Effective Date of this Agreement, Seller shall use Commercially Reasonable efforts to reallocate any excess Net Energy to other Cooperative Members or governmental entities on a pro rata basis.
- (e) The Net Energy generated by the PV System shall be purchased by Buyer subject to Net Metering or Alternative On-bill Credits (as defined in the Agreement), the applicable rules and regulations promulgated by the Department of Public Utilities, and the Distribution Company's Tariffs (as defined in the Agreement).
- (f) In the event that there is Net Energy for which the Distribution Company elects to purchase rather than allocate Net Metering Credits to Buyer's designees, Buyer shall assign to Seller the right to receive such payment. Seller shall allocate to Buyer and any other purchaser of Net Metering Credits associated with the Net Energy of the PV System their respective shares of the Net Metering Credit value as paid to Seller by the Distribution Company.
- (g) In the event that Developer pays Seller damages for a Production Shortfall pursuant to the PPA (as such term is defined in the PPA), Delay Liquidated Damages pursuant to PPA (as such term is defined in the PPA), upon Seller termination for a Developer event of default pursuant to the PPA, Seller shall, within a reasonable period

of time after receiving such payment from Developer, allocate such payment to Buyer under the same formula for allocating Net Energy produced by the PV System.

EXHIBIT B

DESCRIPTION OF PV SYSTEM

PV SYSTEM: Module Manufacturer: Longi _____
Nameplate Capacity: 365Wp
Approximate Annual Energy Production:
1,894,000 _____ kWh
Location: Ground adjacent to sewage plant
Mounting Systems: Pile driven, TBD

Preliminary Specifications:

Battery Manufacturer: Tesla Powerpack 2.0
1490026 _____

PV SYSTEM ASSETS: BESS Nameplate Capacity in kilowatts per four
hour duration:
446 _____ kW for two hours
Location: See Exhibit A _____

Inverters: Chint 125kW SCA125KTL-DO _____

Related Equipment: _____

**Final system size will be determined once final field layout and structural analysis has been completed*

EXHIBIT C

SPECIAL TERMS AND CONDITIONS APPLICABLE TO THIS INTER-GOVERNMENTAL NET METERED POWER PURCHASE AGREEMENT

1. Operational Costs Adder.

Seller shall be entitled to recover its operational costs for its services in managing this Agreement and any other Net Metered Power Sales Agreement entered into pursuant to Seller's Request for Proposals ("RFP") for the Lease and the PPA.

The operational adder for Buyer pursuant to Section (b)(i) of Exhibit A shall be \$0.005. Commencing on the first anniversary of the Commercial Operation date of the PV System, and on each anniversary date thereafter, the operational adder shall be increased by the percentage that the United States Department of Labor Bureau of Labor Statistics Consumer Price Index For All Urban Consumers (All Items Index for Boston-Brockton-Nashua) ("CPI-U") for the month in which such anniversary occurs exceeds the corresponding CPI-U for the month in which the Commercial Operation date of the PV System occurs. If the manner in which the CPI-U is determined is substantially revised or the CPI-U shall become unavailable, Seller and Buyer agree to cooperate to determine an acceptable, comparable alternative index upon which to base the increase in the operational adder.

2. Municipal Load. The Municipal Load of Buyer is approximately 5,563,836 kWh.

EXHIBIT D

FORM OF POWER PURCHASE AGREEMENT

Please see attached.

**NET ENERGY POWER PURCHASE AGREEMENT
FOR SOLAR PHOTOVOLTAIC SYSTEM
BETWEEN THE
CAPE & VINEYARD ELECTRIC COOPERATIVE, INC.
AND
WORKSHOP ROAD SOLAR PROJECT 2019, LLC**

TOWN OF YARMOUTH

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**NET ENERGY POWER PURCHASE AGREEMENT
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AND
WORKSHOP ROAD SOLAR PROJECT 2019, LLC**

THIS NET ENERGY POWER PURCHASE AGREEMENT FOR SOLAR PHOTOVOLTAIC SYSTEM (“Agreement”) is made and entered into as of this ___ day of _____ (the “Effective Date”), by and between the Cape & Vineyard Electric Cooperative, Inc., a Massachusetts cooperative corporation (“Buyer”) and Workshop Road Solar Project Solar Project, LLC, a Massachusetts limited liability company (“Developer”). Buyer and Developer are in some cases hereinafter referred to individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, Developer and the Town of Yarmouth (“Host”), a member of Buyer, have entered into a Lease Agreement dated _____ (“Lease”) for Developer to develop a ground mounted solar photovoltaic system, which may or may not include an accompanying battery energy storage system (“PV System”) located on Host’s property (the “Premises”), as more particularly described in Exhibit A attached hereto;

WHEREAS, on behalf of the Host, Buyer issued a request for proposals for the PV System (the “RFP”);

WHEREAS, Developer is in the business of designing, procuring, installing, testing, commissioning, owning, operating and maintaining solar power electric generation facilities and battery energy storage systems;

WHEREAS, Developer proposes, pursuant to the Lease, to design, procure, install, test, commission, own, operate and maintain the PV System on the Premises;

WHEREAS, Developer desires to sell to Buyer, and Buyer desires to purchase from Developer, all of the Net Energy (as defined herein) generated by the PV System, and otherwise in accordance with the terms of this Agreement; and

WHEREAS, Buyer desires, to the extent permitted by law, to sell the Net Energy generated by the PV System during the Term for the benefit of Host, pursuant to an Intergovernmental Net Energy Power Sales Agreement (“Inter-Governmental PSA”), and to other Cooperative Members (as defined herein).

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual premises, representations, warranties, covenants, conditions herein contained, and the Exhibits attached hereto, Buyer and Developer agree as follows:

ARTICLE I: DEFINED TERMS; RULES OF INTERPRETATION

1.1 Defined Terms.

When used in this Agreement, the following terms shall have the meanings given, unless a different meaning is expressed or clearly indicated by the context.

Words defined in this Article I that are capitalized shall be given their common and ordinary meanings when they appear without capitalization in the text. Words not defined herein shall be given their common and ordinary meanings.

“Affiliate” means, with respect to any Person, such Person’s general partner or manager, or any other Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person.

“Agreement” means this Net Energy Power Purchase Agreement for Solar Photovoltaic System, including all Exhibits, attachments, and schedules hereto and any amendments or addenda.

“Alternative On-bill Credit” means the energy value of generation from an Alternative On-bill Generation Unit, as calculated in accordance with 225 CMR 20.08(1)(a)2.

“Alternative On-bill Generation Unit” has the meaning as set forth in in 225 CMR 20.02.

“Annual System Degradation Factor” means the factor expressed in percent by which the Guaranteed Annual Energy Output of the PV System shall decrease from one Contract Year to the next Contract Year as set forth in Exhibit C. In the case of added battery storage, Annual System Degradation Factor shall also mean the factor expressed in percent by which the battery system shall decrease in power availability from one year to the next.

“Applicable Legal Requirements” means any present and future law, act, rule, requirement, order, bylaw, ordinance, regulation, judgment, decree, or injunction of or by any Governmental Authority, ordinary or extraordinary, foreseen or unforeseen, and all licenses, permits, tariffs, and other governmental consents, which may at any time be applicable to a Party’s rights and obligations hereunder, including, without limitation, the selling and purchasing of power therefrom.

“Appraised Value” means the fair market value assigned to the PV System, as determined by the Independent Appraiser using customary and accepted appraisal methods in the energy and solar electricity industry, and to any emission trading agreements, renewable energy certificate sales agreements or revenue producing agreements in connection with the PV System to which Developer is a party and which are assignable to Buyer, but not including this Agreement or the Lease.

“Bankrupt” means that a Party or other entity (as applicable): (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (ii) becomes insolvent or is unable to pay its debts or fails (or admits in writing its inability) generally to pay its debts as they become due; (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (iv) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other

relief under any bankruptcy or insolvency law or other similar law affecting creditor's rights, or a petition is presented for its winding-up, reorganization or liquidation, which proceeding or petition is not dismissed, stayed or vacated within twenty (20) Business Days thereafter; (v) commences a voluntary proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights; (vi) seeks or consents to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all of its assets; (vii) has a secured party take possession of all or substantially all of its assets, or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets; (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) to (vii) inclusive; or (ix) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

“Battery Energy Storage System” means battery or batteries and necessary equipment and controls to extend the power available to the host facility when installed in conjunction with a renewable energy resource and/or the grid.

“Business Day” means a day on which Federal Reserve member banks in Boston are open for business; and a Business Day shall open at 8:00 a.m. and close at 5:00 p.m. Eastern Prevailing Time.

“Buyer” has the meaning set forth in the introductory paragraph of this Agreement.

“Buyer Event of Default” has the meaning set forth in Section 9.1.

“Commercial Operation” means that the PV System is ready for regular, daily operation, has undergone testing as provided in the Common Technical Specifications attached as Exhibit E to the Lease, is in compliance with Applicable Legal Requirements in all material respects (including, but not limited to, a grant of permission to operate from the Distribution Company, and completion of all final inspections), and is capable of producing Energy and delivering it to the Point of Delivery and all Training and Documentation Requirements, as required in Common Technical Specifications, Exhibit E to the Lease, are complete and provided to Host and, as applicable, CVEC.

“Commercial Operation Date” means the first day on which the PV System is ready for Commercial Operation, as certified in writing by Developer to Buyer in the Notice of Commercial Operation.

“Commercially Reasonable” means any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known, or which in the exercise of due diligence, should have been known, at the time the decision was made, would have been expected in the industry to accomplish the desired result consistent with reliability, safety, expedition, project economics, and regulations.

“Common Technical Specifications” means those technical specifications and requirements for the PV System, contained in Exhibit E to the Lease.

“Contract Year” means the consecutive 12-month period commencing on the Commercial Operation Date.

“Construction Commencement Date” has the meaning set forth in the Lease.

“Cooperative Member(s)” means any municipality, county or political subdivision thereof, or body politic, that has duly joined Buyer as a cooperative member.

“Developer” has the meaning set forth in the Preamble.

“Developer Event of Default” has the meaning set forth in Section 9.2.

“Distribution Company” means Eversource Electric Company or any successor thereto.

“Distribution Company System” means the electric distribution system operated and maintained by the Distribution Company.

“DOER” means the Massachusetts Department of Energy Resources.

“Effective Date” is the date first set forth in the introductory paragraph of this Agreement.

“Energy” means the amount of electricity either used or generated over a period of time; expressed in terms of kilowatt hour (“kWh”) or megawatt hour (“MWh”). Energy shall not include renewable energy credits, or any investment tax credits under Section 48 of the Internal Revenue Code or otherwise, to the extent that the PV System receives or is entitled to receive any such credits.

“Environmental Attributes” means any credit, benefit, reduction, offset, financial incentive, tax credit and other beneficial allowance that is in effect as of the Effective Date or any expansion, reenactment, extension or replacement thereof that may come into effect in the future (except Shared Environmental Attributes), including, to the extent applicable and without limitation, (i) greenhouse gas offsets under the Regional Greenhouse Gas Initiative, (ii) Class I Renewable Generation Attributes (as such term is defined at 225 C.M.R. 14.02) or any similar credits under the laws of the Commonwealth of Massachusetts or any other jurisdiction, (iii) tax credits, incentives or depreciation allowances established under any federal or state law, (iv) energy investment tax credits under Section 48 of the Internal Revenue Code of 1986, as amended, (v) incentives under the Solar Massachusetts Renewable (SMART) Program as provided in 225 CMR 20.00, and (vi) other allowances however named or referenced, with respect to any and all fuel, emissions, air quality, or other environmental characteristics, resulting from the use of solar energy generation or the avoidance of the emission of any gas, chemical or other substance into the air, soil or water attributable to the sale of Net Energy generated by the PV System during the Term and in which Developer has good and valid title. Environmental Attributes shall not include net metering credits, or any capacity credits for the PV System, including credits or payments related to the Forward Capacity Market or Shared Environmental Attributes.

“Financier” means any individual or entity providing money or extending credit for the PV System to Developer for: (1) the construction, term or permanent financing of the PV System; (2) a tax equity investment made in part in an expectation of an allocation of tax and other benefits;

or (3) working capital or other ordinary business requirements for the PV System. “Financier” shall not include common trade creditors of Developer.

“Financing Agreement” means any credit agreement, reimbursement agreement, note purchase agreement, trust indenture, lease agreement or other document (and any documents relating to or ancillary to the foregoing documents) identified from time to time in writing by Developer to Buyer as a “Financing Agreement” under which Developer or any Affiliate of Developer obtains financing that is secured by all or substantially all of the assets of Developer (including any credit enhancement for any bonds) for the acquisition, development, construction, modification, repair or operation of the PV System or any refinancing thereof or any equity take-out financing for costs incurred for any of the foregoing purposes.

“Force Majeure” means any cause not within the reasonable control of the affected Party which precludes that Party from carrying out, in whole or in part, its obligations under the Agreement, including, but not limited to, Acts of God; winds; hurricanes; tornadoes; other extreme weather conditions; fires; epidemics; landslides; earthquakes; floods; other natural catastrophes; strikes; lock-outs or other industrial disturbances; acts of public enemies; acts, failures to act or orders of any kind of any Governmental Authority acting in its regulatory or judicial capacity; insurrections; military action; war, whether or not it is declared; sabotage; riots; civil disturbances or explosions. Nothing in this provision is intended to excuse either Party from performing due to any governmental act, failure to act, or order, where it was reasonably within such Party’s power to prevent such act, failure to act, or order. Notwithstanding anything in the Agreement to the contrary, *Force Majeure* shall not mean:

- (a) Ordinary inclement weather affecting construction, start-up, operation, or decommissioning of the PV System, except to the extent weather conditions create unsafe working conditions.
- (b) Unavailability of sun.
- (c) Unavailability of equipment, repairs or spare parts for the PV System, except to the extent due to a qualifying event of *Force Majeure*.
- (d) Any nonpayment under this Agreement or any third party agreement.
- (e) Economic hardship of either Party.

“Forward Capacity Market” means the locational capacity market in which ISO New England projects needs of the power system three years in advance and holds an annual auction to purchase power resources to satisfy the New England region future electricity demand needs.

“Good Engineering Practice” means any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known, or which in the exercise of due diligence, should have been known, at the time the decision was made, would have been expected to accomplish the desired result consistent with reliability, safety, expedition, project economics and Applicable Legal Requirements for similar facilities in the Commonwealth of Massachusetts. Good Engineering Practice is not intended to be limited to consideration of any one practice,

method or act, to the exclusion of all others, but rather, is intended to require the consideration of a spectrum of possible practices, methods or acts.

“Governmental Authority” means the United States of America, the Commonwealth of Massachusetts, and any political or municipal subdivision thereof, and any agency, department, commission, board, bureau, independent electric system operator, or instrumentality of any of them, or any court or tribunal, including the Buyer in its regulatory capacity but not as Party to this Agreement.

“Governmental Charges” means all applicable federal, state and local taxes (other than taxes based on income or net worth but including, without limitation, sales, use, gross receipts or similar taxes), governmental charges, emission allowance costs, duties, tariffs, including but not limited to Monthly Minimum Reliability Contributions, levies, leases, fees, permits, assessments, adders or surcharges (including public purposes charges and low income bill payment assistance charges), imposed or authorized by a Governmental Authority, Distribution Company, or other similar entity, on or with respect to the Net Energy or this Agreement.

“Guaranteed Annual Energy Output” means the minimum amount of Net Energy that is guaranteed by the Developer to be generated by the PV System in a Contract Year, as set forth in Exhibit C.

“Host” has the meaning set forth in the Recitals.

“Independent Appraiser” means an individual who is a member of an accounting, engineering or energy consulting firm qualified by education, certification, experience and training to determine the Appraised Value of solar photovoltaic generating facilities of the size and age and with the operational characteristics of the PV System. Except as may be otherwise agreed by the Parties, the Independent Appraiser shall not be (or within three years before his appointment have been) a director, officer or employee of, or directly or indirectly retained as consultant or adviser to, Host, any Cooperative Member, Buyer, Developer or any Affiliate of Developer.

“Interconnection Agreement” means the Interconnection Service Agreement and any exhibits thereto, entered into with the Distribution Company which authorizes the interconnection of the PV System with the Distribution Company System, which confirms the eligibility of the PV System for treatment as a Solar Net Metering Facility and which specifies whether any Net Excess Generation (as defined in the Tariffs) shall be subject to allocation or cash-out.

“Interest Rate” means a fluctuating interest rate per annum equal to the sum of (1) the Prime Rate as stated in the “Bonds, Rates & Yields” section of The Wall Street Journal on the Effective Date and thereafter on the first day of every calendar month, plus (2) two percentage points. (In the event that such rate is no longer published in The Wall Street Journal or such publication is no longer published, the Interest Rate shall be set using a comparable index or interest rate selected by Host Town and reasonably acceptable to Developer.) The Interest Rate hereunder shall change on the first day of every calendar month. Interest shall be calculated daily on the basis of a year of 365 days and the actual number of days for which such interest is due.

“Inter-Governmental PSA” means the Inter-Governmental Net Energy Power Sales Agreement for the PV System entered into between Buyer and Host.

“ISO” means the New England Independent System Operator established in accordance with the NEPOOL Agreement (the Second Amended and Restated New England Power Pool Agreement dated as of February 1, 2005) and the Interim Independent System Operator Agreement as both Agreements are amended, superseded or restated from time to time.

“kWh” means kilowatt hour.

“Lease” has the meaning set forth in the Recitals to this Agreement.

“Metering Device(s)” means any and all revenue quality meters installed by Developer, Buyer or the Distribution Company at, before, or after the Point of Delivery necessary or appropriate for the delivery of Energy into the Distribution Company System, the calculation of Net Metering Credits, and the registration, recording, and transmission of information regarding the amount of Net Energy generated by the PV System and delivered to the Point of Delivery for sale to Buyer.

“Monthly Minimum Reliability Contribution” has the meaning set forth in G.L. c. 164, §139(j) and 220 CMR 18.10, as approved by the Department of Public Utilities in the Distribution Company’s tariff.

“Net Energy” means the actual and verifiable amount of Energy generated by the PV System and delivered to Buyer at the Point of Delivery or allocated to Buyer in excess of any Energy consumed by the PV System (including transformers) as metered in kWh at the Developer’s Metering Device, and in conformance with Applicable Legal Requirements and the Tariffs.

“Net Energy Price” means the amount paid by Buyer to Developer for each kWh of Net Energy and capacity sold by Developer to Buyer pursuant to this Agreement, as set forth in Exhibit C attached hereto.

“Net Metered Generation Unit” has the meaning set forth in 225 CMR 20.02.

“Net Metering” means the process of measuring the difference between electricity delivered by a local electric distribution company and electricity generated by a net metering facility and fed back to the local electric distribution company, as set forth under M.G.L. c. 164, §§138 – 140 and 220 C.M.R. 18.00, as may be amended from time to time by a Governmental Authority, and pursuant to the Distribution Company’s Tariffs.

“Net Metering Credit” has the meaning set forth in 220 C.M.R. 18.00, as may be amended from time to time by a Governmental Authority, as implemented by the Tariffs.

“Notice of Commercial Operation” has the meaning set forth in Section 4.2.F. of this Agreement.

“Notice of Permits and Interconnection Costs” means the written notice from Developer to Buyer that Developer has obtained all final permits or required approvals (excepting an interconnection agreement) required to construct the PV System and identifying all Distribution Company estimated infrastructure upgrade costs associated with interconnection of the PV System, as evidenced in writing by the Distribution Company.

“Outside Construction Commencement Date” means the later of ninety (90) days after the Effective Date or ninety (90) days after the PV System has received a “Statement of Qualification” pursuant to and as defined in the SMART Program or ninety (90) days after PV System has received all permits or approvals from the distribution company or approval board or any governmental authority. .

“Outside Commercial Operation Date” means two hundred and forty (240) days after the Outside Construction Commencement Date.

“Person” means an individual, partnership, corporation (including a business trust), limited liability company, joint stock company, trusts, unincorporated association, joint venture, Governmental Authority, or other entity.

“Point of Delivery” means the agreed location or locations on the Premises where Net Energy is to be delivered and received, as further set forth in Exhibit A attached hereto.

“Premises” has the meaning set forth in the Recitals to this Agreement, and is the area in which Host has assigned to Developer the necessary rights to design, procure, install, test, commission, own, operate, maintain and remove the PV System, as further identified in Exhibit A.

“Prime Rate” means the rate published from time to time in the “Money Rates” section of The Wall Street Journal, as the prime-lending rate. In the event this index is discontinued or its basis is substantially modified, the Parties shall agree on a substitute equivalent index.

“Production Shortfall” means the amount, expressed in kWh, by which the actual amount of Net Energy generated by the PV System in any Contract Year is less than the Guaranteed Annual Energy Output for that Contract Year.

“Purchase Price” has the meaning ascribed to it in Section 13.3 of this Agreement.

“PV System” means the solar electric generating facility, including, but not limited to, the PV System Assets, which produces the Net Energy sold and purchased under this Agreement, as further identified in Exhibit B, attached hereto. The PV System may (or may not include) a Battery Energy Storage System, as specified in Exhibit B.

“PV System Assets” means each and all of the assets of which the PV System is comprised, including Developer’s solar energy panels, mounting systems, canopies, tracking devices, inverters, integrators, Battery Energy Storage Systems, if any, and other related equipment and components installed on the Premises, electric lines and conduits required to connect such equipment to the Point of Delivery, protective and associated equipment, improvements, Metering Device(s), and other tangible and intangible assets, permits, property rights and contract rights reasonably necessary for the construction, operation, and maintenance of the PV System.

“PV System Loss” means loss, theft, damage or destruction of the PV System or any portion thereof, or any other occurrence or event that prevents or limits the PV System from operating in whole or in part, resulting from or arising out of any cause (including casualty, condemnation or *Force Majeure*).

“**RFP**” has the meaning set forth in the Recitals hereto.

“**Shared Environmental Attribute**” means any credit, benefit, reduction, offset, financial incentive or other beneficial allowance that may come into effect in the future (except any expansion, reenactment, extension or replacement of any credit, benefit, reduction, offset, financial incentive or other beneficial allowance that is in effect as of the Effective Date).

“**SMART Program**” means the Solar Massachusetts Renewable Target (SMART) Program as established in 225 CMR 20.

“**SMART Tariff**” has the meaning set forth in 225 CMR 20.02, as may be amended from time to time by a Governmental Authority.

“**Solar Net Metering Facility**” has the meaning set forth in 220 CMR 18.00, as may be amended from time to time by a Governmental Authority.

“**Solar Tariff Generation Unit**” has the meaning set forth in 225 CMR 20.02, as may be amended from time to time by a Governmental Authority.

“**Term**” has the meaning set forth in Section 3.2 herein.

“**Termination Date**” means the earlier to occur of: (1) the last day of the Term; or (2) the date of termination.

ARTICLE II: OBLIGATION TO MODIFY AGREEMENT

Upon implementation, after the Effective Date, by the Massachusetts Department of Public Utilities, the DOER, or other Governmental Authority of any Applicable Legal Requirement that may affect any provision of this Agreement or the anticipated economic benefits of the Parties, in particular (i) any Applicable Legal Requirement regarding Net Metering, or (ii) any rule or regulation amending 225 CMR 14.00 (Renewable Energy Portfolio Standard) or 225 CMR 20.00 (Solar Massachusetts Renewable Target (SMART) Program), the Parties shall be obligated to amend this Agreement and shall use their best efforts to conform such amendment to the original intent of this Agreement, including allocation of economic benefits to most closely approximate the benefits anticipated by both Parties, and to do so in a timely fashion.

ARTICLE III: TERM

3.1 Developer Conditions Precedent. The obligations of the Developer under this Agreement shall be conditioned upon the full satisfaction, or waiver by Developer, of the conditions precedent set forth in Section 5.2 of the Lease.

3.2 Other Conditions Precedent. The obligations of the Buyer and Developer under this Agreement shall be conditioned upon the following requirements:

- A. execution and delivery by Developer and Host of the Lease; and
- B. execution by Buyer and Host of the Inter-Governmental PSA.

3.3 Term. The term of this Agreement (the “Term”) shall commence on the Effective Date and shall remain in effect until the twentieth (20th) anniversary of the Commercial Operation Date or such date as of which this Agreement may be earlier terminated pursuant to the provisions hereof. The Term may be extended upon mutual agreement of the Parties and in conformance with all Applicable Legal Requirements for one five (5) year period, with such modifications to the provisions hereto which may be appropriate to such extension and which are mutually agreed upon in writing. A Party seeking to extend the Term of this Agreement shall send written notice of such intent to the other Party no later than two (2) months prior to the Termination Date.

3.4 Early Termination.

A. Developer Termination. Developer may terminate this Agreement without liability (except as set forth in Section 3.4.E) prior to the Construction Commencement Date in the event that the condition in Section 3.1 is not satisfied within twelve (12) months of the Effective Date.

B. Early Termination. Either Party may terminate this Agreement prior to the Construction Commencement Date by written notice to the other Party given not later than twenty (20) Business Days following the applicable related event specified below, but before the Construction Commencement Date (if possible, and unless otherwise provided):

(i) in the event that Developer has not prepared for submission to the Distribution Company a complete interconnection application seeking authorization to construct and interconnect the PV System to the Distribution Company System within forty-five (45) days of the Effective Date;

(ii) in the event that the Lease has been terminated for cause;

(iii) in the event that the conditions of Section 3.2 are not satisfied within twenty (20) Business Days of the Effective Date;

(iv) in the event the Buyer determines, in its sole and absolute discretion, that the PV System will not be eligible for Net Metering Credits or Alternative On-Bill Credits, but only prior to the earlier of (A) such time as the PV System receives an allocation under the SMART Program or (B) the Construction Commencement Date;

(v) in the event that Developer is not able to demonstrate, upon Buyer’s request and to Buyer’s reasonable satisfaction, that Developer is diligently pursuing the purchase of PV System equipment within thirty (30) days after receipt of a fully executed Interconnection Agreement;

(vi) in the event that during the interconnection process the Distribution Company imposes a cost for utility upgrades necessary to interconnect the PV System in excess of \$10,000, and the Parties are not able to reach agreement within sixty (60) days of Developer’s receipt of such notice from the Distribution Company on how such cost will be allocated among the Parties. The Parties agree that for each \$10,000 in excess of the initial threshold of a cost of \$10,000 for utility upgrades to be paid solely by the Developer, the Developer may increase the Net Energy Price by an amount per kWh as specified in Exhibit C, and Buyer shall determine in

its sole discretion whether to accept such increase in Net Energy Price, in which case this condition shall be deemed satisfied; or

(vii) in the event that the Interconnection Agreement, in form and substance satisfactory to Developer and Buyer, in each of its reasonable discretion, is not finalized and executed within one-hundred eighty (180) days of Developer's submission of the interconnection application, provided, however, that Buyer will extend the deadline for compliance with this subsection in thirty (30) day increments, upon Buyer's determination, in its reasonable discretion, that Developer is using Commercially Reasonable efforts to secure such Interconnection Agreement, and further that said deadline will be automatically extended to the extent that achievement of the same is delayed while awaiting utility action.

C. Buyer's Right to Terminate Other Agreements with Developer. Buyer shall have the right, but not the obligation, to terminate any one or more of each net energy power purchase agreements it may have with Developer, or any Affiliate of Developer ("Additional PPA"), prior to the Construction Commencement Date under such Additional PPA, in the event that prior to such Construction Commencement Date, the Developer, as a result of gross negligence or willful misconduct, has failed to fully comply with all Applicable Legal Requirements. This section is not intended to limit any other termination rights of Buyer under such Additional PPAs.

D. Notice/Waiver. Either Party may waive any condition precedent applicable to it; provided, for the avoidance of doubt, that the conditions in Section 3.2 may be waived only by both Parties. The Party proposing to terminate this Agreement as the result of the non-fulfillment or failure of any of the above-referenced conditions precedent shall give the other Party written notice of the notifying Party's intent to terminate this Agreement due to non-fulfillment or failure of any such foregoing conditions, and shall include in such notice a detailed description of the efforts undertaken by the notifying Party to satisfy such condition or conditions (which efforts need only be Commercially Reasonable) and the reasons why such condition or conditions have not been satisfied. In the event either Party terminates this Agreement the Parties shall have no further obligations hereunder except those of the Developer in subsection 3.4.E. below and those which survive expiration or termination of this Agreement.

E. Buyer's Remedy Upon Early Termination. In the event this Agreement is terminated pursuant to Section 3.4.A, 3.4.B(i), 3.4.B(ii) (if the termination for cause is the fault of the Developer), 3.4.B.(iii) (if the fault of the Developer), 3.4.B.(iv), 3.4.B.(v), and 3.5.B.(vii):

(i) Upon early termination, Developer shall pay to Buyer within thirty (30) days of the Termination Date a sum of \$2,500 to cover Buyer's cost to procure another developer to design, procure, install, test, commission, own, operate and maintain a solar PV System, provided that if such payment is timely received, Developer shall have no further liability under this Agreement, except for any obligations that survive termination.

(ii) Buyer shall be entitled to all drawings, designs, samples, applications, reports and approvals prepared and/or obtained by Developer as of the Termination Date for development of the PV System for which Buyer has already made payment to Developer, or at a minimum the Interconnection Application and Agreement, once available (regardless of payment).

The Developer shall assign permits that run with the Premises to Buyer or Host after consultation with each.

ARTICLE IV: OWNERSHIP, INSTALLATION, OPERATION, MAINTENANCE, AND REMOVAL

4.1 Ownership of the PV System.

A. Title. Subject to the rights provided to Buyer and Host pursuant to Article XIII (PV System Purchase and Sale Options) and other terms hereof and the Lease, the PV System and all alterations, additions, improvements or installations made thereto by Developer and all Developer property used in connection with the installation, operation and maintenance of the PV System is, and shall remain, the personal property of Developer.

B. Security Interests in PV System. Except as otherwise provided herein, Buyer acknowledges and agrees that Developer may grant or cause to be granted to a Financier a security interest in the PV System and in Developer's rights to payment under the Agreement.

C. No Expenditures. Developer and Buyer acknowledge and agree that Buyer shall not be required to make any expenditure, incur any obligation, or incur any liability of any kind whatsoever in connection with the ownership, construction, operation, maintenance, repair, or removal of the PV System.

4.2 Construction of PV System by Developer.

A. Construction. Developer shall, at its sole cost and expense, (i) design, construct, operate, and maintain the PV System in accordance with Applicable Legal Requirements, in good condition and repair in accordance with applicable contractor warranties or guarantees, manufacturer's warranties, instructions and specifications, as further identified in the Common Technical Specifications set forth in Exhibit E to the Lease, applicable requirements of the insurance policies maintained by Buyer, Host and Developer with respect to the PV System, and the terms of this Agreement, and (ii) monitor the PV System performance with respect to any PV System malfunction causing a material unanticipated loss of Net Energy such that the same will be discovered and rectified in accordance with Good Engineering Practice. The PV System will, when completed, comply with all Applicable Legal Requirements and the Common Technical Specifications set forth in Exhibit E of the Lease, except as waived thereunder.

B. Governmental Approvals. Except as otherwise specified herein, the Developer shall be responsible at its sole cost for designing, financing, procuring, installing, testing, commissioning, operating and maintaining the PV System and obtaining all approvals and permits required under the Applicable Legal Requirements for Developer's use of the Premises and for the PV System from any Governmental Authority having jurisdiction in the matter. Developer will promptly inform Buyer of all significant developments relating to the issuance of such approvals or permits.

C. Ownership of Drawings, Reports and Other Materials. Developer grants to Buyer an irrevocable license to the Buyer and the Host to use all site plans, surveys, and operations and maintenance reports that are prepared by or for the Developer in the performance of this

Agreement, provided that Buyer shall not use such materials for any purposes other than in connection with this Agreement and the PV System. All drawings, reports site plans and surveys prepared by or for the Developer in the performance of this Agreement shall, upon reasonable request, be made available to Buyer; provided that Buyer shall not use such materials for any purposes other than in connection with this Agreement and the PV System. Developer shall at all times own all of the rights in and to such materials, including intellectual property rights. The Parties agree that any documents submitted to the Host or to CVEC are presumptively public records subject to the Massachusetts Public Records Law, G.L. c. 66, § 10, unless an exemption or other legal protection applies.

D. Reporting.

(i) Ten (10) days prior to the first anniversary of the Commercial Operation Date, and every year thereafter on the same date, and upon the reasonable request of Buyer, Developer shall provide Buyer with an electronic report of the energy generation from the PV System, consistent with the letter and intent of the U.S. Department of Energy, Federal Energy Management Measurement and Verification Guidelines.

(ii) Developer shall provide Buyer access to the PV System's data acquisition system required by Section B.13 of the Common Technical Specifications set forth in Exhibit E to the Lease. If a Battery Energy Storage System is included in the PV System, Developer shall provide Buyer access to the Battery Energy Storage System's data acquisition system and operational controls required by Section B.14 of the Common Technical Specifications set forth in Exhibit E to the Lease. Although the Developer shall maintain operational controls of the Battery Energy Storage System, Developer agrees to operate the Battery Energy Storage System to optimize financial benefit to the Buyer and resiliency benefits to the Host.

E. Interconnection with Distribution Company System. Except as otherwise provided herein, Developer will obtain at its sole cost all approvals and agreements required for Developer's interconnection of the PV System to the Distribution Company System. Developer will promptly inform Buyer of all significant developments relating to such interconnection matters. If any material changes in plans and/or specifications to the PV System are required by the Distribution Company, then Developer shall submit such changes, if any to Buyer for its approval, which shall not be unreasonably withheld. Developer will provide Buyer a copy of the Permission to Operate in electronic format. Subject to Buyer's review and approval, Buyer shall promptly execute and deliver to Developer any documents requested by Developer to be executed by Buyer as required for the interconnection of the PV System with the Distribution Company System.

F. Notice of Commercial Operation. Subject to the provisions of this Agreement, Developer shall notify and represent to Buyer when the PV System has achieved Commercial Operation ("Notice of Commercial Operation"), and shall in such notice certify to Buyer the Commercial Operation Date.

G. Record Plans. Within ninety (90) days following the issuance of the Notice of Commercial Operation, Developer shall prepare and deliver to Buyer detailed record plans accurately depicting the PV System and, if applicable, the Battery Energy Storage System including, without limitation, interconnection applications and utility agreements, all wiring, lines,

conduits, piping, other structures or equipment and, for any Battery Energy Storage System, the software controls manual.

4.3 Duty to Maintain.

A. Maintenance; Repairs.

(i) Developer shall take good care of the PV System, conduct all required maintenance and make all repairs thereto, interior and exterior, structural and non-structural, ordinary and extraordinary, foreseen and unforeseen, and shall maintain and keep the PV System in first class order, repair and condition, in accordance with Applicable Legal Requirements and Good Engineering Practice (“Developer’s Maintenance Obligations”).

(ii) Buyer shall have no duty or liability to Developer with respect to the maintenance, repair or security of the PV System.

B. Alterations. Developer shall have the right from time to time both before and after the Commercial Operation of the PV System and at Developer’s sole cost and expense to make additions, alterations and changes, structural or otherwise to the PV System, subject, however, in all cases to the following:

(i) No alteration shall be made which would tend to (i) materially change the general design, use, character or structure of the PV System, or (ii) increase, reduce or impair, to any material extent, the use of the PV System for the generation of electricity, subject to Applicable Legal Requirements (any such alteration pursuant to this Section, a “Substantial Alteration”) except after prior written notice to and consent from Buyer, which consent shall not be unreasonably withheld;

(ii) No later than completion of any alteration or Substantial Alteration, Developer will provide Buyer with complete copies of all final plans and specifications therefor not previously provided; and

(iii) No alteration shall be made that conflicts with the Host’s existing and future uses enumerated in Exhibit D to the Lease.

C. Operations Manual. Developer shall deliver to Buyer an operations, maintenance and parts manual covering the PV System in accordance with the Common Technical Specifications set forth in Exhibit E of the Lease.

D. Compliance with Laws; Professional Standards. Developer, at Developer’s sole expense, shall diligently and fully comply with all Applicable Legal Requirements (including, but not limited to, any and all applicable local, state and federal wage laws). In addition, Developer shall ensure that the PV System is operated and maintained in accordance with Good Engineering Practice. In the case of Battery Energy Storage System, a fire prevention plan will be approved by local fire chief.

4.4 Late Completion and Developer Payments.

A. Late Completion. If the Developer does not achieve Commercial Operation on or before the Outside Commercial Operation Date for any reason other than Buyer's failure to perform its obligations hereunder or Force Majeure, or Host's failure to perform its obligations under the Lease, then Developer shall pay to Buyer liquidated damages ("Delay Liquidated Damages"), in addition to any other remedies available under this Agreement. Developer shall pay such Delay Liquidated Damages monthly beginning upon the first day after the Outside Commercial Operation Date and ending on the day in which Commercial Operation is achieved to the Buyer's satisfaction, but in no event longer than twelve (12) months from the Commercial Operation Date. Notwithstanding anything herein to the contrary, for so long as Seller is paying Delay Liquidated Damages Seller shall be in default under this Agreement.

B. Delay Liquidated Damages shall be the product of: (i) the estimated daily energy output from the PV System (kWh) for each day the PV System fails to achieve Commercial Operation after the Outside Commercial Operation Date; and (ii) the difference between the average applicable all-inclusive electricity price charged by the Distribution Company at the Premises and the Net Energy Price for such estimated daily energy output, as set forth in Exhibit C.

Notwithstanding the foregoing, Developer shall not be responsible for Delay Liquidated Damages in the event that Developer cannot satisfy the Outside Commercial Operation Date milestone because Developer lacks a permit, approval or Interconnection Agreement necessary to commence construction and/or Commercial Operation of the PV System, and Developer is utilizing Commercially Reasonable efforts to secure such permit, approval or Interconnection Agreement. The Parties recognize the delays, expense and difficulties involved in proving the actual losses or damages in a judicial or other proceeding, and agree that the Delay Liquidated Damages are reasonable compensation to Buyer. Any amount of Delay Liquidated Damages paid under the Lease shall be deducted from Delay Liquidated Damages due to Buyer under this Agreement.

ARTICLE V: PURCHASE AND SALE; DELIVERY; GOVERNMENTAL CHARGES

5.1 Purchase and Sale of Net Energy.

A. Commencing on the Commercial Operation Date and continuing throughout the remainder of the Term, Developer shall make available to Buyer, and Buyer shall take delivery of at the Point of Delivery, all of the Net Energy generated by the PV System.

B. In the event that the System is qualified as a Solar Tariff Generation Unit under the SMART Program, the Distribution Company may elect to retain demand resource payments on account of the System's participation in the ISO Forward Capacity Market. In the event that the System is not qualified as a Solar Tariff Generation Unit under the SMART Program, or payments from the ISO Forward Capacity Market are not retained by the Distribution Company, the Buyer shall be entitled to receive demand resource payments from the ISO Forward Capacity Market associated with the Net Energy.

C. To the extent permitted by law, Host or Buyer, on behalf of Host, shall obtain Net Metering or Alternative On-bill Credits for the Net Energy in accordance with Schedule Z of the interconnection application filed by Developer with the Distribution Company on Host or Buyer's behalf, and Host or Buyer shall have the right to reallocate in accordance with Schedule Z such credits to the Host, in accordance with the Inter-Governmental PSA, or to other governmental entities.

5.2 Price for Net Energy.

A. Buyer shall pay Developer for the Net Energy, as metered at the Metering Device(s), at the applicable Net Energy Price. The payment made by Buyer to Developer shall equal the Net Energy for the relevant period multiplied by the Net Energy Price for such period.

B. Adjustments to Net Energy Price. In all cases, any adjustments in the Net Energy Price shall be made to the nearest hundredth of a cent.

5.3 Title and Risk of Loss of Net Energy. Title to and risk of loss of the Net Energy will pass from Developer to Buyer at the Point of Delivery. Developer warrants that it will deliver the Net Energy to Buyer at the Point of Delivery free and clear of all liens, security interests, claims, and other encumbrances.

5.4 Net Metering. If the PV System is a Net Metered Generation Unit, each of Developer and Buyer agrees to take all reasonable measures with respect to which it has legal capacity to facilitate and expedite the review of all approvals necessary for the PV System to be eligible for and participate in Net Metering as a Solar Net Metering Facility, pursuant to M.G.L. c. 164, §§138 – 140, 220 CMR 18.00, and the Tariffs, as may be amended from time to time by a Governmental Authority. Buyer and Developer acknowledge and agree that Buyer or Host (if so designated by Buyer) shall act as the Host Customer, as defined in 220 CMR 18.02 of the Distribution Company's Net Metering Tariff, M.D.P.U. No. 163, for the PV System. To the extent that the Distribution Company elects not to purchase Net Metering Credits from Buyer, Buyer shall assign the Net Metering Credits to Host and/or other governmental entities.

5.5 Governmental Charges.

A. Developer is responsible for local, state and federal income taxes attributable to Developer for income received under this Agreement.

B. Developer is responsible for all real and personal property taxes, assessments, use taxes and all other charges and fees assessed against the PV System. The Parties acknowledge and agree that within thirty (30) days of Developer's payment of such charges and fees, Developer will invoice Buyer for the same, and Buyer will have ninety (90) days to reimburse Developer for such charges and fees.

C. Both Parties shall use reasonable efforts to administer this Agreement and implement its provisions so as to minimize Governmental Charges. In the event any of the sales of Net Energy hereunder are to be exempted from or not subject to one or more Governmental Charges, the applicable Party shall, promptly upon the other Party's request therefor, provide the other Party with all necessary documentation to evidence such exemption or exclusion.

5.6 Guaranteed Annual Energy Output.

A. Developer guarantees that the PV System will produce the Guaranteed Annual Energy Output in each Contract Year, as adjusted by the Annual System Degradation Factor. On the first anniversary of the Commercial Operation Date and each anniversary of the Commercial Operation Date thereafter during the Term (and any extension thereof), the Guaranteed Annual Energy Output shall be decreased by the Annual System Degradation Factor, as shown on Exhibit C.

B. In the event that a Production Shortfall exists in any Contract Year, the Developer shall owe Buyer a sum equal to the product of: (i) the average applicable all-inclusive rate charged by the Distribution Company in any Contract Year for Energy at the Premises minus the applicable Net Energy Price; and (ii) the Production Shortfall. Buyer may elect to set-off payments due and owing under Section 5.2(a) against the Production Shortfall damages payable to Buyer under this Section 5.6(b) for the first two (2) billing cycles of the subsequent Contract Year. In the event that any damages remain payable to Buyer after the second billing cycle, Developer shall pay Buyer the remaining amounts due within thirty (30) days of the end of the second billing cycle.

ARTICLE VI: ENVIRONMENTAL ATTRIBUTES

6.1 Title to Environmental Attributes. All Environmental Attributes relating to the PV System or the Net Energy will be and remain property of Developer. Developer shall have all right, title, and interest in and to any and all Environmental Attributes, and Buyer shall have no right, title or interest in or to any such Environmental Attributes. The Parties shall use Commercially Reasonable efforts to modify the terms hereof with the mutual intent to allocate the value of any Shared Environmental Attributes between each other on a 50/50 basis.

6.2 Reporting of Environmental Attributes. Developer shall take all actions necessary to qualify for, register and report the Environmental Attributes relating to the Net Energy. Except as set forth in Section 6.1, Buyer shall not report to any Person that any Environmental Attributes relating to the Net Energy belong to any Person other than Developer.

ARTICLE VII: METERING DEVICE(S) AND METERING; BILLING

7.1 Metering Equipment. The Parties acknowledge and agree that Developer shall provide, install, own, operate and maintain the Metering Device(s), except for the Metering Device owned and installed by the Distribution Company. Developer shall maintain and test the Metering Device(s) in accordance with Applicable Legal Requirements and the Common Technical Specifications set forth in Exhibit E to the Lease.

7.2 Measurements. Except as otherwise provided herein, readings of the Metering Device(s) shall be conclusive as to the amount of Net Energy delivered to Buyer. Developer shall maintain and test its Metering Device(s) generally in accordance with the same terms and conditions applicable to Metering Device(s) installed for the purpose of delivering Energy to the Distribution Company and the calculation of Net Metering Credits, but in any event no less than every two (2) years. Developer shall bear the cost of the testing of its Metering Device(s) and the preparation of test reports, as provided for in Section 7.3(d) below.

7.3 Testing and Correcting.

A. Twice per calendar year, Buyer may request a test of the Developer's Metering Device(s). Following any meter test, if the Developer's Metering Device(s) is found to be accurate or inaccurate within $\pm 2\%$, then Buyer shall bear the costs of the meter test and reconciliation. If the Developer's Metering Device(s) is found to be inaccurate by more than $\pm 2\%$, or if the Metering Device(s) is for any reason out of service or fails to register, then Developer shall bear the costs of the meter test and reconciliation.

B. If a Developer's Metering Device(s) is found to be inaccurate by $\pm 2\%$ or less, any previous recordings of the Metering Device(s) shall be deemed accurate. If a Developer Metering Device(s) is found to be inaccurate by more than $\pm 2\%$ or if such Metering Device(s) is for any reason out of service or fails to register, then: (i) Developer shall promptly cause the Metering Device(s) found to be inaccurate to be adjusted to correct, to the extent practicable, such inaccuracy; (ii) Developer shall send an invoice to Buyer the following month estimating the correct amounts of Net Energy delivered or allocated during the periods affected by such inaccuracy, service outage or failure to register; and (iii) Developer shall estimate the correct amount of Net Energy in accordance with Good Engineering Practice and as practicable based on the kWh generated during the affected period. If as a result of such adjustment the quantity of Net Energy for any period is decreased, Developer shall reimburse Buyer for the amount paid by Buyer in consideration for that Net Energy. If as a result of such adjustment the quantity of Net Energy for any period is increased, Buyer shall pay for the additional Net Energy. Adjustments to bills shall be made in accordance with ISO rules, policies and procedures. Amounts due as a result of any billing adjustment made in accordance with ISO rules, policies and procedures shall not be subject to any interest charge in favor of Buyer or Developer.

C. Each Party and its consultants and representatives shall have the right to witness each test conducted by or under the supervision of Developer to verify the accuracy of the measurements and recordings of the Developer's Metering Device(s). Developer shall provide at least twenty (20) days prior written notice to Buyer of the date upon which any such test is to occur. Developer shall prepare a written report setting forth the results of each such test, and shall provide Buyer with copies of such written report not later than thirty (30) days after completion of such test.

D. In the event that there is a discrepancy between the Net Energy generated by the PV System as reported by the Developer's and Distribution Company's Metering Devices, Developer and Buyer will use good faith efforts to investigate and remedy such discrepancy in consult with Distribution Company. In the event of a discrepancy in which the Developer's Metering Device reports greater Net Energy than the Distribution Company's Metering Device, Buyer shall only be required to pay Developer under this Agreement for the amount of Net Energy reported by Distribution Company's Metering Device. Developer shall credit Buyer in the subsequent month's invoice for any amounts paid by Buyer in a prior month or months for Net Energy reported by Developer's Metering Device in excess of the Net Energy reported by Distribution Company's Metering Device.

7.4 Billing. On or before the tenth (10th) day of each month during the Term (or if such day is not a Business Day, the next succeeding Business Day), Developer shall calculate the amount due

and payable to Developer pursuant to Exhibit C, with respect to the immediately preceding month, and shall forward to Buyer an invoice, identifying PV System production data from the Developer's Metering Device, and including such calculation, with sufficient detail for Buyer to verify the calculation and the total amount due and payable for the previous month. Adjustments to bills shall be made in accordance with ISO rules, policies and procedures, if applicable.

7.5 Payment. Within twenty-one (21) days of the receipt of Developer's invoice pursuant to Section 7.4 (Billing), Buyer shall pay Developer any amounts due and payable hereunder for Net Energy delivered during the prior month, for which Developer has submitted an invoice to Buyer pursuant to Section 7.4 (Billing). All such invoices shall be paid by mutually agreeable method(s), to the account designated by Developer. Amounts due as a result of any billing adjustment made in accordance with ISO rules, policies and procedures pursuant to this Section 7.5 shall not be subject to any interest charge in favor of Buyer or Developer.

7.6 Dispute. If a Party, in good faith, disputes an invoice, as described in this Article VII, the disputing Party shall immediately notify the other Party of the basis for the dispute and pay any undisputed portion of such invoice no later than the due date. Upon resolution of the dispute, any required payment shall be made within twenty-one (21) days of such resolution along with the interest accrued at the Prime Rate per annum from and including the due date but excluding the date paid. Any overpayments shall be returned by the receiving Party upon request or deducted from subsequent payments with interest accrued at the Prime Rate. The Parties shall only be entitled to dispute an invoice within twelve (12) calendar months from the date of issuance of such invoice. If the Parties are unable to resolve a payment dispute under this Article VII, the Parties shall follow the procedure set forth in Article XIV (Dispute Resolution).

7.7 Records and Audits. Each Party will keep, for a period not less than six (6) years after the expiration or termination of any transaction, records sufficient to permit verification of the accuracy of billing statements, invoices, charges, computations and payments for such transaction. During such period each Party may, at its sole cost and expense, and upon reasonable notice to the other Party, examine the other Party's records pertaining to such transactions during such other Party's normal business hours.

ARTICLE VIII: LOSS, DAMAGE OR DESTRUCTION OF PV SYSTEM; FORCE MAJEURE

8.1 PV System Loss.

A. Developer shall bear the risk of any PV System Loss, except to the extent such PV System Loss results from the negligence or noncompliance of Buyer, Host or Host's or Buyer's agents, representatives, customers, vendors, employees, or contractors.

B. In the event of any PV System Loss that, in the reasonable judgment of Developer, results in less than total damage, destruction or loss of the PV System (in other words, less than 50% of the PV System is damaged, destroyed, or lost), this Agreement shall remain in full force and effect and Developer has the option, at Developer's absolute and sole discretion and sole cost and expense, to repair or replace the PV System as quickly as practicable. Developer shall be

entitled to all proceeds of insurance with respect to the PV System in connection with any PV System Loss.

In the event that Developer elects to repair or replace the PV System pursuant to this Section 8.1(B), Developer shall be responsible for any Production Shortfall that occurs during the repair/replacement period except to the extent the damage, destruction or loss is due to Force Majeure, casualty or condemnation.

If Developer elects not to repair or replace all or part of the portion of the PV System affected by the PV System Loss, the Expected Annual Energy Output shall be recalculated using PV Watts or a similar software program and the Guaranteed Annual Energy Output shall be adjusted accordingly (by way of example, if there is a 200 kW loss from a 2,000 kW system, the Guaranteed Annual Output shall be reduced by a fraction equal to the lost kW capacity divided by the original capacity, i.e. $200 \text{ kW} / 2000\text{kW}$). Developer shall, however, pay Buyer an amount equal to the net present value of the Foregone Buyer Benefit, using a discount factor of 8%, such amount not to exceed the replacement value of the part of the PV System affected by the PV System Loss. Foregone Buyer Benefit is defined as (i) in the Contract Year of occurrence, the difference between the G1 rate (or such other rate for the Premises' electric account of the Distribution Company's tariff) in the Contract Year of occurrence of the partial PV System Loss and the Net Energy Price, multiplied by the Expected Annual Output adjusted for the Annual System Degradation Factor and (ii) for the remainder of the Term the G1 rate (or such other rate for the Premises' electric account of the Distribution Company's tariff) is assumed to increase by 3% per year.

For the avoidance of doubt, payment in respect of the Foregone Buyer Benefit must be paid to the Buyer, so long as (a) Developer elects in its discretion not to repair or replace all or part of the affected portion of the PV System, (b) the condition of the Premises may be made suitable for construction, operation, maintenance, and interconnection of the PV System, as reasonably determined by Developer, (c) the Lease remains in full force and effect,

C. In the event of any PV System Loss that, in the reasonable judgment of Developer, results in total damage, destruction or loss of the PV System, Developer shall, within 45 Business Days following the occurrence of such PV System Loss, notify Buyer whether Developer is willing to repair or replace the PV System. In the event that Developer notifies Buyer that Developer has opted not to repair or replace the PV System, this Agreement will terminate automatically effective upon the receipt of such notice of termination, and Developer shall be entitled to all proceeds of insurance with respect to the PV System in connection with such PV System Loss, provided however, proceeds paid on account of damage to the Premises shall be paid to Host.

8.2 Termination Due to Force Majeure. If a Claiming Party claims a Force Majeure for a consecutive period of one hundred and eighty (180) days or longer, the non-Claiming Party may terminate this Agreement, in whole or in part, without any liability to the Claiming Party as a result of such termination.

8.3 Performance Excused by Force Majeure. To the extent either Party is prevented by Force Majeure from carrying out, in whole or part, its obligations under this Agreement and such Party (the "Claiming Party") gives notice and details of the Force Majeure to the other Party as soon as practicable, then the Claiming Party will be excused from, the performance of its obligations under

this Agreement (other than the obligation to make payments then due or becoming due with respect to performance prior to the Force Majeure). The Party affected by Force Majeure will use Commercially Reasonable efforts to eliminate or avoid the Force Majeure and resume performing its obligations; provided, however, that neither Party is required to settle any strikes, lockouts or similar disputes except on terms acceptable to such Party, in its sole discretion. The non-Claiming Party will not be required to perform or resume performance of its obligations to the Claiming Party corresponding to the obligations of the Claiming Party excused by Force Majeure. Notwithstanding the foregoing, however, Developer shall not owe any Developer Termination Payment if the damage, destruction or loss is due to actions of Host or is caused by an event at the Premises (such as a fire at the Premises) not caused by Developer.

ARTICLE IX: DEFAULT; TERMINATION; REMEDIES

9.1 Events of Default by Buyer. The following shall each constitute an event of default by Buyer (“Buyer Event of Default”):

A. Buyer breaches any non-monetary material obligation under the Agreement, and fails to cure such breach within thirty (30) Business Days after notification by Developer of the breach;

B. Buyer fails to make any payment due under this Agreement within forty-five (45) Business Days after such payment is due unless such payment is contested by Buyer;

C. Developer terminates the Lease on account of an Event of Default by Host thereunder;

D. If any material representation or warranty made by Buyer in Article X (Representations and Warranties; Buyer Acknowledgement) of this Agreement proves to have been misleading or false in any material respect when made and such Party does not cure the underlying facts so as to make such representation or warranty correct and not misleading within ten (10) Business Days of written notice from the other Party;

E. Buyer becomes Bankrupt.

9.2 Events of Default by Developer. The following shall each constitute an event of default by Developer (“Developer Event of Default”):

A. Developer breaches any non-monetary material obligation under the Agreement, and fails to cure such breach within thirty (30) Business Days after notification by Buyer of the breach; provided, however, that Developer shall have an additional reasonable period of time thereafter if Developer uses Commercially Reasonable effort to cure such Developer Event of Default during the initial thirty (30) days after notice as aforesaid and Developer provides reasonable written assurances that it will continue to use Commercially Reasonable efforts to cure within such a reasonable period of time thereafter not to exceed an additional ninety (90) days.

B. Developer fails to make any payment due under this Agreement, including but not limited to, amounts payable to Buyer for any Production Shortfall pursuant to Section 5.6(b) and

Indemnification pursuant to Section 11.2 within forty-five (45) Business Days after such payment is due unless such payment is contested or a right of set-off has been claimed by Developer;

C. If any material representation or warranty made by Developer in Article X (Representations and Warranties; Buyer Acknowledgement) of this Agreement proves to have been misleading or false in any material respect when made and such Party does not cure the underlying facts so as to make such representation or warranty correct and not misleading within ten (10) Business Days of written notice from the other Party;

D. Developer becomes Bankrupt;

E. Host terminates the Lease on account of an Event of Default by Developer thereunder;

F. Subject to Section 4.4, failure by the Developer to achieve Commercial Operation of the PV System on or before the Outside Commercial Operation Date, unless such failure is caused by Force Majeure, material breach by Host of its obligations under the Lease or Buyer under this Agreement or delay in permitting by any Governmental Authority or interconnection approval caused by the Distribution Company;

G. For any reason other than an event of *Force Majeure*, following the Commercial Operation Date, Developer fails to operate or to use Commercially Reasonable efforts to restore the operation of the PV System for ninety (90) consecutive days in any three hundred sixty-five (365) day period commencing on the Commercial Operation Date and prior to the expiration of this Agreement, provided, however, that Developer shall have thirty (30) days to cure such default if Developer is using Commercially Reasonable efforts to cure; or

H. Developer consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity, and the resulting, surviving or transferee entity fails to assume, effective immediately upon the effectiveness of such consolidation, amalgamation, merger or transfer, each and all of the obligations of Developer under this Agreement.

9.3 Remedies.

A. Buyer Event of Default.

(i) In the event of an uncured Buyer Event of Default, not excused by Force Majeure, Developer agrees to give written notice to Host and Host shall have a period of sixty (60) days after receipt of said notice to cure such default, provided however, that Host shall have an additional reasonable period of time thereafter not to exceed thirty (30) days to cure the Buyer Event of Default if Host uses Commercially Reasonable efforts to cure such Buyer Event of Default during the initial sixty (60) days after notice aforesaid, and Host provides reasonable written assurances that it will be able to cure such Buyer Event of Default within such a reasonable period of time thereafter.

(ii) In the event that Host elects not to step in or fails to cure such Buyer Event of Default, Developer shall be entitled to terminate this Agreement and the Lease and shall also be entitled to exercise its legal and equitable remedies, and/or, notwithstanding anything in Article

XII, collect damages from the Buyer, which damages shall include, but not be limited to, the value of anticipated future net revenues, including revenues attributable to Environmental Attributes, through the end of the Term if payments had continued under this Agreement absent the Buyer Event of Default. Such damages shall be subject to Developer's and the Buyer's duties to mitigate.

(iii) Developer shall have the right to suspend delivery of Net Energy hereunder during the continuance of a Buyer Event of Default.

B. Developer Event of Default.

(i) Financier Step-In. Buyer agrees to give written notice to any Financier (of which Buyer has written notice) upon a Developer Event of Default hereunder, and Financier shall have a period of sixty (60) days after receipt of said notice to cure such default, provided however, that Financier shall have an additional reasonable period of time thereafter not to exceed thirty (30) days to cure the Developer Event of Default if Financier uses Commercially Reasonable efforts to cure such Developer Event of Default during the initial sixty (60) days after notice aforesaid, and Financier provides reasonable written assurances that it will be able to cure such Developer Event of Default within such a reasonable period of time thereafter not to exceed an additional thirty (30) days.

(ii) Buyer Termination. In the event that Financier elects not to step-in or fails to cure pursuant to sub-Section (i) above, or Buyer has no written notice of a Financier, Buyer shall have the right, but not the obligation, to terminate this Agreement upon thirty (30) days notice and recover monetary damages from Developer and seek specific performance in the form of removal the PV System from the Premises as provided in the Lease, at Developer's sole expense.

9.4 Closeout Setoffs. The non-defaulting party shall be entitled, at its option and in its discretion, to set off, against any amounts due and owing from the defaulting party under this Agreement, any amounts due and owing to the defaulting party under this Agreement.

9.5 Unpaid Obligations. The non-defaulting party shall be under no obligation to prioritize the order with respect to which it exercises any one or more rights and remedies available under this Agreement. Notwithstanding anything to the contrary herein, the defaulting party shall in all events remain liable to the non-defaulting party for any amount payable by the defaulting party in respect of any of its obligations remaining outstanding after any such exercise of rights or remedies.

9.6 Force Majeure. Without limitation of Section 8.2 or Section 8.3, if by reason of *Force Majeure*, either Party is unable to carry out, either in whole or in part, its obligations herein contained, such Party shall not be deemed to be in default during the continuation of such inability, provided that: (a) the non-performing Party, as soon as practicable (and in any event within five (5) Business Days after the *Force Majeure* event first prevents performance, gives the other Party hereto written notice describing the particulars of the occurrence; (b) the suspension of performance be of no greater scope and of no longer duration than is required by the *Force Majeure* event; (c) no obligations of the Party which were to be performed prior to the occurrence causing the suspension of performance shall be excused as a result of the occurrence; and (d) the non-performing Party shall use Commercially Reasonable efforts to remedy with all reasonable

dispatch the cause or causes preventing it from carrying out its obligations. If an event of *Force Majeure* continues for a period of one hundred eighty (180) days or longer, either Party may treat such an event as an Event of Termination and may immediately terminate this Agreement by sending the non-performing Party a written termination notice setting forth the Termination Date. In the Event of Termination under this Section 9.6, Financier shall have step-in rights as provided in Section 16.2.

ARTICLE X: REPRESENTATIONS AND WARRANTIES; BUYER ACKNOWLEDGEMENT

10.1 Representations and Warranties by Buyer. As of the Effective Date, Buyer represents and warrants to Developer as follows:

A. Buyer has full legal capacity to enter into this Agreement and to perform all obligations hereunder;

B. The execution of this Agreement has been duly authorized, and each person executing this Agreement on behalf of Buyer has full authority to do so and to fully bind Buyer;

C. Buyer knows of no pending or threatened action, suit, proceeding, inquiry, or investigation before or by any judicial court or administrative or law enforcement agency against or affecting Buyer or its properties wherein any unfavorable decision, ruling, or finding would materially and adversely affect the validity or enforceability of this Agreement or Buyer's ability to carry out its obligations under this Agreement;

D. None of the documents or other written or other information furnished by or on behalf of Buyer to Developer or their agents pursuant to this Agreement contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements contained herein or therein, in the light of the circumstances in which they were made, not misleading; and

E. Buyer represents and warrants that this Agreement has been presented to the Host and that the final form of this Agreement will be included as an exhibit to the Lease and the Inter-Governmental PSA, and further that the Inter-Governmental PSA is in full force and effect.

10.2 Representations and Warranties by Developer. As of the Effective Date, Developer represents and warrants to Buyer as follows:

A. Developer has full legal capacity to enter into this Agreement and to perform all its obligations hereunder;

B. The execution of this Agreement has been duly authorized, and each person executing this Agreement on behalf of Developer has full authority to do so and to fully bind Developer;

C. Developer knows of no pending or threatened action, suit, proceeding, inquiry, or investigation before or by any judicial court or administrative or law enforcement agency against or affecting Developer or its properties wherein any unfavorable decision, ruling, or finding would

materially and adversely affect the validity or enforceability of this Agreement or Developer's ability to carry out its obligations under this Agreement;

D. To Developer's knowledge, none of the documents or other written or other information furnished by or on behalf of Developer to Buyer or its agents pursuant to this Agreement contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements contained herein or therein, in the light of the circumstances in which they were made, not misleading; and

E. Developer acknowledges, agrees, and intends for purposes of "safe harbor" under the Bankruptcy Code that, without limitation, as applicable: (i) the transactions pursuant to this Agreement constitute "forward contracts" within the meaning of the Bankruptcy Code or a "swap agreement" within the meaning of the Bankruptcy Code; (ii) all payments made or to be made by one Party to the other Party under this Agreement with respect to forward contracts constitute "settlement payments" and/or "margin payments" within the meaning of the Bankruptcy Code; and (iii) all transfers of performance assurance by one Party to another Party under this Agreement constitute "margin payments" within the meaning of the Bankruptcy Code.

ARTICLE XI: INDEMNIFICATION AND INSURANCE

11.1 Insurance. The Developer shall comply with the Insurance requirements in the Lease, including Exhibit C thereto.

11.2 Indemnification by Developer. Without duplication of any amounts paid to Buyer pursuant to Section 9.3 or any other provision of this Agreement setting an amount of Liquidated Damages or otherwise calculating an amount owed hereunder, which other provision shall provide the sole and exclusive amount due with respect thereto and subject to Article XII, Developer shall indemnify, defend and hold harmless the Buyer, Host and other Cooperative Members and other participating governmental parties (collectively "Buyer Indemnified Parties" and singularly "Buyer Indemnified Party") and each Buyer Indemnified Party's directors, officers, employees, agents, representatives and independent contractors, from and against any and all (a) costs, claims, liabilities, damages, expenses (including reasonable attorneys' fees), causes of action, suits or judgments, incurred by, on behalf of or involving any one of the foregoing parties, in each case, arising out of (i) bodily injury, death or property damage or any other claims by third parties and (ii) property damage incurred and (b) lien claims by subcontractors or suppliers or sub-subcontractors and sub-suppliers, to the extent, in the case of subclauses (a) and (b), arising, directly or indirectly, from or in connection with (A) any material breach by Developer of its obligations, covenants, representations or warranties contained in this Agreement, (B) Developer's actions or omissions taken or made in connection with Developer's performance of this Agreement, except for actions or omissions required by this Agreement and in accordance with the Common Technical Specifications set forth in Exhibit E to the Lease and which is in accordance with Good Engineering Practices; (C) any claims arising from or based on the violation by Developer or its agents of Applicable Legal Requirements and orders except to the extent, with respect to subclauses (a) and (b), of the negligence or intentional misconduct of any of the Buyer Indemnified Parties or any of their respective directors, officers, employees, agents, representatives and independent contractors,

1.1 11.3 Notice of Indemnification Claims If a Buyer Indemnified Party seeks indemnification pursuant to this Article XI, the Buyer Indemnified Party shall notify Developer of the existence of a claim, or potential claim as soon as practicable after learning of such claim, or potential claim, describing with reasonable particularity the circumstances giving rise to such claim. The Developer further agrees, if requested by the Buyer Indemnified Party, to investigate, handle, respond to, and defend any such claim, demand, or suit at its own expense arising under this Article XI. Upon written acknowledgment by Developer that it will assume the defense and indemnification of such claim, the Developer may assert any defenses which are or would otherwise be available to Buyer Indemnified Party.

ARTICLE XII: REMEDIES; LIMITATIONS

The Parties confirm that the express remedies and measures of damages provided in this Agreement satisfy the essential purposes hereof. For breach of any provision for which an express remedy or measure of damages is provided, such express remedy or measure of damages will be the sole and exclusive remedy, the obligor's liability will be limited as set forth in such provision and all other remedies or damages at law or in equity are waived. If no remedy or measure of damages is expressly provided herein, the Parties reserve and shall have all rights and remedies available to each of them at law or in equity with respect to the performance or non-performance of the other Party hereto under this Agreement.

UNLESS OTHERWISE SPECIFICALLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, INDIRECT, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, LOST PROFITS, OR BUSINESS INTERRUPTION DAMAGES OF ANY CHARACTER, RESULTING FROM, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY INCIDENT TO ANY ACT OR OMISSION OF EITHER PARTY RELATED TO THE PROVISIONS OF THIS AGREEMENT, IRRESPECTIVE OF WHETHER CLAIMS OR ACTIONS FOR SUCH DAMAGES ARE BASED UPON CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR ANY OTHER THEORY AT LAW OR EQUITY. DEVELOPER'S AGGREGATE LIABILITY HEREUNDER SHALL NOT IN THE AGGREGATE EXCEED AN AMOUNT EQUAL TO \$4,326,613, WHICH EXCLUDE THIRD PARTY INDEMNIFICATION OBLIGATIONS .

ARTICLE XIII: SYSTEM PURCHASE AND SALE OPTIONS

13.1 Grant of Purchase Option. As set forth in the Lease, Developer has granted to Host the right and option to purchase all of Developer's right, title and interest in and to the PV System and the Environmental Attributes on the terms set forth in this Agreement (the "Purchase Option"). Host, in its sole discretion, shall have the right to exercise the Purchase Option: (a) upon the tenth (10th), twelfth (12th), or fifteenth (15th) anniversary of the Commercial Operation Date of this Agreement, or (b) upon the expiration of the Term of this Agreement, subject to the timing and conditions set forth in this Article XIII.

13.2 Timing of Purchase Option.

A. If the Host declines the Purchase Option or otherwise fails to send the Host Purchase Option Notice within sixty (60) Business Days prior to (tenth (10th), twelfth (12th), or fifteenth (15th) anniversary of the Commercial Operation Date of this Agreement, or the date of its Termination, the Buyer shall have thirty (30) Business Days thereafter to provide written notice to Developer of its intent to exercise the Purchase Option (“Initial Host Purchase Option Notice”) pending completion of due diligence. Promptly following receipt of a Purchase Option Notice from Host or Buyer, as the case may be, Developer shall promptly, but no more than ten (10) Business Days thereafter, make available to the Host, or the Buyer, as the case may be, the PV System and all Environmental Attributes, including records relating to the operations, maintenance, and warranty repairs, for its inspection during normal business hours.

B. Buyer or Host, as the case may be, shall have twenty-five (25) Business Days from their respective purchase option notices to inspect the PV system, review the records provided by Developer and exercise other due diligence.

C. Determination of Purchase Price. The purchase price shall be the higher of the Buyer Purchase Payment in Exhibit C, or the Appraised Value of the PV System, as determined by the Independent Appraiser (“Purchase Price”). If the Purchase Option arises out of a Developer Event of Default, the Purchase Price shall be the Appraised Value.

D. Independent Appraiser. Within twenty-five (25) Business Days of Developer’s receipt of Purchase Option Notice, Developer and Buyer or Host, as the case may be, shall each propose an Independent Appraiser. If Developer and Buyer or Host do not agree and appoint an Independent Appraiser within such twenty-five (25) Business Day period, then at the end of such twenty-five (25) Business Day period, the two proposed Independent Appraisers shall, within five (5) Business Days of each Party’s notice, select a third Independent Appraiser (who may be one of the Independent Appraisers originally designated by the Parties or another Independent Appraiser) to perform the valuation and provide notice thereof to Developer and Buyer or Host. Such selection shall be final and binding on Developer and Buyer or Host.

E. PV System Records and Inspection. Subject to reasonable confidentiality requirements, and the terms of the Massachusetts Public Records Law, G.L. c. 66, § 10, the Developer shall make the PV System and records related thereto available to the Independent Appraiser. Similarly, the Buyer or Host shall make available to the Independent Appraiser the results of its inspection, review of records and other due diligence. The selected Independent Appraiser shall, within twenty (20) Business Days of appointment, make a preliminary determination of the Appraised Value (the “Preliminary Determination”).

F. Preliminary and Final Appraisal Determinations. Upon making such Preliminary Determination, the selected Independent Appraiser shall provide such Preliminary Determination to Developer and Buyer and/or Host, together with all supporting documentation that details the calculation of the Preliminary Determination. Developer and Buyer and/or Host shall each have the right to object to the Preliminary Determination within ten (10) Business Days of receiving such Preliminary Determination; provided that the objecting Party provides a written explanation documenting the reasons for its objection. Within ten (10) Business Days of receipt of the objecting Party’s objections, the selected Independent Appraiser shall issue its final determination (the “Final Determination”) to Developer and Buyer and/or Host, which shall specifically address

the objections received by the Independent Appraiser and whether such objections were taken into account in making the Final Determination. Except in the case of fraud or manifest error, the Final Determination of the Appraised Value by the selected Independent Appraiser shall be final and binding on the Parties.

G. Appraisal Costs. Developer and Buyer or Host, as the case may be, shall each be responsible for payment of one half of the costs and expenses of the Independent Appraiser(s), unless the Purchase Option is to be exercised pursuant to a Developer Event of Default, in which case the Developer shall be responsible to pay the fees and costs of the Independent Appraiser.

13.3 Final Purchase Option Notice. Within ten (10) Business Days of the Final Determination, the Buyer or Host shall notify the Developer in writing whether it intends to exercise the Purchase Option at the Purchase Price determined in accordance with Section 13.2 (“Final Buyer Purchase Option Notice” or “Final Host Purchase Option Notice”). Upon such Final Purchase Option Notice, the Purchase Option shall become irrevocable. If the Buyer’s or Host’s Purchase Option has arisen on account of a Developer Event of Default and Termination of the Agreement therefor under Section 9.2, the Developer Termination Payment shall be deducted from the Purchase Price.

13.4 Transfer Date. The closing of any sale of the PV System (the “Transfer Date”) pursuant to this Article XIII will occur as soon as practicable but no later than ninety (90) Business Days following the date of the notice provided to Developer pursuant to Section 9.3. This Agreement shall terminate effective upon the Transfer Date, if not earlier terminated.

13.5 Terms of PV System Purchase. On the Transfer Date (a) Developer shall surrender and transfer to Buyer or Host, as the case may be, all of Developer’s right, title and interest in and to the PV System, and the Environmental Attributes generated following the transfer of the PV System to Buyer or Host, and shall retain all liabilities arising from or related to the PV System and the Environmental Attributes prior to the Transfer Date, (b) Buyer or Host, as the case may be, shall pay the Purchase Price after deduction of any Developer Termination Payment or other set-offs, as applicable, by certified check, bank draft or wire transfer and shall assume all liabilities arising from or related to the PV System and the Environmental Attributes from and after the Transfer Date, and (c) both Parties shall (i) execute and deliver a bill of sale and assignment of contract rights containing such representations, warranties, covenants and other terms and conditions as are usual and customary for a sale of assets similar to the PV System, together with such other conveyance and transaction documents as are reasonably required to fully transfer and vest title to the PV System, and the Environmental Attributes in Buyer, and (ii) deliver ancillary documents, including releases, resolutions, certificates, third person consents and approvals and such similar documents as may be reasonably necessary to complete the sale of the PV System and the Environmental Attributes to Buyer or Host. The purchase shall be on an “as is,” “where is” basis without warranty of any kind.

ARTICLE XIV: DISPUTE RESOLUTION

14.1 Dispute Resolution. Unless otherwise expressly provided for in the Agreement, the dispute resolution procedures of this Article XIV shall be the exclusive mechanism to resolve disputes arising under the Agreement. The Parties agree to use their respective best efforts to resolve any dispute(s) that may arise regarding the Agreement. Any dispute that arises under or with respect

to the Agreement that cannot be resolved shall in the first instance be the subject of informal negotiations between the Parties. The dispute shall be considered to have arisen when one Party sends the other Party a written notice of dispute. The period for informal negotiations shall be fourteen (14) days from receipt of the written notice of dispute unless such time period is modified by written agreement of the Parties. In the event that the Parties cannot resolve a dispute by informal negotiations, the Parties may agree to submit the dispute to mediation. Within fourteen (14) days following the expiration of the time period for informal negotiations, the Parties may agree to mediation and choose a neutral and otherwise qualified mediator. In the event that the Parties fail to agree upon a mediator, the Parties may request that the American Arbitration Association, Boston, Massachusetts, appoint a mediator. The period for mediation shall commence upon the appointment of the mediator and shall not exceed sixty (60) days, unless such time period is modified by written agreement of the Parties. The decision to continue mediation shall be in the sole discretion of each Party. The Parties will bear their own costs of the mediation. The mediator's fees shall be shared equally by the Parties. In the event that the Parties cannot resolve a dispute by informal negotiations or mediation, the sole venue for judicial determination and enforcement shall be courts in and for Barnstable County, Massachusetts. Notwithstanding the foregoing, injunctive relief from such court may be sought without resorting to alternative dispute resolution to prevent irreparable harm that would be caused by a breach of the Agreement.

14.2 Stay of Termination. During informal negotiations and mediation pursuant to Section 14.1, the Parties shall not exercise any termination rights pursuant to this Agreement. During such informal negotiations and/or mediation, the Parties shall continue to fully perform their respective obligations pursuant to this Agreement. All applicable statutes of limitation and defense based upon the passage of time and similar contractual limitations shall be tolled while discussions in Section 14.1 are pending and the Parties shall take such action, if any, required to effectuate such tolling. Without prejudice to the procedure set forth in Section 14.1, a Party may file a complaint for statute of limitations purposes, if in its sole judgment such action may be necessary to preserve its claims or defenses.

ARTICLE XV: NOTICES

All notices, demands, requests, consents or other communications required or permitted to be given or made under the Agreement shall be in writing and addressed to the following:

If to Buyer: Cape & Vineyard Electric Cooperative, Inc.
23H2 White's Path, Suite 2
South Yarmouth, MA 02664
Attn: Liz Argo, Manager
Tel: (774) 722-1812
Email: largo@cvecinc.org

with a copy to:

Kevin D. Batt
Jessica A. Wall
ANDERSON & KREIGER LLP
50 Milk Street, 21st Floor

Boston, MA 02109
Tel: 617-621-6514
F: 617-621-6614

If to Developer:

Erik Schiemann
2690 Balltown Road
Building 610
Niskayuna, NY 12309
Telephone: (581) 281-4348
Email: Erik.Schiemann@ge.com

with a copy to:

General Counsel
Distributed Solar Development, LLC
2690 Balltown Road
Building 610
Niskayuna, NY 12309
Telephone: (518) 380-3770
Email: Jennifer.Gerrard@ge.com

Notices hereunder shall be deemed properly served: (a) by hand delivery, on the day and at the time on which delivered to the intended recipient at the address set forth in the Agreement; (b) if sent by mail, on the third Business Day after the day on which deposited in the United States certified or registered mail, postage prepaid, return receipt requested, addressed to the intended recipient at its address set forth in the Agreement; or (c) if by Federal Express or other reputable express mail service, on the next Business Day after delivery to such express mail service, addressed to the intended recipient at its address set forth in the Agreement. Either Party may change its address and contact person for the purposes of this Article XV by giving notice thereof in the manner required herein.

ARTICLE XVI: ASSIGNMENT; BINDING EFFECT; FINANCIER PROVISIONS

16.1 Assignment; Binding Effect.

A. Developer shall not, without the prior written consent of Buyer, which consent will not be unreasonably withheld, conditioned or delayed, assign, pledge or transfer all or any part of, or any right or obligation under, this Agreement, whether voluntarily or by operation of law, and any such assignment or transfer without such consent will be null and void; provided, however, that Developer may, with prior notice to Buyer, assign, pledge or transfer all or any part of, or any right or obligation under this Agreement for security purposes in connection with any financing or other financial arrangements regarding the PV System (each, a "Permitted Transfer"); *provided further, however*, that Developer shall continue to be responsible and liable for its obligations under this Agreement, unless an assignee in a Permitted Transfer assumes all of Developer's obligations under this Agreement in writing. Developer shall deliver notice of any Permitted Transfer to Buyer or Host in writing as soon as reasonably practicable. Developer shall reimburse

Buyer for its reasonable attorneys' fees related to review and approval of assignments, and such reasonable attorneys' fees as may be incurred by Host.

B. With prior notice to Developer, Buyer shall have the right to assign, pledge or transfer all or any part of, or any right or obligation under, this Agreement, to the Host without the consent of the Developer. Buyer shall not otherwise assign, pledge or transfer all or any part of, or any right or obligation under, this Agreement unless the proposed assignee has equal financial capability as Buyer to perform under this Agreement and Buyer has provided prior notice to Developer, and provided that no such assignment will impair Developer's right and title to Environmental Attributes pursuant to Section 6.1.

C. Subject to the foregoing restrictions on assignment, this Agreement will inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

16.2 Financier Provisions.

A. Any Person or entity that has entered into a loan agreement, credit agreement, reimbursement agreement, note purchase agreement or other document (and any documents relating to or ancillary to the foregoing documents) identified from time to time in writing by Developer to Buyer as a "Financing Agreement" under which Developer obtains financing whether or not secured by all or substantially all of the assets comprising the PV System shall, for so long as the Financing Agreement is in existence and until any lien thereof has been extinguished, be entitled to the protections set forth herein. No Financing Agreement shall encumber or affect in any way the interest of Buyer or Host in and to the Premises, or Buyer's or Host's rights under this Agreement. Buyer shall act expeditiously, cooperatively and in good faith in facilitating any amendments to this Agreement requested by Financier in connection with the financing of the PV System.

B. Pursuant to the provisions of this Section 16.2 and subject to Section 9.3(a) (Financier Step-in), Financier shall have the right: (i) to assign the Financing Agreement; (ii) to enforce its lien by any lawful means; (iii) to take possession of and operate the PV System or any portion thereof and to perform all obligations to be performed by Developer hereunder, or to cause a receiver to be appointed to do so, subject to the terms and conditions of this Agreement; and (iv) to sell the PV System and rights under this Agreement and any other contracts dealing with the sale of Net Energy or Environmental Attributes from the PV System to a third party. Buyer's consent shall not be required for the Financier's acquisition of the PV System pursuant to this Agreement, except as provided in sub-Section (c) below.

C. Upon the Financier's acquisition of the PV System, Financier shall have the right to sell or assign said acquired PV System, provided Financier and proposed assignee (as applicable) shall first satisfy each of the following conditions: (i) any such assignee shall be approved in advance by Buyer, such approval not to be unreasonably conditioned, withheld or delayed provided that such assignee provides satisfactory evidence of its financial and technical capability to perform the Developer's obligations under this Agreement; (ii) any such assignee shall assume all of Developer's obligations under this Agreement; (iii) Financier and/or any proposed assignee shall have satisfied every obligation of Developer existing under this Agreement but which remains unsatisfied at the time of the proposed assignment that is then

reasonably capable of being satisfied; and (iv) Financier and any such assignee shall satisfy all Applicable Legal Requirements.

ARTICLE XVII: MISCELLANEOUS

17.1 Entire Agreement; Amendments; Binding Effect. This Agreement constitutes the entire agreement between the Parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings between the Parties relating to the subject matter hereof. This Agreement may only be amended or modified by a written amendment to the Agreement signed by both Parties hereto. This Agreement inures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

17.2 Expenses. Each Party hereto shall pay all expenses incurred by it in connection with its entering into the Agreement, including, without limitation, all attorneys' fees and expenses.

17.3 No Joint Venture. Nothing herein contained shall be deemed to constitute either Party a partner, agent or legal representative of the other Party or to create a joint venture, partnership, agency or any relationship between the Parties. The obligations of the Parties are individual and not collective in nature.

17.4 Joint Work Product. This Agreement shall be considered the work product of both Parties hereto, and, therefore, no rule of strict construction shall be applied against either Party.

17.5 Waiver. No waiver by either Party hereto of any one or more defaults by the other Party in the performance of any provision of the Agreement shall operate or be construed as a waiver of any future default, whether of like or different character. No failure on the part of either Party hereto to complain of any action or non-action on the part of the other Party, no matter how long the same may continue, shall be deemed to be a waiver of any right hereunder by the Party so failing. A waiver of any of the provisions of the Agreement shall only be effective if made in writing and signed by the Party who is making such waiver.

17.6 Severability. If any section, phrase or portion of the Agreement is, for any reason, held or adjudged to be invalid, illegal or unenforceable by any court of competent jurisdiction, such section, phrase, or portion so adjudged will be deemed separate, severable and independent and the remainder of the Agreement will be and remain in full force and effect and will not be invalidated or rendered illegal or unenforceable or otherwise affected by such adjudication, provided the basic purpose of the Agreement and the benefits to the Parties are not substantially impaired.

17.7 Further Assurances. From time to time and at any time at and after the execution of the Agreement, each Party shall execute, acknowledge and deliver such documents and assurances, reasonably requested by the other and shall take any other action consistent with the terms of the Agreement that may be reasonably requested by the other for the purpose of effecting or confirming any of the transactions contemplated by the Agreement.

17.8 Survival. Termination of the Agreement for any reason shall not relieve Developer or Buyer of any obligation accrued or accruing prior to such termination, including, but not limited

to, the obligations set forth in Article XI (Indemnification and Insurance) and Article XIV (Dispute Resolution), which shall survive the expiration or termination of the Agreement.

17.9 Governing Law. This Agreement and the rights and duties of the Parties hereunder shall be governed by and shall be construed, enforced and performed in accordance with the laws of the Commonwealth of Massachusetts without regard to principles of conflicts of law.

17.10 Counterparts; Scanned Copy. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The Parties agree that a scanned or electronically reproduced copy or image of this Agreement bearing the signatures of the Parties hereto shall be deemed an original and may be introduced or submitted in any action or proceeding as competent evidence of the execution, terms and existence of this Agreement notwithstanding the failure or inability to produce or tender an original, executed counterpart of this Agreement and without the requirement that the unavailability of such original, executed counterpart of this Agreement first be proven.

17.11 Nondiscrimination. Developer agrees that it shall not, because of race, color, national origin, ancestry, age, sex, religion, physical or mental handicap, or sexual orientation, gender identity, genetic information, or status as a veteran, discriminate against any qualified employee, applicant for employment, subcontractor, or person or firm seeking to provide goods or services to Developer, or deny any person access to the Premises or to any activities or programs carried out upon the Premises. Developer shall comply with all applicable federal and state statutes, rules, and regulations prohibiting discrimination in employment or public accommodation.

17.12 No Limitation of Regulatory Authority. The Parties acknowledge that nothing in this Agreement shall be deemed to be an agreement by Host or Buyer to issue or cause the issuance of any permit or approval, or to limit or otherwise affect the ability of the Host, or the Commonwealth of Massachusetts to fulfill its regulatory mandate or execute its regulatory powers consistent with Applicable Legal Requirements.

17.13 Special Terms and Conditions. Developer understands and agrees that this Agreement is Buyer's standard form for energy management services and that modifications to the main body of this Agreement are not permitted. To the extent there are special terms and conditions that are specific to the installation of the PV System on the Premises, such terms and conditions will be set forth in Exhibit D attached hereto (the "Special Terms and Conditions"). To the extent there is a conflict between the Special Terms and Conditions and the main body of this Agreement, the Special Terms and Conditions will control.

17.14 Eligibility for Net Metering Credits or Alternative On-bill Credits. If the PV System qualifies as a Net Metered Generation Unit, Developer shall assist Buyer and/or Host if designated as Host Customer, in applying for, and performing all activities necessary and support Buyer's efforts to reserve and maintain an assurance of Net Metering under the System of Assurance. Developer shall work in good faith with Buyer and Host to prepare the Application for a Cap Allocation (as such terms are defined in the System of Assurance) to be signed by the "Host Customer," and any amendments thereto. Developer shall pay application and reservation fees required to receive a Cap Allocation. Alternatively, if the PV System qualifies as an Alternative

On-bill Generation Unit, Developer shall assist Buyer and/or Host to enroll for receipt of Alternative On-bill Credits.

17.15 Third Party Beneficiary. The Parties agree that Host shall be third party beneficiary to this Agreement

17.16 Duty to Mitigate. Each Party has a duty to mitigate its damages under this Agreement.

[Signature page to follow.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

BUYER:

Cape & Vineyard Electric Cooperative, Inc.

By: _____
Name:

Title: Executive Committee, Director,
Town of Barnstable

23H2 White's Path, Suite 2
South Yarmouth, MA 02664
(774) 722-1812 (voice)

By: _____
Name:

Title: President

DEVELOPER

Workshop Road Solar Project 2019, LLC

By: _____
Name:
Title:

List of Exhibits to Agreement

- Exhibit A: Description of the Premises
- Exhibit B: Description of PV System
- Exhibit C: Net Energy Price Provisions
- Exhibit D: Special Terms and Conditions Applicable to this Net Energy Power Purchase Agreement

EXHIBIT A

DESCRIPTION OF THE PREMISES

Address:

50 Workshop Road, Yarmouth, MA 02664

Legal Description:

Yarmouth Parcel E in Yarmouth, MA, located at the above address, as illustrated in the Sketch Plan entitled “Parcel E PV System” below. The PV System on the attached Sketch Plan is identified by the area where the solar panels are located, as such Sketch Plan may be amended or revised from time to time.

The Premises shall further include all necessary electrical and other utility sources, together with the non-exclusive right of ingress and egress from a public right-of-way, to the Premises for the purpose of design, procurement, installation, testing, commissioning, ownership, operation, inspection, maintenance, repair and improvements and removal of the PV System. In the event there are not sufficient electric and other necessary utility sources located on the Premises to enable Developer to transmit Net Energy generated by the PV System to the Point of Delivery, Host agrees to grant Developer or the Distribution Company the right to install such utilities on, over and/or under the Premises and the Property, as necessary to operate the PV System, provided, however, the location of such utilities shall be as reasonably designated by Host.

Parcel E PV System

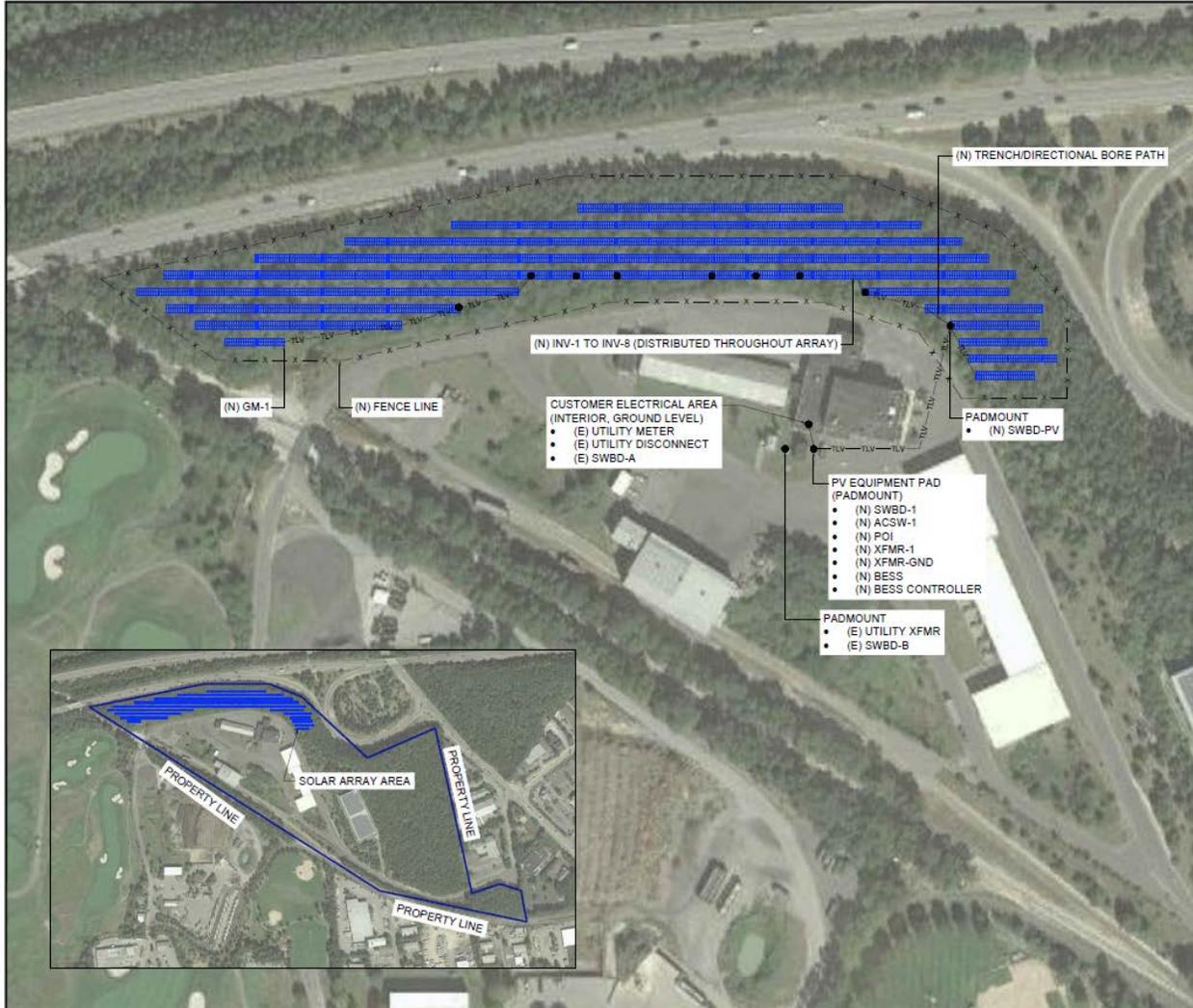


EXHIBIT C¹

NET ENERGY PRICE PROVISIONS

EXPECTED ANNUAL ENERGY OUTPUT	1,894,000 kWh/year
GUARANTEED ANNUAL ENERGY OUTPUT	1,572,020 kWh/year ²
ANNUAL PV SYSTEM DEGRADATION FACTOR	<u>0.5%</u> per year
ANNUAL BATTERY ENERGY STORAGE SYSTEM DEGRADATION FACTOR (if applicable)	<u>2.5%</u> % per year
NET ENERGY PRICE ³	<u>\$0.0314</u> per kWh
NET ENERGY PRICE W. BATTERY (if applicable)	\$ <u>0.039</u> per kWh
ADDED NET ENERGY PRICE FOR EACH \$10,000 OF UTILITY UPGRADE COSTS (IN EXCESS OF INITIAL \$10,000)	\$ <u>0.0009</u> per kWh
DISTRIBUTION COMPANY	Eversource Electric Company
PROPOSED BUYER PURCHASE PAYMENT FOR THE PV SYSTEM ⁴	\$ 1,001,532 Contract Year 10 \$ 844,782 Contract Year 12 \$ 573,367 Contract Year 15 \$ Fair Market Value Contract Year 20
DELAY LIQUIDATED DAMAGES	\$ 835.40/day ⁵

¹ In the event that the final field layout and/or structural analysis performed by Developer results in a substantial and material change to the PV System Size identified in Exhibit B, hereto, Developer and Buyer agree to negotiate in good faith an amendment to this Exhibit C.

² The only allowable adjustment to the Guaranteed Annual Output is the Annual System Degradation Factor.

³ Assumes SMART Block 2 and associated adders. For each incremental SMART Block the Net Energy Price increases by \$0.0072/kWh

⁴ In accordance with Article XIII, the Purchase Price shall be the greater of the Fair Market Value and the Buyer Purchase Payment for the PV System.

⁵ Delay Liquidated Damages shall be calculated as the (Current Retail Supply Rate of \$0.20 *minus* Net Energy Price) *times* Expected Annual Energy Output *divided by* 365.

EXHIBIT D

SPECIAL TERMS AND CONDITIONS APPLICABLE TO THIS AGREEMENT

LEASE AGREEMENT
FOR
GROUND MOUNTED AND CANOPY SOLAR PHOTOVOLTAIC ENERGY FACILITY
BETWEEN
WORKSHOP ROAD SOLAR PROJECT 2019, LLC
AND
TOWN OF YARMOUTH

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**LEASE AGREEMENT FOR
GROUND MOUNTED AND CANOPY SOLAR PHOTOVOLTAIC ENERGY FACILITY
BETWEEN
WORKSHOP ROAD SOLAR PROJECT 2019, LLC
AND
HOST MUNICIPALITY**

This Lease Agreement (the “Agreement”) is entered into this ___day of _____, 2019 (the “Effective Date”) and is by and between Workshop Road Solar Project 2019, LLC, a Massachusetts limited liability company with a business address at 3680 Balltown Road, Niskayuna, NY 12309, (“Developer”), and the Town of Yarmouth, Massachusetts with an address of 1146 Route 28, South Yarmouth, Massachusetts (“Host”).

RECITALS

(a) Host wishes to lease an area of ground space described in Exhibit A (the “Premises”), which is a part of the Property located at 50 Workshop Road, Yarmouth, MA 02664 and owned by Host to the Developer to allow it to design, procure, install, test, commission, own, operate and maintain a solar photovoltaic system which may or may not include a battery energy storage system (“PV System”), as defined in Article I (Definitions), on the Premises for beneficial public purposes;

(b) Developer wishes to lease the Premises in order to design, procure, install, test, commission, own, operate and maintain the PV System on the Premises for beneficial public purposes, subject to the terms and restrictions set forth in this Agreement;

(c) Developer has also entered into a Power Purchase Agreement (“PPA”) with the Cape & Vineyard Electric Cooperative, Inc., a Massachusetts cooperative corporation with an address at 23H2 White’s Path, Suite 2, South Yarmouth, MA 02664 (“CVEC”) pursuant to which Developer will sell the Net Energy generated by the PV System to CVEC; and

(d) CVEC has entered an Intergovernmental Power Sales Agreement (Intergovernmental PSA) with the Host to sell to the Host an allocated share of the Net Energy purchased by CVEC from the Developer under the PPA.

NOW, THEREFORE, for consideration paid, the receipt and sufficiency of which are hereby acknowledged, the Parties to this Agreement hereby agree as follows.

ARTICLE I: DEFINITIONS

When used in this Agreement, the following terms shall have the meanings given, unless a different meaning is expressed or clearly indicated by the context. Words defined in this Article I which are capitalized shall be given their common and ordinary meanings when they appear without capitalization in the text. Words not defined herein shall be given their common and ordinary meanings.

“Additional Exceptions” has the meaning set forth in Exhibit A-1 hereto.

“Affiliate” means, with respect to any Person, such Person’s general partner or manager, or any other Person that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person.

“Alternative On-bill Credit” means the energy value of generation from an Alternative On-bill Generation Unit, as calculated in accordance with 225 CMR 20.08(1)(a)2..

“Alternative On-bill Generation Unit” has the meaning as set forth in in 225 CMR 20.02.

“Applicable Legal Requirements” means any present and future law, act, rule, requirement, order, bylaw, ordinance, regulation, judgment, decree, or injunction of or by any Governmental Authority, and all licenses, permits, tariffs, and other governmental consents, which may at any time be applicable to a Party’s rights and obligations hereunder, including, without limitation, the design, procurement, construction, installation, operation, ownership, maintenance, repair, decommissioning and removal of the PV System on the Premises, as well as the selling and purchasing of power therefrom.

“Bankrupt” means that a Party or other entity (as applicable): (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (ii) becomes insolvent or is unable to pay its debts or fails (or admits in writing its inability) generally to pay its debts as they become due; (iii) makes a general assignment, arrangement or composition with or for the benefit of its creditors; (iv) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditor’s rights, or a petition is presented for its winding-up, reorganization or liquidation, which proceeding or petition is not dismissed, stayed or vacated within twenty (20) Business Days thereafter; (v) commences a voluntary proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights; (vi) seeks or consents to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all of its assets; (vii) has a secured party take possession of all or substantially all of its assets, or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all of its assets; (viii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) to (vii) inclusive; or (ix) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

“Business Day” means a day on which Federal Reserve member banks in Boston are open for business; and a Business Day shall open at 8:00 a.m. and close at 5:00 p.m. Eastern Prevailing Time.

“Commercial Operation” means that the PV System is ready for regular, daily operation, has undergone testing and met Commissioning Requirements as set forth in the Common Technical Specifications, Exhibit E, has been accepted by Developer and Host (and to

the extent required, the Distribution Company), is in compliance with Applicable Legal Requirements in all respects, including all final inspections, is capable of producing Energy and delivering it to the Point of Delivery, and all Training and Documentation Requirements, as required in Common Technical Specifications, Exhibit E, are complete and provided to Host.

“Commercial Operation Date” means the date that the Developer certifies in a written notice to the Host that Commercial Operation has been achieved in accordance with Section 5.19, subject to the approval of the Host and CVEC, such approval not to be unreasonably withheld.

“Commercially Reasonable” means any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known, or which in the exercise of due diligence, should have been known, at the time the decision was made, would have been expected in the industry to accomplish the desired result consistent with reliability, safety, expedition, project economics and regulations.

“Construction Commencement Date” means the date that the Developer (a) has secured all required permits and approvals from Governmental Authorities and the Distribution Company under Applicable Legal Requirements for the construction of the PV System and (b) has mobilized to commence work at the Premises, as certified in writing to the Host and CVEC.

“Contract Year” means the consecutive 12-month period commencing on the Commercial Operation Date.

“Distribution Company” means Eversource Electric Company or any successor thereto.

“Distribution Company System” means the electric distribution system operated and maintained by the Distribution Company.

“Effective Date” means the date set forth in the introductory paragraph of this Agreement.

“Energy” means the amount of electricity either used or generated over a period of time; expressed in terms of kilowatt hour (“kWh”) or megawatt hour (“MWh”). Energy shall not include renewable energy credits, or any investment or production tax credits under Section 45 of the Internal Revenue Code or otherwise, to the extent that the PV System receives or is entitled to receive any such credits.

“Environmental Claim” means causes of action, claims, fines, penalties, damages, demands, administrative or judicial proceedings, notices of noncompliance or violation, consent orders or consent agreements arising from activities conducted on or in connection with the Work which arise, or are alleged to have arisen, out of any (a) violation of any applicable Environmental Law, (b) action by a Governmental Authority for enforcement, cleanup, removal, response or remedial action or damages, pursuant to any Environmental Law, or (c) compensation, or injunctive relief resulting from injuries to persons or property due to (i) an alleged violation of any Environmental Law or (ii) any release of Hazardous Material.

“Environmental Law” means any and all existing and future Applicable Legal Requirements relating to human health, human safety or the environment.

“Event of Default” means any event of default as defined in Sections 8.2 and 8.3 of this Agreement.

“Event of Termination” means any event of termination as defined in Section 8.1 of this Agreement.

“Financier” means any individual or entity providing money or extending credit for the PV System to Developer or its Affiliates for: (1) the construction, term or permanent financing of the PV System; or (2) working capital or other ordinary business requirements for the PV System. “Financier” shall not include common trade creditors of Developer.

“Force Majeure” means any cause not within the reasonable control of the affected Party which precludes that Party from carrying out, in whole or in part, its obligations under this Agreement, including, but not limited to, Acts of God; extreme winds; hurricanes; tornadoes; fires; epidemics; landslides; earthquakes; floods; other natural catastrophes; strikes; lock-outs or other industrial disturbances; acts of public enemies; acts, failures to act or orders of any kind of any Governmental Authority acting in its regulatory or judicial capacity; insurrections; military action; war, whether or not it is declared; sabotage; riots; civil disturbances or explosions; curtailments ordered by the Distribution Company, the independent electric system operator, or any Governmental Authority. Nothing in this provision is intended to excuse either Party from performing due to any governmental act, failure to act, or order, where it was reasonably within such Party’s power to prevent such act, failure to act, or order. Notwithstanding anything in this Agreement to the contrary, Force Majeure shall not mean:

- A. Inclement weather affecting construction, start-up, operation, or decommissioning of the PV System, except to the extent weather conditions are extreme, unusual or create unsafe working conditions as reasonably determined by Developer.
- B. Unavailability of sun.
- C. Unavailability of equipment, repairs or spare parts for the PV System, except to the extent due to a qualifying event of Force Majeure.
- D. Inability to obtain, maintain or renew any Permit or any delay in obtaining, maintaining, or renewing any Permit, except that Developer shall be able to assert Host’s governmental actions on Permits for the PV System as an event of Force Majeure.
- E. Any nonpayment under this Agreement or any third party agreement.
- F. Economic hardship of either Party.

“Good Engineering Practice” means any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known, or which in the exercise of due

diligence, should have been known, at the time the decision was made, would have been expected to accomplish the desired result consistent with reliability, safety, expedition, project economics and Applicable Legal Requirements for similar facilities in the Commonwealth of Massachusetts. Good Engineering Practice is not intended to be limited to consideration of any one practice, method or act, to the exclusion of all others, but rather, is intended to require the consideration of a spectrum of possible practices, methods or acts.

“Governmental Authority” means the United States of America, the Commonwealth of Massachusetts, and any political or municipal subdivision thereof, and any agency, department, commission, board, bureau, independent electric system operator, or instrumentality of any of them, or any court or tribunal, including Host in its regulatory capacity but excluding Host as Lessor under this Agreement.

“Interest Rate” means a fluctuating interest rate per annum equal to the sum of (1) the Prime Rate as stated in the “Bonds, Rates & Yields” section of The Wall Street Journal on the Effective Date and thereafter on the first day of every calendar month, plus (2) two percentage points. (In the event that such rate is no longer published in The Wall Street Journal or such publication is no longer published, the Interest Rate shall be set using a comparable index or interest rate selected by Host Town and reasonably acceptable to Developer.) The Interest Rate hereunder shall change on the first day of every calendar month. Interest shall be calculated daily on the basis of a year of 365 days and the actual number of days for which such interest is due.

“Inter-Governmental PSA” has the meaning set forth in the recitals, a form of which is attached hereto as Exhibit G.

“Leasehold Mortgage” has the meaning set forth in Section 11.4.

“Metering Device(s)” means any and all revenue quality meters installed by Developer or the Distribution Company at, before, or after the Point of Delivery necessary or appropriate for the delivery of Energy into the Distribution Company System, the calculation of Net Metering Credits, and the registration, recording, and transmission of information regarding the amount of Net Energy generated by the PV System and delivered to the Point of Delivery for sale to CVEC and/or Host.

“Monthly Minimum Reliability Contribution” has the meaning set forth in G. L. c. 164, §139(j) and 220 CMR 18.10, as approved by the Department of Public Utilities in the Distribution Company’s tariff.

“Net Energy” means the actual and verifiable amount of Energy generated by the PV System and delivered to CVEC at the Point of Delivery pursuant to the PPA in excess of any Energy consumed by the PV System as metered in kWh at the Metering Device(s), and in conformance with Applicable Legal Requirements and the Tariffs.

“Net Metered Generation Unit” has the meaning set forth in 225 CMR 20.02.

“Net Metering” means the process of measuring the difference between electricity delivered by a local electric distribution company and electricity generated by a Net Metering facility and fed back to the local electric distribution company, as set forth under M.G.L. c. 164, §§ 138 – 140 and 220 CMR 18.00, as may be amended from time to time by a Governmental Authority, and pursuant to the Distribution Company’s Tariffs.

“Net Metering Credits” has the meaning set forth in 220 CMR 18.00, as may be amended from time to time by a Governmental Authority, as implemented by the Tariffs.

“Outside Construction Commencement Date” means the later of ninety (90) days after the Effective Date or ninety (90) days after the PV System has received a “Statement of Qualification” pursuant to and as defined in the SMART Program or ninety (90) days after PV System has received all permits or approvals from the distribution company or approval board or any governmental authority.

“Outside Commercial Operation Date” means two hundred and forty (240) days after the Outside Construction Commencement Date.

“Parties” means Host and Developer collectively, and their respective successors and permitted assignees.

“Party” means Host or Developer individually, and their respective successors and permitted assignees.

“Permits” means all state, federal, county, and local authorizations, certificates, permits, licenses and approvals required by any Governmental Authority for the construction, operation and maintenance of the PV System.

“Permitted Use” means the use, occupation, and enjoyment of the Premises by Developer to design, procure, install, test, commission, own, operate, maintain, expand and remove the PV System, all of which are designed and intended for the purpose of producing solar-generated electricity in accordance with Applicable Legal Requirements.

“Person” means an individual, partnership, corporation (including a business trust),, limited liability company, joint stock company, trusts, unincorporated association, joint venture, Governmental Authority, or other entity.

“Point of Delivery” means the agreed location or locations on the Premises where Net Energy is to be delivered and received, as further set forth in Exhibit A attached hereto.

“PPA” has the meaning set forth in the Recitals, a form of which is set forth in Exhibit F, hereto.

“Premises” means the site for PV System installation and operation owned by Host located at the Property, which is more specifically identified in Exhibit A to this Agreement.

“**Property**” means the real property owned by the Host upon which the Premises is located.

“**PV System**” means the solar electric generating facility, including, but not limited to, the PV System Assets, which produces the Net Energy sold and purchased under the PPA as further identified in Exhibit B attached hereto. The PV System may (or may not) include a Battery Energy Storage System, as specified in Exhibit B.

“**PV System Assets**” means each and all of the assets of which the PV System is comprised, including the solar energy panels, mounting systems, carports, tracking devices, inverters, integrators, Battery Energy Storage Systems, if any, and other related equipment and components installed on the Premises, electric lines and conduits required to connect such equipment to the Point of Delivery, protective and associated equipment, improvements, Metering Device(s), and other tangible and intangible assets, permits, property rights and contract rights reasonably necessary for the construction, operation, and maintenance of the PV System.

“**SMART Program**” means the Solar Massachusetts Renewable Target (SMART) Program as established in 225 CMR 20.

“**SMART Tariff**” has the meaning set forth in 225 CMR 20.02, as may be amended from time to time by a Governmental Authority.

“**Solar Net Metering Facility**” has the meaning set forth in 220 CMR 18.00, as may be amended from time to time by a Governmental Authority.

“**Solar Tariff Generation Unit**” has the meaning set forth in 225 CMR 20.02, as may be amended from time to time by a Governmental Authority.

“**Term**” has the meaning set forth in Section 3.1.

“**Termination Date**” means the earlier to occur of: (1) the last day of the Term; or (2) the date of termination.

ARTICLE II: LEASE OF PREMISES

2.1 Leased Premises.

(a) Host, in consideration of the covenants and agreements on the part of the Developer, hereby leases to Developer, and Developer accepts and takes from Host, the possession, use, enjoyment, and control of the Premises (as described in Exhibits A and A-1) for the sole and exclusive purpose of conducting the Permitted Use, as set forth below, subject to the conditions in this Agreement and the Host’s reserved uses as set forth in Article X (Quiet Enjoyment).

(b) As shown in Exhibit A, Host also grants to Developer a non-exclusive license for reasonable pedestrian and vehicular access to and egress from the Premises plus the right and sufficient space for the installation, operation and maintenance, and access to, of electric lines, cables, conduits and related equipment necessary to operate the PV System and interconnect the PV System to the building owned by Host and located on the Premises, which is interconnected with the local electric distribution system operated by the Distribution Company such that the PV System qualifies as a Solar Net Metering Facility. In the event that the PV System is required to be connected directly to the distribution system operated by the Distribution Company, Host hereby grants to Developer a non-exclusive easement on, under, and across the Property to install, construct, operate, and maintain electric lines, cables, poles, conduits and related equipment necessary to interconnect the PV System to the local electric distribution system operated by the Distribution Company such that the PV System qualifies as a Solar Net Metering Facility or otherwise meet the requirements of the SMART Program.

(c) Host also grants Developer the exclusive right to receive sunlight at the Premises during every hour of each day that sunlight reasonably could be received by the PV System, and Host shall not create or install vegetation or structures that will obstruct the passage of sunlight to the Premises occupied by the PV System.

(d) To the extent requested by Developer and reasonably necessary, and subject to Applicable Legal Requirements and available space, as determined in Host's sole discretion, Host shall provide necessary space on the Property at locations and for such time as specified by Host (such locations, the "Construction Laydown Area") for temporary (i) storage and staging of tools, materials and equipment, (ii) construction laydown, (iii) parking of construction crew vehicles, (iv) vehicular and pedestrian access and access for rigging and material handling, and other temporary facilities reasonably necessary to construct, erect, install and remove the System. The foregoing notwithstanding, Developer shall not obstruct access to the Property, or interfere with or disrupt Host's use thereof or operations therein. Following temporary use thereof, the Developer shall immediately restore the Construction Laydown Area and such other areas of the Property used by the Developer, but not included in the Premises, to their condition prior to Developer's use.

(e) The Premises are demised subject to the following:

(i) any encumbrances shown on the survey of the Premises;

(ii) covenants, restrictions, easements, agreements, and reservations, as set forth in Exhibit A-1;

(iii) present and future zoning laws, ordinances, bylaws, resolutions, and regulations of the municipality in which the land lies, and all present and future ordinances, laws, regulations, and orders of all boards, bureaus, commissions, and bodies of any municipal, county, state, or federal authority, now or hereafter having jurisdiction, so long as they permit or otherwise regulate the use of the Premises for the Permitted Use;

(iv) the condition and state of repair of the Premises as the same may be on the Effective Date;

(v) all electric and telecommunication cable or wireless services charges, accrued or unaccrued, fixed or not fixed, from and after the Effective Date arising as a result of the construction and operation of the PV System or any appurtenant facilities or improvements associated with the Permitted Use;

(f) full compliance by the Developer with all Applicable Legal Requirements;
and

(g) Host's reserved uses, as provided in Article X (Quiet Enjoyment) and set forth in the Additional Exceptions, attached hereto as Exhibit A-1, or Special Terms and Conditions, attached hereto as Exhibit D.

2.2 As-Is Condition of the Premises. Developer accepts the Premises in the condition or state in which the Premises now are, and except as expressly provided herein, without any representation or warranty, express or implied in fact or by law, by Host and without recourse to Host, as to the title thereto, the nature, condition or usability thereof or the use or uses to which the Premises or any part thereof may be put, subject to Developer's right to terminate this Agreement for failure of conditions precedent to construction set forth in Section 5.2.

2.3 Ownership of the PV System. Host shall have no ownership interest in the PV System or any of the products or services attributable to the PV System, except for any ownership interest Host may have by exercising its purchase option in accordance with Section 8.11 or by virtue of being a CVEC Member in the event that CVEC exercises its purchase option under the PPA.

2.4 Net Lease. Except as expressly set forth herein, the Parties acknowledge and agree that Host shall not be required prior to or during the Term to make any expenditure, incur any obligation, or incur any liability of any kind whatsoever in connection with this Agreement or the ownership, installation, operation, maintenance, repair reconstruction or removal of the PV System, subject to the Additional Exceptions set forth in Exhibit A-1.

2.5 Purpose. The Premises shall be used for the sole and exclusive purpose of conducting the Permitted Use. Except with the prior express written consent of Host Town, Developer shall not use the Premises for any use other than the Permitted Use.

2.6 Subordination. Developer acknowledges and understands that this Agreement and all rights of Developer are subject and subordinate to all existing leases, easements, rights of way, declarations, restrictions, permits, or other matters of record. Developer acknowledges and understands that the Host reserves the right to grant additional leases, easements, or rights of way, whether recorded or unrecorded, as may be necessary, which do not interfere with Developer's use of the Premises and the operation of the PV System, and provided that each third party to which such grant is made acknowledges in writing Developer's rights under this

Agreement. Host shall provide Developer with reasonable notice in the event that Host grants such additional rights on the Premises to a third party. Notwithstanding any term to the contrary contained herein, Host shall provide Developer with a commercially reasonable Subordination, Non-Disturbance and Attornment Agreement for any and all existing and future mortgagees and tenants of the Property.

2.7 No Interference. Developer shall operate, maintain and repair the PV System in a manner that will not obstruct or interfere with other uses of the Property, as identified in Exhibit A-1 to this Lease. In the event interference occurs, Developer agrees to take all Commercially Reasonable steps necessary to eliminate such interference promptly, but no later than thirty (30) days from notification by the Host. Notwithstanding the foregoing, if the PV System is a ground-mounted system, Developer may implement reasonable security measures to control and monitor access to the Premises, which may include posting warning signs, lighting, cameras, installing fencing, and securing access points.

Host may make alterations to the Premises that do not substantially impair the installation and operation of the PV System. The Developer acknowledges and agrees that Host may have continued operation or maintenance responsibilities at the Premises to be conducted at the sole expense of the Host, and Developer will use Commercially Reasonable efforts to cooperate with Host's prosecution and completion of such work.

2.8 Use of the Premises. Developer and its subcontractors, agents, consultants, and representatives shall have reasonable access at all reasonable times, subject to any Special Conditions in Exhibit D (including under emergency conditions) to the necessary portion of the Property for the purpose of construction, interconnection, operation, inspection, maintenance, repair and removal of the PV System, and to any documents, materials and records of Host relating to the Premises that Developer reasonably requests in conjunction with these activities. Developer shall provide Host with reasonable notice of all activities conducted by or on behalf of Developer on the Premises relating to the PV System. During any such activities, Developer, and its subcontractors, agents, consultants and representatives shall comply with Host's reasonable safety and security procedures (as may be promulgated from time to time) and Developer and its subcontractors, agents, consultants and representatives shall conduct such activities in such a manner and such a time and day as to cause minimum interference with Host's activities.

2.9 Notice of Lease. Developer shall use Commercially Reasonable efforts to cause a Notice of Lease to be properly recorded, and Host shall provide Commercially Reasonable assistance as necessary for Developer to do so, with the applicable land registry that in each case includes all information as may be required pursuant to M.G.L. c. 183, §4 with respect to the real property rights described in the Lease, as applicable. Developer shall be responsible for all reasonable documented costs of recording the Notice of Lease in a form attached hereto as Exhibit H.

ARTICLE III: TERM

3.1 Term. The term of this Agreement (the “Term”) commences on the Effective Date of this Agreement and ends at the earlier of 11:59 PM on the day preceding the twentieth (20th) anniversary of the Commercial Operation Date (the “Termination Date”) or such date as of which this Agreement may be earlier terminated pursuant to the provisions of this Agreement. The Term may be extended upon mutual agreement of the Parties and in conformance with all Applicable Legal Requirements, for one five (5) year period, with such modifications to the provisions hereto as may be appropriate to such extension and which are mutually agreed upon in writing. A Party seeking to extend the Term of this Agreement shall send written notice of such intent to the other Party no later than two (2) months prior to the Termination Date.

3.2 Holdover. If Developer or any party claiming by, through or under Developer, retains possession of the Premises or any part thereof for longer than one hundred twenty (120) days after the expiration or earlier termination of this Lease, then Host may, at its option, serve written notice upon Developer that such holding over constitutes (i) a month-to-month tenancy, upon the terms and conditions set forth in this Lease, or (ii) the creation of a tenancy-at-sufferance, and in either event such possession shall be upon the terms and conditions set forth in this Lease. Developer shall also pay to Landlord all damages sustained by Host resulting from retention of such possession by Developer including but not limited to court costs and attorney’s fees. Developer hereby agrees that the provisions of this Section shall not constitute a waiver by Host of any right of re-entry as set forth in this Lease or otherwise; and that the receipt of any Rent or any other act in apparent affirmance of the tenancy shall not operate as a waiver of Host’s right to terminate this Lease for Developer’s breach of the Lease. For greater clarity, the 120-day period mentioned in this section is the period afforded to Developer for removal of the System pursuant to Section 8.9 of this Agreement.

ARTICLE IV: RENT

4.1 Rent. Commencing on the Commercial Operation Date until the end of the Term, Developer shall pay to Host an annual rental payment in the amount of \$1.00 on or before the fifteenth (15th) day of each January during the Term. The amount of the annual rent payment shall be pro-rated for the first and last calendar years of Commercial Operation. If Developer shall fail to pay Host any sum required to be paid by Developer to Host within ten (10) Business Days after such payment is due, interest on the unpaid amount shall accrue at the Interest Rate from and including the date such payment is due but excluding the date the payment is received.

4.2 Taxes. Developer shall be responsible for and pay all ad valorem real and personal property taxes, if any, assessed by the local Governmental Authority, with respect to the leasehold or the PV System, as may be further set forth in Exhibit D (Special Terms and Conditions).

4.3 Monthly Minimum Reliability Contribution. Host shall be responsible to pay any Monthly Minimum Reliability Contribution charged or assessed to Host by the Distribution Company.

ARTICLE V: DESIGN, INSTALLATION AND OPERATION OF PV SYSTEM

5.1 General Description. Except as otherwise specified herein, the PV System shall consist of the equipment and property described in Exhibit B.

5.2 Conditions Precedent to Commencement of Construction. Developer's obligations under this Agreement are subject to the fulfillment or waiver by the applicable Party of each of the following conditions precedent:

(a) Developer shall have obtained financing on terms acceptable to Developer in its sole discretion. For the purposes of this subparagraph, financing may include debt financing, equity financing, tax equity financing, loan and credit agreements, notes, bonds, indentures, security agreements, lease financing agreements, mortgages, interest rate exchanges, or swap agreements, and any other documents relating to the development, bridge construction or the permanent financing for the construction and operation of the PV System;

(b) Developer shall have obtained all permits, licenses and other approvals required by Applicable Legal Requirements and from the Distribution Company for construction, and installation of the PV System, and agree to follow the requirements of Section 5.3, below (Governmental Permits);

(c) Developer shall have determined that no features of the Premises will substantially impair the installation and operation of the PV System, and that the Premises has sufficient space to accommodate the installation, operation and maintenance of the PV System along with the operation and maintenance of existing facilities;

(d) Developer shall have determined that it is feasible to make related improvements as necessary on the Premises to install, operate, and interconnect the PV System to existing infrastructure, it being acknowledged by both Parties that neither Party shall be under any obligation to pay for any required upgrades, but that this condition may be satisfied if either Party agrees to implement any necessary upgrades at its own cost, or if the Parties agree to share the costs of such upgrades;

(e) Distribution Company shall not require any material changes in plans and/or specifications to the PV System or its interconnection that require additional costs or fees, in excess of \$10,000 in the aggregate, or such greater amount as Developer and CVEC may agree (including agreement as to allocation of costs) pursuant to Section 3.4(B)(vi) of the PPA;

(f) The Interconnection Agreement, in form and substance satisfactory to Developer and CVEC, in each of its reasonable discretion, is finalized and executed within one-hundred eighty (180) days of Developer's submission of the interconnection application as such deadline may be extended pursuant to Section 3.4(B)(vii) of the PPA;

(g) Host and Developer have determined that the PPA shall be in full effect and not have been terminated on account of failure of conditions precedent included therein.

(h) Developer shall have determined to its satisfaction that the PV System is eligible to receive the investment tax credit of thirty percent (30%) of eligible costs pursuant to Section 48 of the Internal Revenue Code

(i) Developer shall have received a Statement of Qualification (as defined in 225 CMR 20.02) under the SMART Program;

(j) Host and Developer have determined that the Inter-Governmental PSA shall be in full effect and not have been terminated on account of failure of conditions precedent included therein;

(k) Host, in its regulatory capacity as a Governmental Authority, and Developer shall have reached agreement on the liability of Developer for ad valorem property taxes, if any are to be assessed as described in PPA Section 5.5; and

(l) Host shall have approved the final design of the PV System and its integration into the Host's Property, in accordance with Section 5.4 hereof.

Either Party may waive any condition precedent applicable to it as set forth in this Section 5.2. Without limitation of Section 8.1(a), either Party may terminate this Agreement as the result of the non-fulfillment or failure of any of the above-referenced conditions precedent applicable to it shall give the other Party written notice of the notifying Party's intent to terminate this Agreement due to non-fulfillment or failure of any such foregoing conditions, and shall include in such notice a detailed description of the efforts undertaken by the notifying Party to satisfy such condition or conditions (which efforts need only be commercially reasonable) and the reasons why such condition or conditions have not been satisfied. In the event either Party terminates this Agreement pursuant to this Section 5.2, the Parties shall have no further obligations hereunder except those which survive expiration or termination of this Agreement.

5.3 Governmental Permits. Developer shall obtain at its sole cost all Permits required for Developer's use of the Premises, the Permitted Use, and the PV System from any and all Governmental Authorities having jurisdiction in the matter. Developer shall promptly inform Host of all significant developments relating to the issuance of such Permits. Host shall reasonably cooperate with Developer in procuring such Permits. If any changes in plans and/or specifications for the Project are required by any Governmental Authority, then Developer shall submit such changes, if any, to Host for its approval, which shall not be unreasonably withheld.

5.4 Design and Installation. Developer shall design the PV System in accordance with Good Engineering Practice, shall consult with and receive input from Host with respect to integration of the PV System with the Host's facilities and submit the final design for Host's and CVEC's approval, not to be unreasonably withheld or delayed. Developer shall furnish all supplies, materials, labor, tools, equipment and other services necessary for installation of the PV System. As soon as practicable after the Effective Date, Developer shall provide Host and CVEC an updated schedule for design, permitting, equipment procurement, commencement of construction and commissioning of the PV System, indicating milestones and durations of activities. Subject to delays excused hereunder, or the failure of the Host to comply with its

obligations hereunder or CVEC to comply with its obligations under the PPA, Developer shall commence construction of the PV System no later than the Outside Construction Commencement Date and will proceed diligently and continuously thereafter until completion, but in no event shall the installation be completed later than the Outside Commercial Operation Date. Developer shall install the PV System in accordance with Good Engineering Practice, all Applicable Legal Requirements, applicable contractor, subcontractor and vendor warranties or guarantees, manufacturer's warranties, instruction and specifications, as further identified in the Common Technical Specifications set forth in Exhibit E, applicable requirements of the insurance policies maintained by Host with respect to the PV System, and the terms of this Agreement.

5.5 Interconnection with Electric Distribution Grid. Developer shall obtain at its sole cost all Permits and agreements required for Developer's interconnection of the PV System to the electric distribution grid maintained by the Distribution Company. Developer shall promptly inform Host and CVEC of all significant developments relating to such interconnection matters. Host shall provide Developer with such information as Developer may reasonably request in connection with Developer's procurement of such Permits and agreements. If any material changes in plans and/or specifications to the PV System are required by the applicable electric distribution company, then Developer shall submit such changes, if any, to Host and CVEC for their approval, which shall not be unreasonably withheld.

5.6 Access to and Use of the Premises. During construction and the operation of the PV System, including, but not limited to, all pre-construction activities, Developer and its contractors or agents shall have access to the Premises in accordance with Exhibit D (Special Terms and Conditions).

5.7 Plans and Specifications. Installation of the PV System shall be completed in accordance to plans approved by Host and CVEC, which approval shall not be unreasonably withheld. Prior to the Commercial Operation Date, Developer shall provide Host and CVEC with documentation as set forth in the Common Technical Specifications, Exhibit E, including as-built plans, permission to Operate from local distribution company, and specifications of the PV System installed on the Premises which show the actual location of the PV System.

5.8 Maintenance Responsibilities. Developer shall properly maintain the PV System, conduct all required maintenance, and make all repairs thereto in accordance with Good Engineering Practice. Developer shall take all measures necessary to maximize production of the PV System throughout the Term. Such obligations shall include, but not be limited to, maintaining the PV System in a condition of Commercial Operation, and taking all actions necessary to comply with the Applicable Legal Requirements. The Developer shall deliver a maintenance report annually to the Host and CVEC. Developer shall be responsible for all costs related to the PV System, including, but not limited to, those costs necessary to construct, operate, maintain, repair, and remove the PV System.

5.9 Manufacturer and Installer Warranties. All manufacturer and installer warranties shall run to the benefit of the Developer.

5.10 Use of Installation and/or Maintenance Subcontractors. Developer may use qualified subcontractors to install and/or maintain the PV System, provided that Developer shall at all times remain fully responsible for the acts and omissions of such subcontractors. Installation and maintenance subcontractors shall be required to meet the insurance requirements set forth in Exhibit C, provided, however, that satisfaction of such requirements shall not relieve Developer of its responsibilities for such subcontractors as set forth in this Section 5.10.

5.11 Alterations. Developer shall have the right from time to time both before and after the completion of the PV System and at Developer's sole cost and expense to make additions, alterations and changes, structural or otherwise in or to the PV System, subject, however, in all cases to the following:

(a) No alteration shall be made which would tend to (i) materially change the general design, use, character or structure of the PV System, or (ii) increase, reduce or impair, to any material extent, the use of the PV System for the generation of electricity, subject to Applicable Legal Requirements (any such alteration, a "Substantial Alteration");

(b) No Substantial Alteration shall be commenced except after prior written notice to and consent from Host, which consent shall not be unreasonably withheld;

(c) Any alteration or Substantial Alteration shall be made with reasonable dispatch, in accordance with Good Engineering Practice, and in compliance with all Applicable Legal Requirements; and

(d) No later than completion of any alteration or Substantial Alteration, Developer will provide Host with complete copies of all final plans and specifications therefor not previously provided; and

(e) No alteration shall be made that conflicts with the Host's existing and future uses enumerated in Exhibits A-1 and D to this Lease.

5.12 Host Cooperation. Host shall have the following duties under this Agreement:

(a) to act expeditiously, and in good faith in supporting application for and facilitating any Permits necessary for the construction and operation of the PV System. Notwithstanding anything to the contrary herein, the execution of this Lease does not authorize a waiver of any permit or approval the Developer may require from the Host acting in its regulatory capacity, nor require the Host, acting in its regulatory capacity, to expedite its review of the Developer's Permit application in the Host's normal course of business;

(b) to cooperate with Developer to the extent reasonable and appropriate given the particular use of the Property on issues regarding access, construction, on-site electrical metering and consumption, and interconnection.

5.13 Emergencies. The Parties agree that Host shall have the right, but not the obligation, to respond to any emergency involving the PV System if necessary to protect the

Property, including the Premises, or to protect public health or safety, and to effectuate any necessary repairs or take corrective action.

5.14 Damage. Any damage done to the Premises or other property not belonging to Developer during installation or during operations which is directly caused by Developer shall be repaired at Developer's expense as soon as practicable, but no later than thirty (30) days after notification of damage, or sooner if immediate repair is required to prevent further damage to such property.

5.15 Payment and Performance Bonds. Prior to the Commencement Construction Date, the Developer shall provide Host with a performance bond from an issuer with a Best's rating of not less than "A", and from a surety company licensed to do business in the Commonwealth of Massachusetts whose name appears on U.S. Treasury Dept. Circular 570, in a form reasonably acceptable to Host (the "Performance Bond"), which Performance Bond shall be in an amount sufficient to secure 100% of Developer's obligations with respect to the construction of the PV System under this Agreement or, prior to completion of construction and commissioning of the System. The Performance Bond shall name Host as obligee. The Performance Bond shall remain in effect until sixty (60) days after delivery by Developer to Host of the Notice of Commercial Operation, unless (a) fully drawn upon earlier by Host, (b) Host has provided notice to Developer of a dispute regarding the completion of the PV System in accordance with the provisions of this Agreement, in which case the Performance Bond shall remain in effect until the resolution of such dispute, (c) Host provides the issuer of the Performance Bond written notice authorizing the expiration of the Performance Bond, or (d) this Agreement is terminated pursuant to the provisions hereof and Developer has fulfilled its removal and restoration obligations under this Agreement. In addition, at least fifteen (15) days prior to the Construction Commencement Date, Developer shall provide Host with a payment bond from an issuer with a Best's rating of not less than "A" in a form and amount reasonably acceptable to Host (the "Payment Bond"). The Payment Bond shall name Host as obligee. The Payment Bond shall be released upon the later of: (a) receipt by Host of satisfactory evidence that all subcontractors, laborers, have been paid in full; or (b) the Commercial Operation Date.

5.16 Mechanics Liens. Developer shall not file any mechanics liens against Host for its work performed in accordance with this Agreement and this requirement shall flow down to all of Developer's contractors. If any mechanic's, laborer's or materialman's lien shall at any time be filed against the Property, the Premises or the PV System, Developer, within ten (10) days after notice to Developer of the filing thereof, shall cause such lien to be discharged of record by payment, deposit, bond, insurance, order of court of competent jurisdiction or otherwise. If Developer shall fail to cause such lien to be discharged within the period aforesaid, then, in addition to any other right or remedy, Host may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit or by bonding. Any amount so paid by Host and costs and expenses, including court costs and attorney's fees reasonably incurred by Host in connection therewith, together with interest thereon at the Interest Rate from the respective dates of Host's making of the payment of the cost and expenses, shall be paid by Developer to Host within ten (10) Business Days of Host's invoice therefor.

5.17 Utilities. Developer shall make all arrangements for and pay directly to the entity providing the service, before delinquent, all electricity consumed by the Developer on the Premises; provided that the Host shall make available to Developer throughout the Term, and Developer may use in connection with the Permitted Use, all electricity, water, and internet service located on the Premises. Host shall keep electric transmission and distribution facilities on the Property in good working order, and work in good faith with Developer to resolve any services issues at the Property promptly. Except as provided in, and without limitation of the obligations to the Host in the preceding sentence, Host shall have no duty or liability to Developer with respect to the maintenance, repair, upgrade, replacement or security of any other utilities, nor shall Host have any liability to Developer (including, without limitation, liability for lost revenue) arising from Host's actions or omissions with respect to such maintenance, repair, upgrade, replacement or security. In the event that Developer desires to undertake maintenance, repair, upgrade, replacement or security activities with respect to electrical transmission or distribution lines owned by Host, Developer may do so at Developer's expense subject to the approval of Host and CVEC, which shall not be unreasonably withheld.

5.18 Operations and Maintenance Manual; Training. Prior to the Commercial Operation Date, the Developer shall deliver a set each to Host and CVEC an operations, maintenance and parts manual covering the PV System in accordance with the Common Technical Specifications set forth in Exhibit E. In addition, Developer will train Host's representative(s), including employees or contractors of Host on basic principles of operation, maintenance and monitoring of the PV System and on emergency preparedness and response. Notwithstanding the foregoing, Host shall have no right to perform any maintenance or repair on the PV System without Developer's prior written consent, except in the case of an emergency where immediate action on the part of Host is reasonably necessary for safety reasons.

5.19 Notice of Commercial Operation. Subject to the provisions of this Agreement, Developer shall notify and represent to Host and CVEC when the PV System has achieved Commercial Operation ("Notice of Commercial Operation"), and shall in such notice certify to Host and CVEC the Commercial Operation Date.

5.20 Late Completion. If the commencement of construction does not occur on or before the Outside Construction Commencement Date and/or Commercial Operation does not occur on or before the Outside Commercial Operation Date for any reason other than Host's failure to perform its obligations hereunder, Developer shall have any obligations to CVEC specified in the PPA in respect thereof.

5.21 Maintenance; Repairs.

(a) Developer shall take good care of the Premises and the PV System, conduct all required maintenance and make all repairs to the PV System, ordinary and extraordinary, foreseen and unforeseen, and shall maintain and keep Premises and the PV System in good condition, and in compliance with all Applicable Legal Requirements and Good Engineering Practice.

(b) Host shall have no duty or liability to Developer with respect to the maintenance and repair of the PV System.

(c) Any damage caused by Developer or its subcontractors to the Premises or other property not belonging to Developer or its subcontractors shall be repaired at Developer's expense within thirty (30) days after notification of damage, or sooner if immediate repair is required to prevent further damage to such property.

(d) Nothing in this Agreement shall limit Host's ability to maintain the Premises in a reasonable manner consistent with Host's current and past practices, the Additional Exceptions set forth in Exhibit A-1, and any other conditions imposed by a Governmental Authority that are applicable to the Premises.

5.22 Host's Maintenance. Developer acknowledges that Host may need to temporarily remove or relocate all or a portion of the PV System in order to perform routine or necessary maintenance. Unless such maintenance is necessitated as a result of installation or operation of the PV System (in which case the Developer shall be solely responsible):

(a) Host will provide Developer with at least thirty (30) days prior written notice of its intent to temporarily relocate (except in the case of an Emergency, in which case notice shall be given as soon as practical and may be after some emergency response work has occurred);

(b) In such notice, Host will certify that Host's requested removal or relocation of the PV System is required to perform routine or necessary maintenance (except that, in the case of an Emergency, such certification may be provided after some emergency response work has occurred) and Developer will have no obligation to temporarily remove or relocate all or a portion of the PV System unless the Host provides such certification;

(c) Host will be responsible for any and all actual, documented, reasonable costs incurred in the relocation of all or a portion of the PV System to and from the temporary location, including any temporary storage costs;

(d) any such relocation shall be performed by Developer (except that, in the case of an Emergency, Host may perform such activities as are reasonably necessary in light of such Emergency);

(e) Host may not request more than one relocation or temporary removal during the Term, which shall not be of a duration longer than thirty (30) days unless otherwise agreed by the Parties; and

(f) in the event that other than temporary removals or relocations that are an "Emergency", (i) the PV System is temporarily removed or relocated for longer than thirty (30) days or if there has already been at least one relocation during the Term, or (ii) if there is more than one relocation or temporary removal during the Term, Host shall promptly pay Developer for any lost revenue (including lost revenue attributable to the sale of electricity, environmental

attributes, and any incentives related to or attributes of the operation or ownership of the PV System) for the duration of the temporary removal or relocation in excess of thirty (30) days.

Such lost revenue shall be based on Net Energy that would have been produced during the time period of the relocation or temporary removal as estimated by PVWatts Calculator, or similar recognized method using accurate data inputs for the parameters of the PV System and its location. Host agrees to work in good faith to minimize the timing and the operational and economic impacts on Developer of a temporary removal or relocation of the PV System. For purposes of this Section 5.22, “Emergency” shall mean any *Force Majeure* event, condition or circumstance at or affecting the Premises that would, in the reasonable opinion of Host, materially and substantially harm life or property on the Premises without immediate preventative or remedial action. The Host shall not be responsible in any way for lost revenue that is the result of an Emergency.

5.23 Project Relocation. Host may request to move the PV System to another location on the Property or to another site owned by Host, but any such relocation shall be subject to the approval of Developer and Financier, not to be unreasonably withheld provided the alternate location or site is suitable for the PV System and the PV System is capable of generating substantially equivalent amounts of electric energy when installed at the alternate site. In connection with such relocation, Host shall execute an amendment to this Agreement reflecting the new location of the PV System but otherwise continuing all the terms and conditions of this Agreement for the remaining term of this Agreement. Host shall also provide any consents or releases required by Developer in connection with the new location. Host shall pay all costs associated with the removal and relocation of the PV System, including design, permitting, site investigations, installation, and testing costs and interconnection costs.

In addition, starting at the shutdown of the Project pursuant to such relocation, and ending at the Commercial Operation of the PV System when such relocated PV System is reinstalled at a new location (the “Relocation Event”), Host will pay Developer an amount equal to the sum of (i) payments that Host would have made to Developer hereunder for electric energy that would have been produced by the PV System following the Relocation Event; (ii) revenues that Developer would have received with respect to the PV System under applicable solar programs and any other assistance program with respect to electric energy that would have been produced following the Relocation Event; and (iii) revenues from Environmental Attributes that Developer would have received with respect to electric energy that would have been produced by the PV System following the Relocation Event. Determination of the amount of energy that would have been produced following the Relocation Event shall be based, during the first Contract Year, on the estimated levels of production and, after the first Contract Year, based on actual operation of the PV System in the same period in the previous Contract Year, unless Developer and Host mutually agree to an alternative methodology.

5.24 No Voiding of Existing Warranties. Developer shall ensure that the PV System is designed and constructed so that no existing warranties that apply to the Premises are voided because of the installation of the PV System. Developer shall consult, as may be necessary, with any company that has provided such warranty.

5.25 Use of Hazardous Materials Prohibited. Developer shall not use at nor transport to the Property, including the Premises, any hazardous materials, including any substances defined, classified, or otherwise denominated as a “hazardous substance”, “toxic substance”, “hazardous material”, “hazardous waste”, “hazardous pollutant”, “toxic pollutant” or oil by the Applicable Legal Requirements, unless specifically authorized by Host. Developer shall have no liability concerning the release of hazardous materials on or from the Premises other than liability arising from or related to any hazardous materials brought to the Premises at the direction of Developer. The Developer shall fully indemnify the Host for any release of hazardous materials brought to the Property by Developer (or its contractors) and caused by the Developer (or its contractors) including all court costs, attorney’s fees, damages and liabilities as a result thereof. The provisions of this Section 5.25 shall survive the expiration or earlier termination of the Agreement.

**ARTICLE VI: DEVELOPER’S REPRESENTATIONS, WARRANTIES, AND
ADDITIONAL COVENANTS**

6.1 Developer’s Representations and Warranties. As of the Effective Date of this Agreement, Developer represents and warrants to Host as follows:

- (a) Developer has full legal capacity to enter into this Agreement;
- (b) The execution of this Agreement has been duly authorized, and each person executing this Agreement on behalf of Developer has full authority to do so and to fully bind Developer;
- (c) Developer knows of no pending or threatened action, suit, proceeding, inquiry, or investigation before or by any judicial court or administrative or law enforcement agency against or affecting Developer or its properties wherein any unfavorable decision, ruling, or finding would materially and adversely affect the validity or enforceability of this Agreement or Developer’s ability to carry out its obligations under this Agreement; and
- (d) None of the documents or other written or other information furnished by or on behalf of Developer to Host or its agents pursuant to this Agreement contains any knowingly untrue statement of a material fact or knowingly omits to state any material fact required to be stated therein or necessary to make the statements contained herein or therein, in the light of the circumstances in which they were made, not misleading.

6.2 Developer’s Covenants. In addition to the other covenants set forth in this Agreement, Developer covenants to Host as follows:

- (a) Developer shall promptly inform Host and CVEC of the occurrence of any event that may reasonably be expected to materially adversely affect the operation of the PV System or the performance of Developer’s obligations under this Agreement (including, but not limited to, any notices of default under any third party contract and the occurrence of any event that may result in the imposition of material liability or obligations on Developer or Host); and

(b) Developer shall provide Host or CVEC such other information as Host or CVEC may reasonably request in order to review Developer's compliance with the terms of this Agreement.

ARTICLE VII: HOST'S REPRESENTATIONS, WARRANTIES, AND ADDITIONAL COVENANTS

7.1 Host's Representations and Warranties. As of the Effective Date of this Agreement, Host represents and warrants the following to Developer:

- (a) Host has full legal capacity to enter into this Agreement;
- (b) Host has the power to perform all of its obligations hereunder and the right to grant Developer rights provided under this Lease;
- (c) The execution of this Agreement has been duly authorized in accordance with open meeting laws, and each person executing this Agreement on behalf of Host has full authority to do so and to fully bind Host;
- (d) Host knows of no pending or threatened action, suit, proceeding, inquiry, or investigation before or by any judicial court or administrative or law enforcement agency against or affecting Host or its properties wherein any unfavorable decision, ruling, or finding would materially and adversely affect the validity or enforceability of this Agreement or Host's ability to carry out its obligations under this Agreement;
- (e) Host agrees that it has read and fully understands the form of PPA (attached as Exhibit E to this Agreement), including all rights granted to CVEC thereunder;
- (f) Host has delivered to Developer a true, correct and complete copy of warranties in effect with respect to the Premises; and
- (g) Host warrants that it holds sufficient title in the Premises to authorize the completion of activities in this RFP, except those listed in the Additional Exceptions set forth in Exhibit A-1.

7.2 Host's Covenants. In addition to the other covenants set forth in this Agreement, Host covenants to Developer that throughout the Term and any extensions thereof, Host shall not interfere or allow a third party to interfere with the sun affecting the PV System.

ARTICLE VIII: ARTICLE VIII: TERMINATION; DEFAULT; REMEDIES; PURCHASE OPTIONS

8.1 Termination. Subject to Section 8.4 (Force Majeure), this Agreement shall not be subject to termination, except for the following Events of Termination:

(a) Any applicable party may terminate this Agreement prior to the Construction Commencement Date for failure to achieve a condition precedent to construction, pursuant to Section 5.2.

(b) The non-defaulting party may terminate this Agreement in the event a material Event of Default pursuant to Section 8.2 (Events of Default by Host) or 8.3 (Events of Default by Developer) prevents operation of the PV System for twelve (12) months, except with respect to Force Majeure events.

(c) Host may terminate this Agreement in the event that Commercial Operation is not achieved by the Outside Commercial Operation Date unless the Developer cannot satisfy the Outside Commercial Operation Date milestone because Developer lacks a permit, approval or Interconnection Agreement necessary to commence Commercial Operation of the PV System, and Developer is utilizing Commercially Reasonable efforts to secure such permit, approval or Interconnection Agreement, because of Force Majeure as provided in Section 8.4, or because of Host's failure to comply with its obligations under this Agreement; provided that Host may terminate this Agreement as provided in this Section 8.1(c) only if CVEC concurrently terminates the PPA as a result of such occurrence.

(d) Host may terminate this Agreement upon ten (10) Business Days written notice to the Developer, in the event that Developer's material breach of this Agreement, including but not limited to damage to the Premises or its occupants, and such damage is not cured within cure periods set forth in Section 8.3.

(e) Host may terminate this Agreement upon five (5) Business Days written notice, in the event Developer fails to cure an Event of Default under Section 8.3(c);

(f) Either Party may terminate this Agreement in the event that the PPA is terminated, except (i) if the PPA is terminated due to CVEC's or Host's exercise of its Purchase Option (as defined therein), and (ii) Host may not terminate this Agreement in the event the PPA is terminated due to a default by CVEC. Notwithstanding anything herein, this Agreement may not be terminate by either Party prior to the termination of the PPA.

8.2 Events of Default by Host. The following shall each constitute an Event of Default by Host:

(a) Host breaches any material obligation under this Agreement, and fails to cure such breach within sixty (60) Business Days after notification by Developer of the breach.

(b) If any material representation or warranty made by Host in Article VII of this Agreement (Host's Representations, Warranties, and Additional Covenants) proves to have been misleading or false in any material respect when made and as such has had a material adverse effect on the Developer, and Host does not cure the underlying facts so as to make such representation or warranty correct and not misleading within ten (10) Business Days of written notice from Developer.

(c) Host fails to carry out its obligations and duties pursuant to Article X (Quiet Enjoyment).

(d) Any other material breach of this Agreement, or the Intergovernmental Power Sale Agreement, which proves to have a material adverse effect on the Developer, not specifically enumerated above.

Events of Default in this Section 8.2 are subject to specific performance and monetary damages pursuant to Section 8.5 (Remedies).

8.3 Events of Default by Developer. It shall constitute an Event of Default by Developer if Developer:

(a) breaches any material obligation under this Agreement that proves to have a material adverse effect on Host and fails to cure the breach within thirty (30) days after notification by Host of the breach; provided, however, no Event of Default shall occur if the nature of such breach is such that it cannot reasonably be cured within thirty (30) days and Developer commences remedying the breach within said thirty (30) day period and actually remedies the breach with ninety (90) days after notification by Host of the breach;

(b) makes any material representation or warranty made by Developer in Article VI (Developer's Representations, Warranties and Additional Covenants) proves to have been misleading or false in any material respect when made and to have a material adverse effect on the Host, and Developer does not cure the underlying facts so as to make such representation or warranty correct and not misleading within ten (10) Business Days of written notice from Host.

(c) fails to provide or maintain in full force and effect any required insurance or bond or other surety, if such failure is not remedied within five (5) Business Days after receipt of written notice from the Host, or the occurrence of a default by the insurer of such Developer under any insurance policy provided hereunder;

8.4 Force Majeure. Notwithstanding Sections 8.1 (Termination), 8.2 (Events of Default by Host) and 8.3 (Events of Default by Developer), if by reason of Force Majeure either Party is unable to carry out, either in whole or in part, its obligations herein contained, such Party shall not be deemed to be in default during the continuation of such inability, provided that: (a) the suspension of performance be of no greater scope and of no longer duration than is required by the Force Majeure event; (b) no obligations of the Party which were to be performed prior to the occurrence causing the suspension of performance shall be excused as a result of the occurrence; and (c) the non-performing Party shall use Commercially Reasonable efforts to remedy with all reasonable dispatch the cause or causes preventing it from carrying out its obligations. The affected Party shall, as soon as practicable, give the other Party hereto written notice describing the particulars of the occurrence of the Force Majeure event. If an event of Force Majeure continues for a period of one hundred eighty (180) days or longer, either Party may treat such an event as an Event of Termination and may immediately terminate this Agreement by sending the non-performing Party a written termination notice setting forth the

Termination Date, and neither Party shall have liability by reason of such termination. In the Event of Termination under this Section 8.4, Financier shall have step-in rights as provided in Section 8.6.

8.5 Remedies.

(a) In the event the defaulting Party fails to cure the Event of Default within the period for curative action under Sections 8.2 (Events of Default by Host) or 8.3 (Events of Default by Developer), as applicable, the non-defaulting Party may seek specific performance and/or monetary damages.

(b) So long as an Event of Default has occurred and has not been cured, the non-defaulting Party may terminate this Agreement subject to the limitations and under the provisions of Section 8.1.

(c) In the event of an Event of Default by Host requiring the permanent removal of the PV System from the Premises, and provided that the Host designates an alternative location at which the PV System is able to produce substantially equivalent amounts of Electricity, the Developer shall mitigate any damages by removing, storing and re-installing the PV System at the alternative location, all such costs to be borne by Host as damages.

(d) [Reserved].

For breach of any provision for which an express remedy, other than termination, or express measure of damages is provided, such express remedy or measure of damages will be the sole and exclusive remedy, the obligor's liability will be limited as set forth in such provision and all other remedies or damages at law or in equity are waived. If no remedy or measure of damages is expressly provided herein, the obligor's liability will be limited to direct and actual damages only, such direct and actual damages will be the sole and exclusive remedy and all other remedies or damages at law or in equity are waived.

UNLESS OTHERWISE SPECIFICALLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY SPECIAL, INDIRECT, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES, LOST PROFITS, OR BUSINESS INTERRUPTION DAMAGES OF ANY CHARACTER, RESULTING FROM, ARISING OUT OF, IN CONNECTION WITH OR IN ANY WAY INCIDENT TO ANY ACT OR OMISSION OF EITHER PARTY RELATED TO THE PROVISIONS OF THIS AGREEMENT, IRRESPECTIVE OF WHETHER CLAIMS OR ACTIONS FOR SUCH DAMAGES ARE BASED UPON CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR ANY OTHER THEORY AT LAW OR EQUITY. FOR THE AVOIDANCE OF DOUBT, DAMAGES CLAIMED BY HOST HEREUNDER SHALL NOT BE DUPLICATIVE WITH ANY DAMAGES PAID TO CVEC UNDER THE PPA.

(e) Developer's aggregate liability under this Agreement and the PPA shall not exceed Developer's aggregate liability under the PPA.

8.6 Step-in Rights of Financier.

(a) Host agrees to give written notices to any Financier, of which Host has written notice, upon the occurrence of any Event of Default hereunder, the failure of Developer to cure any Event of Default in accordance with the terms of this Agreement, or an Event of Termination on account of Force Majeure, and Financier shall have a period of thirty (30) days after receipt of notice of failure of Developer to cure any Event of Default in accordance with the terms of this Agreement, provided however, that Financier shall have an additional reasonable period of time thereafter, not to exceed an additional ninety (90) days, to cure the Event of Default or Event of Termination on account of Force Majeure if Financier uses Commercially Reasonable efforts to cure such Event of Default or Event of Termination during the initial ninety (90) days after notice aforesaid, and Financier provides reasonable written assurances that it will be able to cure such Event of Default within such a reasonable period of time thereafter.

(b) Host agrees that, prior to termination pursuant to Section 8.1 (Termination), Host shall give written notice to any Financier of which Host has written notice upon the occurrence of any Event of Termination hereunder, and Financier shall have a period of one hundred eighty (180) days after receipt of said notice to cure such Event of Termination.

(c) Host also agrees that, in the event that Host terminates this Agreement pursuant to Section 8.1 (Termination), and Financier agrees in writing to assume all liabilities and obligations of the Developer, then a new agreement shall be executed by Host with Financier to assume the Developer's place, upon the same terms and conditions as are contained in this Agreement; provided, however, that any such new agreement will be for the unexpired term of this Agreement and provided further, nothing herein shall be construed to alter any substantive terms which would expand the rights of Financier or extend or expand Host's obligations hereunder.

8.7 Damage or Destruction of PV System.

(a) Developer shall bear the risk of loss to the PV System (including casualty, condemnation or Force Majeure), except to the extent that such loss results from the gross negligence of the Host or Host's agents, representative, customers, vendors, employees, or contractors.

(b) In the event of any PV System loss, Developer shall, at its sole cost and expense either (i) repair or replace the PV System, or (ii) elect to terminate this Agreement in which case Developer shall remove the PV System and promptly restore the Premises to substantially the same condition as existed prior to the Effective Date in accordance with Section 8.8 (Site Restoration).

(c) In the event of a total or partial PV System loss because of casualty loss of the all of part of the Premises, and the Host elects not to repair or replace the Premises, the Developer shall be limited to recovery of proceeds from its insurance coverage. In the event of a total or partial PV System loss because of casualty loss of the all of part of the Premises, and the

Host elects to repair or replace the Premises, the Developer may exercise either of its options under Section 8.7(b).

8.8 Site Restoration. On the Termination Date, Developer shall peaceably and quietly leave, surrender and yield up unto Host the Leased Premises, provided however that following the Termination Date of this Agreement, Developer shall have one hundred eighty (180) days to remove the PV System from the Leased Premises, and to restore the Leased Premises to a neat and orderly condition, reasonable wear and tear excepted, or such additional time as may be necessary after Host or CVEC have declined to exercise a Purchase Option pursuant to this Lease and the PPA. Developer and Host shall agree upon whether supports, anchors, penetrations, conduits, or other similar ancillary equipment will be removed, considering whether such removal would cause harm or damage to the Premises.

8.9 Abandonment of PV System. Notwithstanding anything to the contrary contained in this Agreement, any waiver in whole or in part of the requirement to remove the PV System shall require the written approval of Host. Any of the PV System left on the Premises after the passage of one hundred twenty (120) days after the Termination Date shall be deemed abandoned. Host shall provide written notice to the Developer within thirty (30) days of the expiration of such one hundred twenty (120) day period, of its election to retain all or any of the PV System as its property, or dispose of all or any of the PV System in such reasonable manner as Host may see fit and at Developer's sole cost; provided, however, that Host's election to retain the PV System as its property shall relieve Developer from any liability for its failure to remove such PV System; and provided further, however, that the foregoing shall not apply to any of the PV System that is not timely removed if the failure to remove is caused by an event of Force Majeure or the negligent acts or omissions of Host (in which in either case the time period for removal shall be extended on a day for day basis).

8.10 Decommissioning Assurance. Upon the issuance of the Notice of Commercial Operation, Developer shall establish and maintain thereafter adequate financial assurance in the amount specified in Exhibit D, to fully cover the cost of decommissioning the PV System and restoring the Premises as specified in this Agreement (such assurance, the "Decommissioning Assurance"). Depending on the circumstances, and subject to Host's approval, appropriate forms of financial assurance may include, without limitation, an escrow fund, irrevocable letter of credit, surety bond or third party guaranty; provided, however, that any form of financial assurance must provide Host with adequate rights to access the Decommissioning Assurance in the event of Developer's failure to comply with its PV System removal and Premises restoration obligations under the Agreement.

8.11 Purchase Option.

(a) **Grant of Purchase Option to Host.** For and in consideration of the agreement of Host to enter into this Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, Developer hereby grants to Host the right and option to purchase all of Developer's right, title and interest in and to the PV System and the Environmental Attributes on the terms set forth in this Lease and the PPA (the

“Purchase Option”). Host, in its sole discretion, shall have the right to exercise the Purchase Option: (i) upon the tenth (10th), twelfth (12th), or fifteenth (15th) anniversary of the Commercial Operation Date, or (ii) upon the expiration of the Term of this Agreement, subject to the timing and conditions set forth in this Article.

(b) Timing of Purchase Option. If the Host declines the Purchase Option or otherwise fails to send its Host Purchase Option Notice within sixty (60) Business Days prior to tenth (10th), twelfth (12th), or fifteenth (15th) anniversary of the Commercial Operation Date under the PPA, or the date of its Termination, then the Buyer shall have a purchase option set forth in Article XIII of the PPA. Promptly following receipt of a Purchase Option Notice from Host, Developer shall promptly, but no more than ten (10) Business Days thereafter, make available to the Host, records relating to the operations, maintenance, and warranty repairs of the PV System and all Environmental Attributes, for its inspection during normal business hours. If Host does not deliver a Purchase Option Notice within the applicable period set forth in this first sentence of this Section 8.11(b), Host shall be deemed to have declined the Purchase Option.

(c) Inspection. Host shall have fifteen (15) Business Days from their respective purchase option notices to inspect the PV system, review the records provided by Developer and exercise other due diligence.

(d) Determination of Purchase Price. The purchase price shall be the higher of the Buyer Purchase Payment in Exhibit C of the PPA, or the Appraised Value of the PV System, as determined by the Independent Appraiser (“Purchase Price”). If the Purchase Option arises out of a Developer Event of Default, the Purchase Price shall be the Appraised Value.

(e) Independent Appraiser. Within twenty-five (25) Business Days of Developer’s receipt of Purchase Option Notice, Developer and Host shall each propose an Independent Appraiser. If Developer and Buyer or Host do not agree and appoint an Independent Appraiser within such twenty-five (25) Business Day period, then at the end of such twenty-five (25) Business Day period, the two proposed Independent Appraisers shall, within five (5) Business Days of each Party’s notice, select a third Independent Appraiser (who may be one of the Independent Appraisers originally designated by the Parties or another Independent Appraiser) to perform the valuation and provide notice thereof to Developer and Host. Such selection shall be final and binding on Developer and Host.

(f) PV System Records and Inspection. The Developer shall make the PV System and records related thereto available to the Independent Appraiser. Similarly, the Host shall make available to the Independent Appraiser the results of its inspection, review of records and other due diligence. The selected Independent Appraiser shall, within twenty (20) Business Days of appointment, make a preliminary determination of the Appraised Value (the “Preliminary Determination”).

(g) Preliminary and Final Appraisal Determinations. Upon making such Preliminary Determination, the selected Independent Appraiser shall provide such Preliminary Determination to Developer and Host, together with all supporting documentation that details the calculation of the Preliminary Determination. Developer and Host shall each have the right to

object to the Preliminary Determination within ten (10) Business Days of receiving such Preliminary Determination; provided that the objecting Party provides a written explanation documenting the reasons for its objection. Within ten (10) Business Days of receipt of the objecting Party's objections, the selected Independent Appraiser shall issue its final determination (the "Final Determination") to Developer and Host, which shall specifically address the objections received by the Independent Appraiser and whether such objections were taken into account in making the Final Determination. Except in the case of fraud or manifest error, the Final Determination of the Appraised Value by the selected Independent Appraiser shall be final and binding on the Parties.

(h) Appraisal Costs. Developer and Host shall each be responsible for payment of one half of the costs and expenses of the Independent Appraiser(s), unless the Purchase Option is to be exercised pursuant to a Developer Event of Default, in which case the Developer shall be responsible to pay the fees and costs of the Independent Appraiser.

(i) Final Purchase Option Notice. Within ten (10) Business Days of the Final Determination, the Buyer or Host shall notify the Developer in writing whether it intends to exercise the Purchase Option at the Purchase Price determined in accordance with Section 13.2 ("Final Buyer Purchase Option Notice" or "Final Host Purchase Option Notice"). Upon such Final Purchase Option Notice, the Purchase Option shall become irrevocable.

(j) Transfer Date. The closing of any sale of the PV System (the "Transfer Date") pursuant to this Article will occur as soon as practicable but no later than ninety (90) Business Days following the date of the notice provided to Developer pursuant to Section 8.11(i). This Agreement shall terminate effective upon the Transfer Date, if not earlier terminated.

(k) Terms of PV System Purchase. On the Transfer Date (a) Developer shall surrender and transfer to Host all of Developer's right, title and interest in and to the PV System, and the Environmental Attributes arising after the Transfer Date, and shall retain all liabilities arising from or related to the PV System and the Environmental Attributes arising prior to the Transfer Date, (b) Host shall pay the Purchase Price after deduction of any Developer Termination Payment or other set-offs, as applicable, by certified check, bank draft or wire transfer and shall assume all liabilities arising from or related to the PV System and the Environmental Attributes from and after the Transfer Date, and (c) Host and CVEC, as applicable, shall pay to Developer all other amounts owing to Developer as of the Transfer Date arising hereunder or under the PPA, and (d) both Parties shall (i) execute and deliver a bill of sale and assignment of contract rights containing such representations, warranties, covenants and other terms and conditions as are usual and customary for a sale of assets similar to the PV System, together with such other conveyance and transaction documents as are reasonably required to fully transfer and vest title to the PV System, and the Environmental Attributes created following the Transfer Date in Buyer or Host, and (ii) deliver ancillary documents, including releases, resolutions, certificates, third person consents and approvals and such similar documents as may be reasonably necessary to complete the sale of the PV System and the

Environmental Attributes to Buyer or Host. The purchase shall be on an “as is,” “where is” basis without warranty of any kind.

(l) Acknowledgement of CVEC’s Purchase Option. In the event that CVEC exercises its Purchase Option under this Lease and the PPA, this Agreement shall be novated to substitute CVEC for the Host and shall continue in full force and effect.

ARTICLE IX: INDEMNIFICATION; INSURANCE

9.1 Developer Indemnification of Host. To the fullest extent permitted by law, the Developer shall indemnify and hold harmless the Host, CVEC and all of their officers, employees, boards, commissions, and representatives from and against all third-party claims, causes of action, suits, costs, damages, and liability of any kind (“*Losses*”), including any Environmental Claim, which arise out of the performance of Developer’s work, provided that such Losses are attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property but only to the extent caused by the negligent or intentional acts or omissions, including failure to comply with the provisions of this Agreement, of the Developer, its employees, agents, subcontractors, or anyone directly or indirectly employed by them or anyone for whose acts Developer is legally liable. This indemnity obligation shall apply notwithstanding any negligent or intentional acts, errors or omissions of the Host, but the Developer’s obligation to pay Losses shall be reduced in proportion to the percentage by which the Host’s negligent or intentional acts, errors or omissions caused the Losses.

9.2 Host Indemnification. To the extent permitted by law, Host shall indemnify and hold harmless Developer from and against any and all Losses from or to third parties for injury or death to persons or damage or loss to or of property to the extent arising out of the negligent or intentional acts or omissions of the Host, its employees, agents, subcontractors or representatives. This indemnity obligation shall apply notwithstanding any negligent or intentional acts, errors or omissions of Developer, but the Host’s obligation to pay Losses shall be reduced in proportion to the percentage by which the Developer’s negligent or intentional acts, errors or omissions caused the Losses. Notwithstanding any other provision in this Agreement, the Host’s and CVEC’s liability hereunder shall be limited by the protections and immunities afforded by and to the amount set forth in Chapter 258 of the Massachusetts General Laws.

9.3 Insurance. The Parties agree to comply with the insurance obligations allocated to them in Exhibit C hereto.

9.4 Survival. If a Party receives notice of the commencement of any proceeding in connection with Losses asserted by any third party as to which it believes that the other Party may have an obligation under Section 9.1 or Section 9.2, such Party shall deliver to the indemnifying Party reasonably prompt written notice thereof, but in any event not later than sixty (60) calendar days after receipt of such notice. Failure to deliver such prompt written notice shall not relieve the indemnifying Party of its obligations under Section 9.2 or Section 9.2, as

applicable, except to the extent that the indemnifying Party is prejudiced by reason of such failure; provided that notwithstanding the foregoing, the provisions of Section 9.1 and 9.2 shall survive for thirty-six (36) months following the commencement of such proceeding.

ARTICLE X: QUIET ENJOYMENT

10.1 Quiet Enjoyment. Host covenants that Developer shall quietly have and enjoy the Premises throughout the Term and any extensions thereof. Host warrants and agrees that, throughout the Term and any extensions thereof:

(a) the Premises shall be dedicated to Developer's use for conducting the Permitted Use and designing, constructing, operating, maintaining, repairing, and expanding the PV System, except as provided for in Section 10.2 and subject to the Additional Exceptions set forth in Exhibit A-1 and Special Conditions in Exhibit D;

(b) any other uses of the Premises by Host or any third party pursuant to Section 10.2 and the Additional Exceptions set forth in Exhibit A-1 shall not materially interfere with the Permitted Use and the operational and solar requirements of the PV System;

(c) Host shall maintain or obtain any agreements, contracts, consents, Permits, approvals, or other instruments or permissions necessary for Developer to have the quiet enjoyment of its rights under this Agreement; and

(d) Host shall, in good faith, use its best efforts to protect Developer's quiet enjoyment of its rights hereunder, including, without limitation, defending against a third party claim that could materially interfere with Developer's rights under this Article X or the Permitted Use.

Subject to the specific provisions of this Agreement permitting the same, Host shall have the right to enter upon the Premises at any time, at its own risk, as may be necessary in connection with the maintenance of the Premises for any purpose, consistent with Section 5.21, and provided that such access does not materially interfere with or affect the operation of the PV System, no such entry that complies with the provisions of this Agreement permitting the same shall be considered a breach of the covenant of quiet enjoyment.

10.2 Host's Reserved Uses. Except as specifically set forth in the Additional Exceptions contained in Exhibit A-1, Host shall not itself conduct any other use, nor shall Host allow any third party to conduct any other use, on the Premises.

ARTICLE XI: ASSIGNMENT AND MORTGAGE

11.1 Assignment.

(a) Developer Assignment. Except as otherwise provided by this Agreement, Developer shall not assign, subcontract, sublet or delegate its rights, privileges or obligations under this Agreement without the prior written approval of Host, provided that prior notice to or

consent of Host shall not be required: (i) for an assignment or transfer by Developer to any of its other individual members or to any Person that is a permitted assignee under the PPA; and (ii) for a collateral assignment by Developer to any Financier, subject to the terms and conditions of this Article XI. For assignments requiring Host's approval, approval may be denied in the reasonable discretion of Host if it determines that the proposed assignee does not have at least the same financial and technical ability as the assigning Developer. Notwithstanding the foregoing, Host may not unreasonably withhold its consent to an assignment to an affiliated entity under common control or management with Developer. Developer's assignee shall agree in writing to be bound by the terms and conditions of this Agreement.

(b) **Host Assignment.** Host shall not assign this Agreement without the prior consent of Developer, such consent not to be unreasonably withheld, provided, however, that any such assignment shall be made subject to the terms and provisions of this Agreement. Host shall assign this Agreement to any successor owner or lessee of the Property or the Premises or to any Person that holds an exclusive easement interest in the Premises or the PV System. Host's assignee shall agree in writing to be bound by the terms and conditions of this Agreement. Host shall promptly provide Developer a copy of the assignment document following any assignment.

(c) The rights and obligations created by this Agreement shall inure to the benefit of, and be binding upon, the successors and permitted assigns of the respective Parties hereto. Notice of any permitted assignment shall be provided to the other Party as soon as practicable.

11.2 Financing by Leasehold Mortgage. Host is cognizant of the need of Developer to finance its interest in the Premises and the PV System thereon, and therefore specifically agrees, subject to Section 8.6, without any further request for prior consent to permit Developer to mortgage, assign or transfer its interest in this Agreement and/or the Premises for the purpose of obtaining financing, which shall include equity and/or debt, provided:

(a) The term of such mortgage, assignment or transfer, or other security interest shall not exceed the Term; and

(b) Developer shall give Host and CVEC notice of the existence of any mortgage, assignment or transfer, together with the name and address of the mortgagee, assignee or transferee, within thirty (30) days of the execution of such mortgage, assignment or transfer.

11.3 Financing by Leasehold Mortgage Release of Developer. Developer shall be relieved from its obligations under this Agreement in whole or in part, as the case may be:

(a) by any whole or partial disposition of Developer's interest in this Agreement in compliance with Section 11.1, when coupled with a written instrument signed by the assignee or transferee of such interest in which said assignee or transferee accepts and agrees to be bound by the terms of this Agreement, unless the Parties agree otherwise, and except as otherwise provided by the terms of any assignment or transfer; and

(b) in the event of any foreclosure by a Financier, in which case the Financier shall substitute for the Developer for purposes of this Agreement.

Absent express written consent of Host, the execution of a mortgage or any assignment from a Financier to another Financier shall not relieve Developer from its obligations under this Agreement.

11.4 Financier Provisions. Any Person or entity that holds or is the beneficiary of a first position mortgage, deed of trust or other security interest in this Agreement or in any PV System located on the Premises (any such first position mortgage, deed of trust or other security interest is referred to herein as a “Leasehold Mortgage”) shall, for so long as its Leasehold Mortgage is in existence and until the lien thereof has been extinguished, be entitled to the protections set forth herein. No Leasehold Mortgage shall encumber or affect in any way the interest of Host or Host’s fee interest in and to the Premises, or Host’s rights under this Agreement. Host shall promptly execute any amendments to this Agreement requested by Financier in connection with the financing of the PV System so long as said amendment does not materially change the terms of this Agreement.

(a) Financier’s Right to Possession, Acquire and Assign. Pursuant to the provisions of this Section 11.4 and subject to Section 8.6, a Financier shall have the right: (i) to assign its security interest; (ii) to enforce its lien and acquire title to the leasehold estate by any lawful means; (iii) to take possession of and operate the PV System or any portion thereof and to perform all obligations to be performed by Developer hereunder, or to cause a receiver to be appointed to do so, subject to the terms and conditions of this Agreement; (iv) to acquire the leasehold estate by foreclosure or by an assignment in lieu of foreclosure; and (v) to sell the PV System and rights under the PPA and any other contracts dealing with the sale of Net Energy or renewable energy certificates from the PV System to a third party. Host’s consent shall not be required for the Financier’s acquisition of the encumbered leasehold estate created by this Agreement, whether by foreclosure or assignment in lieu of foreclosure.

(b) Upon the Financier’s acquisition of the leasehold estate, whether by foreclosure or assignment in lieu of foreclosure, Financier shall have the right to sell or assign said acquired leasehold estate, provided Financier and proposed assignee (as applicable) shall first satisfy each of the following conditions: (i) any such assignee shall be approved in advance by Host, such approval not to be unreasonably conditioned, withheld or delayed; (ii) any such assignee shall assume all of Developer’s obligations under this Agreement; (iii) Financier and/or any proposed assignee shall have satisfied every obligation of Developer existing under this Agreement but which remains unsatisfied at the time of the proposed assignment; and (iv) Financier and any such assignee shall satisfy all Applicable Legal Requirements. Financier may assign this Agreement subject to the same requirements for assignment of the PPA provided in Section 16.2 thereof.

(c) Notice of Default; Opportunity to Cure. The Financier shall be entitled to receive simultaneous notice of any default by Developer, provided that such Financier shall have first delivered to Host notice of its interest in the Leasehold Mortgage in the form and manner, if

any, provided by state laws, rules, regulations, Developer's procedures, and the provisions of this Agreement. If any notice shall be given of the default of Developer and Developer has failed to cure or commence to cure such default within the cure period provided in this Agreement, then any such Financier, which has given notice as above provided, shall be entitled to receive an additional notice that Developer has failed to cure such default and such Financier shall be entitled to cure any such default pursuant to the terms of Section 8.6. The Financier may take possession of the Premises and the PV System, and operate the PV System if necessary, pursuant to Section 8.6.

ARTICLE XII: DISPUTE RESOLUTION

12.1 Dispute Resolution. Unless otherwise expressly provided for in this Agreement, the dispute resolution procedures of this Section 12.1 shall be the exclusive mechanism to resolve disputes arising under this Agreement. The Parties agree to use their respective best efforts to resolve any dispute(s) that may arise regarding this Agreement. Any dispute that arises under or with respect to this Agreement that cannot be resolved shall in the first instance be the subject of informal negotiations between the Parties. The dispute shall be considered to have arisen when one Party sends the other Party a written notice of dispute. The period for informal negotiations shall be fourteen (14) days from receipt of the written notice of dispute unless such time period is modified by written agreement of the Parties. In the event that the Parties cannot resolve a dispute by informal negotiations, the Parties may agree to submit the dispute to mediation. If the Parties so agree, within fourteen (14) days following the expiration of the time period for informal negotiations, the Parties shall propose and agree upon a neutral and otherwise qualified mediator. In the event that the Parties fail to agree upon a mediator, the Parties shall request that the American Arbitration Association, Boston, Massachusetts, appoint a mediator. The period for mediation shall commence upon the appointment of the mediator and shall not exceed sixty (60) days, unless such time period is modified by written agreement of the Parties. The decision to continue mediation shall be in the sole discretion of each Party. The Parties will bear their own costs of the mediation. The mediator's fees shall be shared equally by the Parties. In the event that the Parties cannot resolve a dispute by informal negotiations or mediation, the sole venue for judicial enforcement shall be the courts for or in Barnstable County, Massachusetts. Notwithstanding the foregoing, injunctive relief from such court may be sought without resorting to alternative dispute resolution to prevent irreparable harm that would be caused by a breach of this Agreement.

12.2 Stay of Termination.

(a) During informal negotiations and mediation pursuant to Section 12.1, the Parties shall not exercise any termination rights pursuant to this Agreement. During such informal negotiations and/or mediation, the Parties shall continue to fully perform their respective obligations pursuant to this Agreement. All applicable statutes of limitation and defense based upon the passage of time and similar contractual limitations shall be tolled while discussions in Section 12.1 are pending, the Parties shall take such action, if any, required to effectuate such tolling. Without prejudice to the procedure set forth in Section 12.1, a Party may

file a complaint for statute of limitations purposes, if in its sole judgment such action may be necessary to preserve its claims or defenses.

(b) During the Term of the PPA (as defined therein), if there is any lawsuit pending between Developer and CVEC, Host shall not exercise any termination rights pursuant to this Agreement and shall continue to fully perform its obligations under this Agreement. As to any claims that arise between the Parties under this Agreement, all applicable statutes of limitation and defenses based upon the passage of time and similar contractual limitations shall be tolled while such lawsuit is pending and the Parties shall take such action, if any, required to effectuate such tolling. Notwithstanding the foregoing, Host may file a complaint for statute of limitations purposes, if in its sole judgment such action may be necessary to preserve its claims or defenses. This provision may be waived by Host at any time for any reason.

12.3 Survival. This Article XII shall survive the expiration or earlier termination of this Agreement.

ARTICLE XIII: MISCELLANEOUS

13.1 Construction; Obligation to Modify Agreement. Upon implementation by the Department of Public Utilities, Department of Energy Resources, or other Governmental Authority of any Applicable Legal Requirement that may affect any provision of this Agreement or the economic benefits anticipated by either Party, in particular any rule or regulation regarding Net Metering, the Parties shall be obligated to amend this Agreement and shall use their best efforts to conform such amendment to the original intent of this Agreement, including allocation of economic benefits to most closely approximate the benefits anticipated by both Parties, and to do so in a timely fashion.

13.2 Notices. All notices, demands, requests, consents or other communications required or permitted to be given or made under this Agreement shall be in writing and addressed to the following:

If to Host:

Daniel Knapik
Town Administrator
Town of Yarmouth
1146 Route 28, South Yarmouth, MA 02664
Email: dknapi@yarmouth.ma.us
Phone: [508-398-2231](tel:508-398-2231)

If to Developer:

Distributed Solar Development, LLC

2690 Balltown Road
Building 610
Niskayuna, NY 12309
Attention: Erik Schiemann
Email: Erik.Schiemann@ge.com
Phone: +1 518-742-6863

If to CVEC: Cape & Vineyard Electric Cooperative, Inc.
23H2 White's Path, Suite 2
South Yarmouth, MA 02664
Attn: Liz Argo, Manager
Tel: (774) 722-1812
Email: largo@cvecinc.org

Notices hereunder shall be deemed properly served: (a) by hand delivery, on the day and at the time on which delivered to the intended recipient at the address set forth in this Agreement; (b) if sent by mail, on the third business day after the day on which deposited in the United States certified or registered mail, postage prepaid, return receipt requested, addressed to the intended recipient at its address set forth in this Agreement; (c) if by Federal Express or other reputable express mail service, on the next business day after delivery to such express mail service, addressed to the intended recipient at its address set forth in this Agreement; or (d) by electronic mail (confirmed by the recipient) to the Party to which notice is to be given. Either Party may change its address and contact person for the purposes of this Section 13.2 by giving notice thereof in the manner required herein.

13.3 Entire Agreement; Amendments; Binding Effect. This Agreement and the PPA and Inter-Governmental PSA constitute the entire agreement between the Host, Developer and CVEC, as the case may be, with respect to the subject matter hereof and supersede all prior oral or written agreements and understandings between the Parties relating to the subject matter hereof. This Agreement may only be amended or modified by a written amendment to this Agreement signed by both Parties hereto. This Agreement inures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

13.4 Expenses. Each Party hereto shall pay all expenses incurred by it in connection with its entering into this Agreement, including but not limited to, all attorneys' fees and expenses.

13.5 No Joint Venture. Nothing herein contained shall be deemed to constitute either Party a partner, agent or legal representative of the other Party or to create a joint venture, partnership, agency or any relationship between the Parties. The obligations of the Parties are individual and not collective in nature.

13.6 Joint Work Product. This Agreement shall be considered the work product of both Parties hereto, and, therefore, no rule of strict construction shall be applied against either Party.

13.7 Waiver. No waiver by either Party hereto of any one or more defaults by the other Party in the performance of any provision of this Agreement shall operate or be construed as a waiver of any future default, whether of like or different character. No failure on the part of either Party hereto to complain of any action or non-action on the part of the other Party, no matter how long the same may continue, shall be deemed to be a waiver of any right hereunder by the Party so failing. A waiver of any of the provisions of this Agreement shall only be effective if made in writing and signed by the Party who is making such waiver.

13.8 Governing Law. This Agreement and the rights and duties of the Parties hereunder shall be governed by and shall be construed, enforced and performed in accordance with the laws of the Commonwealth of Massachusetts without regard to principles of conflicts of law.

The Parties agree that to the maximum extent permissible by law, nothing in this Agreement shall be interpreted to eliminate or reduce legal protections or defenses available to CVEC as a public cooperative or to the Host as municipal entity.

13.9 Nondiscrimination. Developer agrees that it shall not, because of race, color, national origin, ancestry, age, sex, religion, physical or mental handicap, or sexual orientation, gender identity, genetic information, or status as a veteran, discriminate against any qualified employee, applicant for employment, subcontractor, or person or firm seeking to provide goods or services to Developer, or deny any person access to the Premises or to any activities or programs carried out upon the Premises. Developer shall comply with all applicable federal and state statutes, rules, and regulations prohibiting discrimination in employment or public accommodation.

13.10 Severability. If any article, section, phrase or portion of this Agreement is, for any reason, held or adjudged to be invalid, illegal or unenforceable by any court of competent jurisdiction, such article, section, phrase, or portion so adjudged shall be deemed separate, severable and independent and the remainder of this Agreement shall be and remain in full force and effect and shall not be invalidated or rendered illegal or unenforceable or otherwise affected by such adjudication, provided the basic purpose of this Agreement and the benefits to the Parties are not substantially impaired.

13.11 Further Assurances. From time to time and at any time at and after the execution of this Agreement, each Party shall execute, acknowledge and deliver such documents and assurances, reasonably requested by the other and shall take any other action consistent with the terms of this Agreement that may be reasonably requested by the other for the purpose of effecting or confirming any of the transactions contemplated by this Agreement.

13.12 Survival. Termination of this Agreement for any reason shall not relieve Host or Developer of any obligation accrued or accruing prior to such termination, including, but not limited to, the obligations set forth in Sections 5.25, 9.1 and 9.2 (Indemnification), Article IX (Indemnification) and Article XII (Dispute Resolution), which shall survive the expiration or termination of this Agreement.

13.13 Counterparts; Scanned Copy. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The Parties agree that a scanned or electronically reproduced copy or image of this Agreement bearing the signatures of the Parties hereto shall be deemed an original and may be introduced or submitted in any action or proceeding as competent evidence of the execution, terms and existence of this Agreement notwithstanding the failure or inability to produce or tender an original, executed counterpart of this Agreement and without the requirement that the unavailability of such original, executed counterpart of this Agreement first be proven.

13.14 CVEC as Third Party Beneficiary. The Parties agree that CVEC shall be a third party beneficiary of this Agreement.

13.15 Special Terms and Conditions. Host understands and agrees that this Agreement is CVEC's standard form lease agreement for project development and that modifications to the main body of this Agreement are not permitted. To the extent there are special terms and conditions that are specific to the installation of the PV System on the Premises, such terms and conditions will be set forth in Exhibit D attached hereto (the "Special Terms and Conditions"). To the extent there is a conflict between the Special Terms and Conditions and the main body of this Agreement, the Special Terms and Conditions will control.

13.16 No Limitation of Regulatory Authority. The Parties acknowledge that nothing in this Agreement shall be deemed to be an agreement by Host to issue or cause the issuance of any permit or approval, or to limit or otherwise affect the ability of the Host or the Commonwealth of Massachusetts to fulfill its regulatory mandate or execute its regulatory powers consistent with Applicable Legal Requirements.

[Signature page to follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

DEVELOPER:

By: _____

Name: _____

Title: _____

HOST:

By: _____

Name: _____

Title: _____

List of Exhibits to this Agreement

Exhibit A – Description of Premises

Exhibit A-1 – Additional Exceptions

Exhibit B – Description of PV System

Exhibit C – Insurance Requirements

Exhibit D – Special Terms and Conditions

Exhibit E – Common Technical Specifications

Exhibit F – Power Purchase Agreement between Developer and CVEC

Exhibit G – Inter-Governmental Power Sales Agreement (Inter-Governmental PSA) between
CVEC and Host

EXHIBIT A

DESCRIPTION OF PREMISES

Address:

50 Workshop Road, Yarmouth, MA 02664

Legal Description:

Yarmouth Parcel E in Yarmouth, MA, located at the above address, as illustrated in the Sketch Plan entitled “Parcel E PV System” below. The PV System on the attached Sketch Plan is identified by the area where the solar panels are located, as such Sketch Plan may be amended or revised from time to time.

Description of the Premises:

The Premises shall further include all necessary electrical and other utility sources, together with the non-exclusive right of ingress and egress from a public right-of-way, to the Premises for the purpose of design, procurement, installation, testing, commissioning, ownership, operation, inspection, maintenance, repair and improvements and removal of the PV System. In the event there are not sufficient electric and other necessary utility sources located on the Premises to enable Developer to transmit Net Energy generated by the PV System to the Point of Delivery, Host agrees to grant Developer or the Distribution Company the right to install such utilities on, over and/or under the Premises and the Property, as necessary to operate the PV System, provided, however, the location of such utilities shall be as reasonably designated by Host.

Parcel E PV System

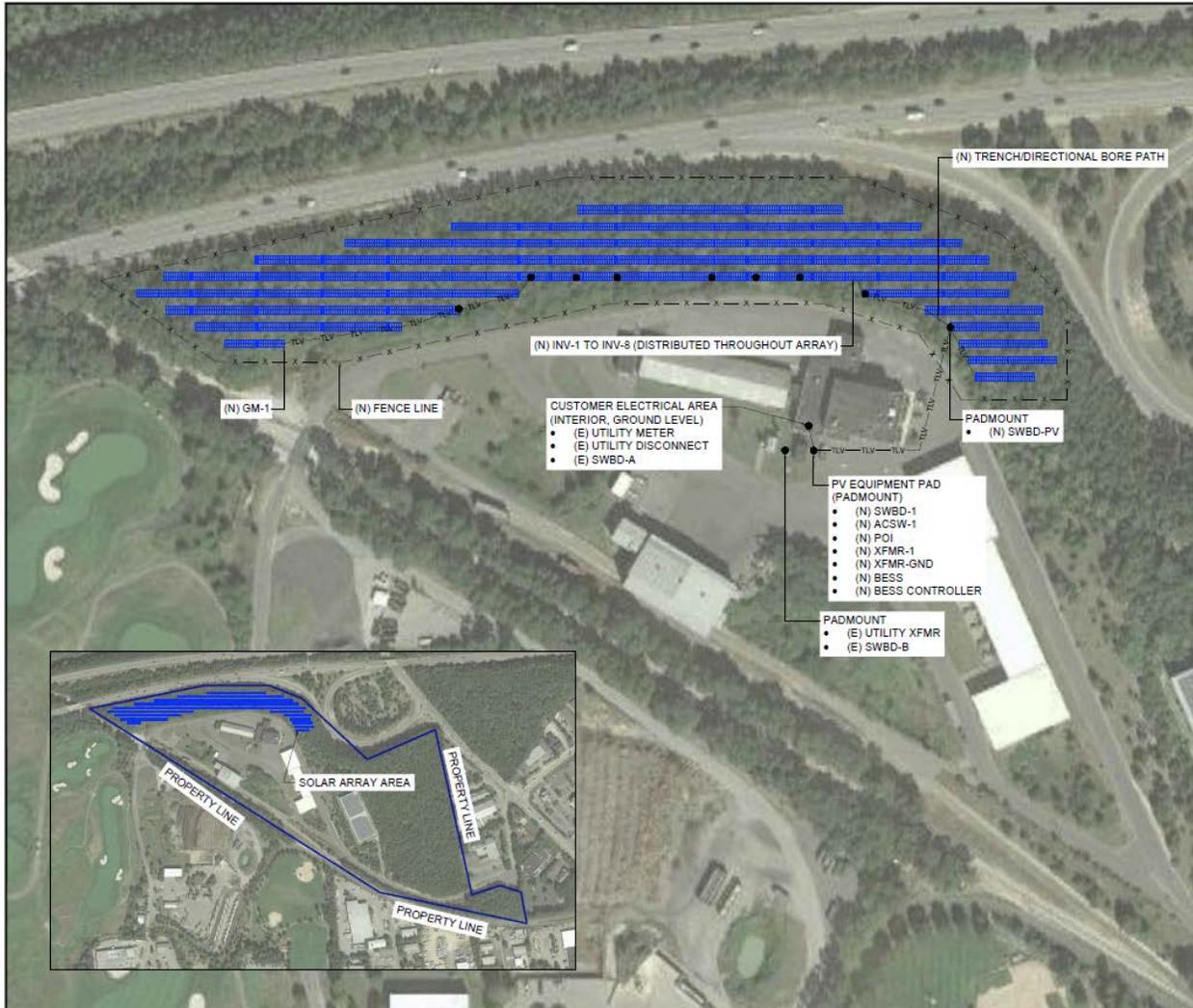


EXHIBIT A-1

ADDITIONAL EXCEPTIONS

A. Developer's use of the Premises shall be subject to the following:

Host's Reserved Uses of the Premises:

[LIST]

EXHIBIT C

INSURANCE REQUIREMENTS

A. Developer's insurance obligations. Developer shall secure and maintain, at its own expense, throughout the Term of this Agreement the following insurance coverage. Developer shall provide Host with evidence, reasonably satisfactory to the Host, of its insurance hereunder, upon request.

1. ***Comprehensive commercial general liability insurance*** of at least \$2,000,000 combined single limit. This limit requirement may be satisfied by (i) the purchase of the specified limits in an individual policy, or (ii) with the purchase of additional umbrella or excess liability insurance which, in combination with the limits of the separate policies, provides the total limit required.

2. ***Excess liability*** coverage of at least \$10,000,000.

3. ***Additional insurance requirements.*** All insurance maintained by Developer shall:

a. include as additional insured the Host for obligations arising out of this Agreement. The policies shall be endorsed to require that such additional insureds receive at least thirty (30) days' notice of cancellation or non-renewal. Additionally, the Developer shall be required to provide notice to the Host of any cancellation or non-renewal at least thirty (30) days in advance of said cancellation or non-renewal.

b. the insurance may be provided on a claims-made basis.

c. in the event such insurance is cancelled or non-renewed, Developer agrees to provide a 36 month discovery period endorsement for obligations under this Agreement.

d. The insurance shall include coverage for bodily injury liability, property damage liability, advertising injury liability and personal injury liability.

e. The insurance shall include blanket contractual liability coverage, including coverage for this Agreement.

B. Host's insurance obligations. Host shall secure and maintain, at its own expense, throughout the Term of this Agreement the following insurance coverage. Host shall provide Developer with evidence, reasonably satisfactory to the Developer, of its insurance hereunder, upon request.

1. ***Commercial general liability insurance*** written on an occurrence basis and endorsed to include its independent contractors, bodily injury liability, property damage liability, personal injury liability, premises/operations liability, and broad form general liability, with limits of not less than \$3,000,000 combined single limit and annual aggregate. This limit

requirement may be may be satisfied by (i) the purchase of the specified limits in an individual policy, or (ii) with the purchase of additional umbrella or excess liability insurance which, in combination with the limits of the separate policies, provides the total limit required.

2. ***Property insurance*** on the Premises with a waiver of subrogation rights against the Developer.

EXHIBIT D
SPECIAL TERMS AND CONDITIONS APPLICABLE TO THIS
LEASE AGREEMENT

EXHIBIT E

COMMON TECHNICAL SPECIFICATIONS

This Exhibit describes the technical specifications and requirements that are common to all the PV Systems. These common technical specifications are those that each PV System must meet or exceed. These specifications and requirements are not intended to be all-encompassing, nor are they intended to override Good Engineering Practice or Applicable laws and code requirements. The Developer is responsible for conformance to all relevant, prevailing codes, and the codes take precedence over these Technical Specifications. Site-specific conditions and/or local regulations may require additional specifications and requirements not included in this Exhibit.

A. Design

1. Design Life and Estimated Production Requirements

- a. Each PV System shall have a service life of twenty (20) years at rated load.
- b. The PV System must be designed so that the estimated annual energy output for the PV System, based on actual site-specific shading, azimuth, and inclination is at least 80% of the default optimal output for a fixed PV System of the same capacity in Boston as estimated by PVWATTS Version 1. PVWATTS Version 1 is available at the following website:
<http://rredc.nrel.gov/solar/calculators/PVWATTS/version1/US/Massachusetts/>

2. Additional Design Requirements - Stamped affidavits or drawings are required for the electrical and structural components of the installation.

- a. The electrical design of the PV System must be performed by a Professional Engineer (“PE”) licensed in the Commonwealth of Massachusetts.
- b. The structural design of the PV System requires a stamped affidavit from a Massachusetts-licensed PE confirming that the underlying structure or bearing stratum, is adequate to withstand the static and dynamic loads of the PV System. The analysis must include all mounted portions of the PV System, including modules, racks, ballast, and other related components. The analysis must also include all mount securing portions of the PV System, including any anchors and penetrating devices.

B. Equipment

1. **General** - All mounting materials for the PV System shall be corrosion-proof aluminum or 316 stainless steel. If the Developer determines the use of galvanized structural steel is warranted, the extent of Developer’s use of such material shall be clearly outlined in the Developer’s Proposal. All materials

subject to exposure to the sun must be sunlight resistant material. All conductors shall be copper. Bare copper conductors exposed to free air shall be tin-plated. Alternative materials must be approved by the Host and CVEC.

2. Inverters

- a. Inverter efficiency shall be equal to or greater than 93%.
- b. Installation shall meet the current UL 1741/IEEE Standard 1547, MEC codes and the latest applicable ANSI and FCC standards and addenda dated prior to the award of the purchase order for this procurement.
- c. The point of interconnection for the inverter(s) shall not be in parallel with any backup generators at the site during emergency generation.
- d. Each inverter shall include:
 - i. Automatic operation including start-up, shutdown, self-diagnosis, fault detection and alarming.
 - ii. Ground fault protection.
 - iii. NEMA 2R rating for interior electrical room location or NEMA 3R for any exterior locations.
- e. The inverter(s) must have secure, weatherproof housing in the exterior installation.
- f. The inverter(s) housing must be a sound structure designed to withstand all dead load, live load, wind and seismic loads for the area.
- g. The inverter(s) must be located to provide adequate air flow for cooling.
- h. Lightning protection must be provided for the inverter(s) housing.

3. Batteries – The battery energy storage system will be DC coupled and meet all NEC requirements.

4. Combiner & Junction Boxes - Combiner boxes and junction boxes which are located outdoors shall have the following characteristics: NEMA 4X enclosure, 600 VDC, and listed by a nationally recognized testing laboratory. All PV System output circuits shall be protected by lightning arrestors of the appropriate voltage rating.

5. DC Disconnect Switches - The DC disconnect(s) shall be 600 VDC, heavy-duty safety switch and be listed by a nationally recognized testing laboratory. Where

located outdoors, disconnects shall be NEMA 3R. Where fused disconnects are used, the fuse shall have appropriate DC ratings.

6. **AC Disconnects** - All AC disconnects shall be rated to interrupt the necessary voltage and current for the application and be listed by a nationally recognized testing laboratory. Where located outdoors disconnects shall be NEMA 3R. The AC disconnect shall be appropriately located per the utility's requirements and its location shall be noted on the one-line electrical drawing.
7. **Interconnection Circuit Breaker** - The Developer shall provide the appropriate size, make, and model circuit breaker for the specified AC interconnection switchgear that is suitable for back feed in accordance with NEC 690.64.
8. **Wiring and Conduit**
 - a. All system wiring shall be of an MEC approved wiring method. All conductors shall have a temperature rating of 90 degrees C or lower.
 - b. All conductors shall be copper, sized appropriately to minimize line losses.
 - c. All conduits used in interior building applications shall be electro metallic tubing ("EMT").
 - d. All exterior conduits shall be hot dipped galvanized EMT with weather tight compression fittings and expansion joints as required.
 - e. Expansion fittings shall be used in conduit runs in compliance with MEC article 300.7. A value of 144°F (80°C) shall be used for the maximum change in temperature (delta T) in the calculation of conduit expansion.
 - f. All conduits shall be bonded at each end using listed bonding bushings.
 - g. Where conduit is attached to roofs, fully flashed, non ferrous stanchions shall allow for expansion and contraction. For roof-mounted conditions, conduits shall be supported at a height greater than 3.5 inches by fully flashed, non ferrous stanchions. Manufacturer's approved surface applied stanchions shall be used on membrane roofs.
 - h. All outdoor electrical enclosures shall be NEMA 3R and have watertight connections.
 - i. Exposed cables shall be listed as sunlight resistant and have a temperature rating of 90°C. These conductors shall be properly secured and well supported. Conductors are not permitted to be resting on the abrasive surfaces such as asphalt shingles.

- j. All wiring and conductors installed in subsurface applications shall be housed in utility grade PVC conduit(s) sufficiently covered and include trench warning identification. Spare conduits shall also be installed with a volumetric capacity of at least 25% of the original service. In the event subsurface conduits are exposed to vehicular traffic, concrete encasement shall be included.

9. PV System Grounding - The PV System shall be properly grounded in accordance with all applicable requirements of local electrical, MEC and NEC codes.

10. PV Array

a. PV Modules

- i. Modules shall be UL 1703 listed.

b. Mounting Systems

- i. In all installations, the mounting system shall promote ambient air circulation beneath and above modules to enhance efficiency. The lower edge of the panels on the mounting should be designed to eliminate power production losses from snow coverage and provide a comfortable working height for maintenance.
- ii. Modules shall be individually removable for maintenance and repair.
- iii. The mounting system, regardless of application, shall be designed to meet or exceed requirements of all applicable state and local building codes, including wind speed, snow and seismic load requirements. The Developer shall describe and document the wind and snow loads that the PV System is designed to withstand.
- iv. For ballasted roof mounted systems, the Developer shall provide a manufacturer's comprehensive designed system. The Professional Engineer responsible for this portion of work shall also be licensed in the state of Massachusetts.
- v. In the event an existing lightning protection system is modified or augmented, the Developer is responsible for UL recertification.
- vi. Each module row or column must be separated to minimize shadowing effects on other modules. The spacing between modules shall be noted on the PV layout drawing.
- vii. For all PV Systems with roof penetration points through previously warranted roofs, and provided that Host has delivered a true, complete and

correct copy of such roof warranty to Developer prior to the Effective Date, then the Developer is responsible for designing and installing the PV System in compliance with such that roof warranty to ensure that it is not voided.

11. Installation Requirements

- a. If the PV System interconnects to a building owned by Host and located on the Property, the output of the PV inverter(s) shall not interfere with or damage the function of existing building electrical distribution systems. All serviceable components must be “accessible” as defined by the MEC article 100. The installation shall comply with all applicable federal, state and local building codes including the latest Massachusetts Electrical Code. The Developer shall not, under any circumstance, operate switchgear forming part of the main distribution system. The Developer shall coordinate with the Host to operate the switchgear to disconnect or re-energize loads. Advanced notice shall be given to the Host for interconnection of PV System output or if the switchgear is to be turned off.
- b. The PV System electrical work must be performed by individuals licensed in Massachusetts.
- c. The PV System must be installed according to the manufacturer’s instructions and in compliance with all applicable codes and standards.
- d. The Developer is responsible for all aspects of the local electric utility interconnection agreement including the submission of Schedule Z to accommodate any Net Metering or Alternative On-bill Credit arrangement requested by CVEC or the Host. An application must be submitted to the local electric utility, with or without Schedule Z as appropriate, to start the formal interconnection process, and sufficient lead time should be allowed to successfully achieve interconnection under the local electric utility interconnection standards. All PV Systems must have an appropriate electric utility interconnection agreement in place at the time of interconnection to the utility grid.
- e. All pertinent permits and inspections must be obtained and copies kept on file as may be required by local codes and/or state law.
- f. All PV Systems shall include appropriate surge arresters or other means to protect the PV System components from lightning and other surge events. It is the responsibility of the Developer to ensure that the installation meets any local, state or federal building and electrical laws that address lightning and surge protection.

12. PV System Warranty Requirements

- a. **Developer Warranty.** All PV Systems must have a minimum five (5) year labor warranty provided by the Developer to protect the Host against defective workmanship, PV System or component breakdown, or degradation in electrical output of more than fifteen percent from their originally rated electrical output during the warranty period. The warranty must cover the PV System, including PV modules (panels) and inverter(s), racking, conduit run, and components, and provide for no-cost repair or replacement of the PV System, components, including any associated labor during the warranty period.
- b. **Manufacturer Warranty.** All major equipment must meet the following minimum manufacturer warranties:
 - i. **Photovoltaic Module:** Minimum of one (1) year product warranty from date of sale to first consumer purchaser for product workmanship and materials, plus a minimum performance warranty of twenty (20) years within which time the module will produce, under standard test conditions, a minimum of 80% of the product's minimum rated power at time of sale.
 - ii. **Inverters:** Minimum of ten (10) years product warranty from date of sale to first consumer purchaser for product workmanship and materials.
 - iii. **Batteries:** Minimum of ten (10) years product warranty from date of sale to first consumer purchaser for product workmanship and materials.
 - iv. **Revenue grade production meters:** Minimum of two (2) years following the effective commercial operation date that the meter system will be free from all defects in design, materials and workmanship. Such warranty, containing no exclusions or limitations, shall be in a form acceptable to, and for the benefit of, the Host.
 - v. **Mounting equipment:** The Developer shall obtain from the mounting system manufacturer(s) a warranty that the mounting system(s) will be free from all defects in design, materials and workmanship for a period of ten (10) years following the effective commercial operation date. Such warranty, containing no exclusions or limitations, shall be in a form acceptable to, and for the benefit of, the Host.

13. Electricity Production Meter Requirements - All PV Systems must have a dedicated revenue grade production meter that:

- a. is readily accessible and easily understood by the Host;
- b. records the PV System's AC output as measured on the AC side of the PV System's isolation transformer;

- c. shall be separate from the local utility billing meter and shall not interfere with utility billing or net metering;
- d. must be a standard utility “revenue quality” meter that conforms to applicable American National Standards Institute (“ANSI”) C-12 standards and shall be installed on the AC output side of the PV System’s inverter or isolation transformer; and
- e. shall have a visible display of cumulative energy produced by the PV System and be available for periodic testing and/or re-calibration, if necessary.

14. Automated Reporting - All PV Systems must include an automated reporting system, i.e. Data Acquisition System (“DAS”) which will report to the Massachusetts Renewable Energy Trust (“MRET”) Production Tracking System (“PTS”) and detail view be accessible to CVEC and Host. In addition, the public will have access to a Public View from the DAS. Where Battery Energy Storage System is proposed, automated and manual system controls must be provided which will be accessible to CVEC and Host offsite through high speed internet online access.

C. Commissioning Requirements

- 1. Commissioning Procedure** - At a minimum, the Developer’s sample testing and commissioning plan shall cover:
 - a. measurement and recording of voltage-open-circuit of every source circuit;
 - b. performance of inverter startup tests as specified by the inverter manufacturer in the inverter operation manual;
 - c. measurement of AC power and comparison to predicted power based upon estimated irradiance level;
 - d. performance of loss of grid test and verification of five minute delay upon restoration of the grid; and
 - e. measurement and recording of I_{mp} of every source circuit, measured at each combiner box (source circuit measurements should be done under uniform irradiance conditions and the time of the first and last measurements taken at each combiner box should be recorded).
- 2.** The Developer shall verify that the data acquisition/display system and, where applicable, the Battery Energy Storage System controls, are functioning properly, comparing independent measurements to data acquisition display and able to switch Battery Energy Storage System configurations and operations.

3. The Developer shall correct, at no additional cost to the Host, any deficiencies uncovered by the testing prior to commissioning of the PV System.

D. Training Requirements

The Developer shall train the Host or staff at the Premises on basic principles of operation, maintenance requirements, on-line data monitoring and system controls, and safety issues that are specific to the PV System installed (including points of contact in emergency situations). An operations manual to accompany the training will be delivered to the Host and to CVEC.

E. Documentation Requirements

1. **Documentation** – The Developer shall prepare an Operations and Maintenance manual for the PV System. In addition, the Contractor shall provide CVEC and the Host each with one (1) printed copy and one (1) digital copies on CD of the information listed below.
2. The documentation shall include:
 - a. A complete set of all approved shop drawings, a list of equipment and products used, and product literature. The list of equipment shall include the manufacturer, brand name, model (if applicable), equipment components, recommended maintenance procedures for each piece of equipment, approximate amount of product installed and materials contained in the product.
 - b. Record drawings showing, to scale, the location of all arrays, locations of major equipment, including combiner box clusters, all underground and major conduit runs, grounding electrodes and specific locations to building or utility connections points. The record drawings shall also contain detailed DC and AC electrical schematics.
 - c. The Permission to Operate provided by the Local Distribution Company.
 - d. Trouble shooting guidelines.
 - e. PV System maintenance schedule and procedures.
 - f. Contact information for technical assistance and parts ordering.
 - g. Records of all warranties and serial numbers of all warranted equipment.

EXHIBIT F

**POWER PURCHASE AGREEMENT
BETWEEN DEVELOPER AND CVEC**

EXHIBIT G
INTERGOVERNMENTAL POWER SALES AGREEMENT
BETWEEN CVEC AND HOST