

Final Agreement

**SunRun Total Solar Agreement Summary**  
Phillipp Residence, 1227 Sea Breeze Ct. Brentwood, CA 94513

**ESTIMATED POWER TO BE DELIVERED OVER THE LIFE OF THIS AGREEMENT:**  
238,684 kilowatt-hours (kWhs)

**CALCULATION OF AMOUNT DUE:**  
Monthly Bill = Cost per kilowatt-hour x Number of kilowatt-hours delivered during the month  
(\$/kWh) (kWh/billing period)

**COST PER KILOWATT HOUR (\$/KWH):**  
\$0.15

**SUNRUN'S OPERATIONS & MAINTENANCE OBLIGATIONS TO YOU:**

- SunRun will insure, maintain, and repair the solar system at no additional cost to you, including inverter replacement.
- SunRun will provide professional-grade monitoring with web access at no additional cost to you.
- SunRun will provide a money-back, electricity production guarantee, as specified in this agreement.

**AGREEMENT TRANSFER, SYSTEM PURCHASE, AND PRE-PAYMENT OPTIONS:**

- Should you move, you may assign this agreement to the new homeowner.
- At certain times, as specified in the agreement, you may purchase the solar system for a price listed in the Agreement.

**OPTIONS AT THE END OF THIS AGREEMENT'S INITIAL TERM:**

1. At your request, SunRun will remove the solar system at no cost to you,
2. You may renew the agreement. Your new solar electricity rate will be the greater of (i) \$0.14/kWh and (ii) 10% less than the then-lowest rate for electricity as charged by your utility provider, OR
3. You may purchase the solar system at its then fair market value.

**About this disclosure**

The California Public Utilities Code Section 2869 was amended on September 28, 2008 to require that a company contracting for the lease of a solar energy system or sale of solar electricity for use in a residence shall include a disclosure to the buyer or lessee that, at a minimum, includes all of the following:

- (A) A good faith estimate of the kilowatt-hours to be delivered by the solar energy system,
- (B) A plain language explanation of the terms under which the pricing will be calculated over the life of the contract and a good faith estimate of the price per kilowatt-hour,
- (C) A plain language explanation of operation and maintenance responsibilities of the contract parties,
- (D) A plain language explanation of the contract provisions regulating the disposition or transfer of the contract in the event of a transfer of ownership of the residence, as well as the costs or potential costs associated with the disposition or transfer of the contract, and
- (E) A plain language explanation of the disposition of the solar energy system at the end of the term of the contract.

SunRun may have prescreened your credit. Prescreening of credit does not impact your credit score. You can choose to stop receiving "prescreened" offers of credit from this and other companies by calling toll-free, 1-888-OPTOUT (1-888-567-8688). See PRESREEN & OPT-OUT NOTICE in Section 20(e) of the SunRun Residential Power Plan Solar Customer Agreement for more information about prescreened offers.

THE SOLAR SYSTEM IS OWNED BY SUNRUN INC. AND/OR ITS AFFILIATES.



SUNRUN INC.  
717 Market Street, Suite 600, San Francisco, CA 94103  
415-982-9000

**SUNRUN RESIDENTIAL TOTAL SOLAR CUSTOMER AGREEMENT**

**THIS DOCUMENT DESCRIBES THE TERMS AND CONDITIONS OF YOUR RECEIPT OF AND PAYMENT FOR ELECTRIC ENERGY TO BE SUPPLIED BY A SOLAR PHOTOVOLTAIC SYSTEM THAT WILL BE INSTALLED AT YOUR HOUSE BY PetersenDean. AND OWNED AND MAINTAINED BY SUNRUN INC.**

**1. Residential Agreement**

(a) You are entering into this SunRun Residential Solar Customer Agreement (referred to as the "Residential Agreement") with SunRun Inc. (referred to as "SunRun"). You represent that you are at least eighteen (18) years of age and that you are the owner of the property located at 1227 Sea Breeze Ct., Brentwood, CA 94513 (referred to as the "Property"). You further represent that every person or entity with an ownership interest in the Property has agreed to be bound by this Residential Agreement.

(b) SunRun is a Delaware Corporation. You may contact SunRun by mail at 717 Market Street, Suite 600, San Francisco, CA 94103, by telephone at (415) 982-8000, or over the Internet at <http://www.sunrunhome.com>. SunRun will arrange for the design, permitting, construction, installation, testing, and activation of a solar photovoltaic system to be located on the roof of your house and/or grounds of the Property. This solar photovoltaic system is referred to as the "Solar Facility."

(c) You agree to allow SunRun to install and maintain the Solar Facility on the grounds and/or roof of the Property at a specific location to be approved by SunRun. During the Initial Term, SunRun agrees to provide you electric energy from the Solar Facility under the terms and conditions set forth in this Residential Agreement. During renewal periods, if any, you agree to purchase all electric energy generated by the Solar Facility at the price specified in this Residential Agreement.

**2. Solar Facility**

(a) SunRun will arrange for the design, permitting, construction, and installation and testing of the Solar Facility on the roof or grounds, as applicable, of the Property in material accordance with a system design that you will have approved. Thereafter, SunRun will operate and maintain the Solar Facility so as to generate electric energy for use at the Property. SunRun will perform these obligations (referred to as "SunRun's Obligations") during the Initial Term of this Residential Agreement and for as long thereafter as the Solar Facility remains economically viable.

(b) You acknowledge and agree that the Solar Facility will be removable equipment and will not be a fixture or otherwise part of the Property. You acknowledge and agree that SunRun will own the Solar Facility and that you will have no ownership interest in the Solar Facility. You acknowledge and agree that the Solar Facility will not be subject to any lien, security interest, claim, mortgage or deed of trust that may be imposed on or assessed against your interest in the Property, or any other property belonging to you. You will have no right to sell, give away, transfer, pledge, remove, relocate, alter or tamper with the Solar Facility at any time. As such, SunRun will not apply a lien to your title. You agree that SunRun may file a Notice of an Independent Solar Energy Producer Contract, pursuant to Article 3 of the California Public Utilities Code.

(c) SunRun will be responsible for all costs and expenses related to performing SunRun's Obligations. During the Initial Term, SunRun will establish a separate fund in an amount that will cover, and be used solely in funding, the costs and expenses associated with the maintenance and repair obligations under this and its other customer agreements. You agree that SunRun has the authority and discretion to use contractors or agents to perform or assist SunRun in performing SunRun's Obligations.

(d) SunRun estimates that the Solar Facility will be capable of generating an average of 13,882 kilowatt-hours ("Initial Year One Production Estimate") of electric energy during its first year of operation, but due to several reasons, including natural variation in weather, actual production will vary. Due to expected panel degradation, SunRun estimates that the Solar Facility will be capable of generating 17.1918 times this amount of kilowatt-hours ("kWh") during the first eighteen (18) years it is operational ("Guaranteed Output"). As set forth in Section 7, SunRun will refund a portion of your Upfront Payment to you if your system does not perform as expected. SunRun makes no other representation, warranty or guarantee of any kind regarding the Solar Facility's actual or expected output or performance.

(e) You agree that SunRun, at its own expense, will install on the outside of the Property, maintain, and periodically test a meter that will measure all electric energy delivered to you from the Solar Facility. If the meter breaks or is found to be inaccurate, SunRun will adjust the bill in the next billing cycle by applying a credit for any overcharges or a debit for any under-charges. You agree not to tamper with, damage or modify the meter in any way. You will be responsible for any damage or inaccuracies in the meter that are caused by you or any other person unrelated to SunRun who may come onto the Property with your knowledge or permission.

**3. Installation Process & Change Orders**

(a) The design for the Solar Facility will be presented to you prior to installation. You will have five (5) business days following this presentation to request a change or cancel this Residential Agreement pursuant to Section 6(a). Otherwise, you will be deemed to have approved the Solar Facility design. With your written, deemed, or verbal approval, Solar Facility installation may begin at any time.

(b) If you wish to change the design or installation process, SunRun will use commercially reasonable efforts to accommodate your request provided that, if such change increases the cost of the Solar Facility or its installation, or decreases its expected output, you agree to a commensurate increase in the Upfront Payment set forth in Exhibit A, and if applicable, change in the Guaranteed Output set forth in Section 7.



(c) If, to properly effect the installation of the Solar Facility, an obligation excluded from this Residential Agreement in Section 17 must be performed, you agree to contract separately with a contractor approved by SunRun, at your expense, to perform such obligation. SunRun will not unreasonably withhold approval.

(d) You agree that the Upfront Payment set forth in Exhibit A may increase or decrease based on change orders arising from conditions that affect the installation of the Solar Facility and were not observable prior to the execution of this Residential Agreement. SunRun or its affiliate shall notify you of a change order created by such a concealed condition.

(e) You agree that the Upfront Payment set forth in Exhibit A may increase or decrease based on the final rebate amount associated with installing the Solar Facility ("Final Rebate"). The Final Rebate may change as a result of Solar Facility orientation, pitch, shading, changes in regulation, rebate availability, estimate method and/or other factors affecting rebate eligibility.

(f) If the Final Rebate decreases by more than seven (7%) percent, either party may cancel this Residential Agreement. If the Final Rebate amount decreases less than or exactly seven (7%) percent, SunRun shall notify you of the increased Upfront Payment in writing.

(g) If prior to or during installation, as a result of either further analysis or changes to the design of the Solar Facility, the annual energy production estimate, expressed in kWh, provided by the California Solar Initiative Expected Performance Based Buydown Calculator ("EPBB Calculator"), becomes less than ninety-three percent (93%) of the number set forth in Section 2(d), you may choose to cancel this Residential Agreement.

(h) SunRun generally monitors Solar Facility performance via cellular service. If cellular service is not available at your Property, SunRun may choose either to cancel this Residential Agreement or increase the Upfront Payment set forth in Exhibit A. If SunRun chooses to increase the Upfront Payment in Exhibit A, then SunRun will notify you in writing or by electronic mail and you will have five (5) business days to accept the increase or cancel this Residential Agreement pursuant to Section 6(f). If you do not respond to SunRun within five (5) business days, SunRun may cancel this Residential Agreement or deem you to have accepted the change.

(i) You may choose to accept changes under this Section 3 in writing or by electronic mail. If a change pursuant to this Section 3 increases the Upfront Payment after you have already paid it to SunRun, you agree immediately to pay SunRun the increase in the Upfront Payment. SunRun may suspend installation until this payment is received.

(j) If you elect to reduce shading of the Solar Facility to provide for increased generation of energy hereunder, the shade reduction must be completed before the Solar Facility's installation, and you agree to maintain this shade reduction for the duration of the Initial Term.

(k) If for a period of one hundred eighty (180) days SunRun fails to perform its obligations required to install and activate the Solar Facility and you have fulfilled all of your obligations under this Residential Agreement, you may cancel this Agreement, in which case SunRun will refund to you the Upfront Payment set forth in Exhibit A provided that your Property was accessible and in a state fully ready to permit the installation of the Solar Facility.

Likewise, if you cause the installation of the Solar Facility to be delayed in excess of one hundred eighty (180) days, SunRun may cancel this Residential Agreement.

(l) You agree to cooperate with SunRun and assist SunRun in obtaining any permits needed, including the NEM Service application in Section 4(a).

(m) Whenever required by applicable law, regulation or code, SunRun requires its contractors to employ licensed personnel.

(n) SunRun, its contractors and agents shall at the end of each business day keep the Property reasonably free from waste materials or rubbish caused by their operations. Prior to Utility Approval, SunRun and its agents shall remove all of their tools, construction/ installation equipment, machinery, waste materials and rubbish from and around the Property.

(o) Subject to the exclusions set forth in Section 19, SunRun will return your Property to a condition similar to its original condition, provided that you notify SunRun in writing or by e-mail of any deficiencies in restoration within five (5) business days of the municipal building inspector approving the Solar Facility.

#### 4. Purchase and Sale of Electricity

(a) As of the date of Utility Approval, you must be taking service from the Standard Net Metering Service ("NEM Service") from your local utility ("Utility"),

- Pacific Gas & Electric ("PG&E")
- Southern California Edison ("SCE")
- San Diego Gas & Electric ("SDG&E")
- Pasadena Water & Power ("PWP")

You agree that you will continue to take NEM Service for as long as this Residential Agreement is in effect. You agree to use the NEM Service currently in effect for this Utility or, in the event that the NEM Service is no longer in effect, a net metering program chosen by SunRun. You agree to execute all documentation associated with NEM Service and the California Solar Initiative promptly at the request of SunRun, its affiliates, and/or the Utility.



(b) SunRun agrees to sell to you, and you agree to purchase from SunRun, all electric energy produced by the Solar Facility. All electric energy produced by the Solar Facility will be made available to you for use at the Property.

(c) If at any time you need more electric energy than is being produced by the Solar Facility ("Supplemental Energy"), you will be solely responsible for purchasing that electric energy from another supplier, such as your Utility. During the term of this Residential Agreement you should expect to purchase Supplemental Energy from your Utility from time to time. Under the NEM, the Utility bills you annually. SunRun will not be in default of this Residential Agreement and will not be responsible for any Supplemental Energy you purchase to complement the electric energy produced by the Solar Facility.

(d) You agree that for all electric energy you purchase from SunRun under this Residential Agreement you will pay SunRun the prices set forth in Exhibit A.

(e) The price specified in subpart (d) above does not include taxes. If any taxes are assessed on the sale of electric energy or on your purchase, if any, of the Solar Facility by you from SunRun under this Residential Agreement, and such taxes are paid by SunRun rather than you, you agree to pay or reimburse SunRun for all such taxes, except to the extent that you are prohibited from doing so by applicable laws.

(f) You agree that title to and risk of loss for the electric energy purchased under this Residential Agreement shall pass from SunRun to you at the point where the Solar Facility connects to the Property's connection to your Utility at the time when the electric energy reaches that point of interconnection.

(g) You agree that SunRun alone will receive any credit, rebate, environmental attribute, or other payment or offset that may be attributable to the Solar Facility and all incentives will be sole property of and transferable by SunRun. Although SunRun may from time to time sell forward such attributes, SunRun agrees not to enter into any new agreements to sell forward any attributes associated with the Solar Facility after you provide notice to SunRun of your intent to purchase the Solar Facility pursuant to Section 11.

#### 5. Billing and Payment

(a) During the Initial Term, SunRun will, within one month of each anniversary of this Agreement, prepare an annual statement detailing the kWh of electric energy produced by the Solar Facility during that year, and specifying any refund due to you from SunRun.

(b) During any renewal terms, for each billing cycle (generally every thirty (30) days during the period that the Residential Agreement is in effect), SunRun will prepare an invoice detailing the kWh of electric energy produced by the Solar Facility during that billing cycle, and specifying the payment due from you to SunRun for that billing cycle.

(c) During any renewal terms, unless you elect below to receive actual energy generation billing, SunRun will bill you monthly for estimated energy generation, which shall be one twelfth the estimated number of kWh generated in that year, and then "true-up" your bill on each anniversary of this Residential Agreement to reflect actual energy generation.

- I opt for actual energy generation billing

You may also once per year switch between actual energy generation billing and estimated generation billing. You may change this billing method by calling SunRun or changing your billing type in your account online at <http://www.sunrunhome.com/>.

(d) During any renewal terms, SunRun will send or e-mail you an invoice no later than ten (10) days after the end of each billing cycle. You agree to pay the amount specified in each invoice by the due date specified in such invoice (which shall be no earlier than twenty (20) days after the date of the invoice). If SunRun does not receive your payment by the due date on the invoice, SunRun may charge you the lesser of an administrative late fee of (i) one and a half (1.5%) percent per month on the portion of your balance that is more than thirty (30) days past due, or (ii) the maximum amount permitted under and subject to applicable law. This late fee is not an interest charge, finance charge, time price differential or other such charge or payment of a similar nature.

(e) You may pay SunRun with a check drawn on a United States bank account mailed to SunRun's main office.

#### 6. Term and Termination

(a) You agree that this Residential Agreement will become effective when both you and SunRun have signed the Residential Agreement.

(b) This Residential Agreement will continue in effect until the earlier of (i) eighteen (18) years following the date the Solar Facility is approved for operation ("Utility Approval") or (ii) the date and time at which Actual Output (as defined in Section 7) equals Guaranteed Output (in either case the "Initial Term").

(c) At the end of the Initial Term, this Residential Agreement will be renewed automatically for an additional one-year term (a "Renewal Term"), unless either you or SunRun gives the other party to this Residential Agreement a termination notice at least thirty (30) days prior to the expiration of the Initial Term. At the end of any Renewal Term, this Residential Agreement shall be renewed automatically for an additional Renewal Term, unless either you or SunRun gives the other party to this Residential Agreement a termination notice at least thirty (30) days prior to the expiration of the Renewal Term then in effect.

(d) If, at the end of the term of this Residential Agreement, you do not wish to renew it, SunRun will remove the Solar Facility at no cost to you.



(e) If you cancel this Residential Agreement pursuant to Section 3, you will not be refunded your Deposit set forth on Exhibit A, but will owe SunRun no further payment.

(f) SunRun will make a good faith effort to notify you between 30 and 60 days before the end of the Initial Term to (i) remind you of your end of term options and (ii) advise you of the rate for electric energy in the first renewal term.

#### 7. Guaranteed Output and Refunds

(a) Subject to the conditions of this Section 7, SunRun guarantees that the Solar Facility will either generate the Guaranteed Output or SunRun will refund to you a portion of your Upfront Payment as described in Sections 7(b) and/or 7(c) below. For the purposes of this Residential Agreement, "Actual Output" shall mean the amount of electric energy created by the Solar Facility to date plus any kWh for which you have previously received a refund.

(b) If you purchase the Solar Facility from SunRun pursuant to Section 11, and at the time of purchase the Actual Output is less than the Guaranteed Output, SunRun will apply a credit towards the purchase price for the Solar Facility. This credit will be calculated by subtracting the Actual Output from the Guaranteed Output, and then multiplying the result by the refund per kWh set forth on Exhibit A for the anniversary date that precedes the date of purchase.

(c) On the third anniversary of this Residential Agreement and on every anniversary thereafter, SunRun will mail you a check if the Actual Output is less than the Guaranteed Output set forth on Exhibit A for that anniversary date. This credit will be calculated by subtracting the Actual Output from the Guaranteed Output for that anniversary date, and multiplying the result by the refund per kWh for that anniversary date set forth on Exhibit A.

(d) For the purposes of the prior calculations, Actual Output shall include any kWh of electricity that would have likely been produced during any day that a grid failure disabled the Solar Facility or you caused or requested the system to be shutdown or generate significantly less electric energy. For the avoidance of doubt, Guaranteed Output will be reduced if SunRun notifies you that tree or other growth is reducing electric energy production and you do not remedy or cause to be remedied such reduced energy production.

(e) The Guaranteed Output is subject to change based on the final year one production estimate from the EPBB Calculator ("Final Year One Production Estimate") that determines the Final Rebate. If The Final Year One Production Estimate is less than The Initial Year One Production Estimate, the Guaranteed Output will be reduced *pro rata* with the reduction in the production estimate (i.e., the Guaranteed Output will be multiplied by the Final Year One Production Estimate and divided by the Initial Year One Production Estimate). Guaranteed Outputs for each anniversary date shall be reduced by the same percentage of any reduction in the Guaranteed Output for the Initial Term. If such a reduction occurs, SunRun will mail or e-mail to you a revised Exhibit A reflecting the changes set forth above.

(f) If in a given NEM Service year, the Solar Facility produces more electric energy than both (i) 125% of the kWh set forth in Section 2(d) and (ii) your actual electricity usage (as shown on your Utility billing statement), SunRun will, upon your request, credit your account for the cost of power delivered in excess of the greater of (i) and (ii) above, if your utility provides you no value for this overproduction.

#### 8. Access, Maintenance and Repair

(a) You agree to grant SunRun access to the roof and the interior of your Property for the purpose of designing, installing, operating, maintaining and testing the Solar Facility and performing SunRun's Obligations. SunRun agrees to give you reasonable notice when SunRun needs to access your Property for any of the foregoing purposes and will endeavor to restrict such access to normal business hours.

(b) When possible you agree to allow SunRun and construction professionals (an engineer, architect, or licensed contractor or their representative) hired by SunRun to enter your Property to inspect your house and, if applicable, roof prior to the installation of the Solar Facility to ensure that your Property is structurally suitable to support the Solar Facility.

(c) If parts fail during the term of this Residential Agreement, SunRun will use commercially reasonable efforts to replace them with like equipment; however, you acknowledge that due to parts availability and other factors, this may not be possible. SunRun agrees that any change in equipment will not reduce the Guaranteed Output set forth in Section 7.

(d) If you plan to move or temporarily disconnect the Solar Facility to allow for maintenance of and/or repair to the Property, you agree, at your expense, either (i) to hire SunRun to perform this work or (ii) to obtain SunRun's approval of your contractor, who you agree must carry commercial general liability policy in an amount not less than one million (\$1,000,000) dollars per occurrence and name SunRun, and its successor or assigns, as additional insured. SunRun will only be responsible for any damage to the roof of the Property that may result from performance of SunRun's Obligations.

(e) You agree to make reasonable best efforts to provide a safe and secure work environment at your home during the course of the Solar Facility installation and maintenance.

#### 9. Insurance

(a) SunRun agrees to carry insurance that covers all damage to and theft of SunRun's Solar Facility. You will not be responsible for insuring the Solar Facility. SunRun agrees to provide you evidence of SunRun's insurance policy for the Solar Facility upon request. If SunRun does not maintain insurance that covers damage to SunRun's Solar Facility, it will be responsible for the consequences of not maintaining such insurance.

(b) You agree to carry homeowner's insurance that covers all damage to your Property during the term of this Residential Agreement, including damage resulting from the Solar Facility, provided such damage was not caused by the gross negligence of SunRun. You agree that you are responsible for contacting your insurance carrier and inquiring as to whether the installation of the Solar Facility will impact your existing coverage. If additional insurance is required to maintain your existing coverage, you will be responsible for either (i) procuring and maintaining such insurance or (ii) the consequences of not procuring and maintaining such insurance.

(c) SunRun requires its contractors performing the Solar Facility installation to maintain insurance coverage as follows: workers compensation, subject to statutory limits; Employers liability, with a minimum of one million (\$1,000,000) dollars each occurrence; commercial general liability, in an amount not less than one million (\$1,000,000) dollars per occurrence and two million (\$2,000,000) dollars annual aggregate; commercial automobile liability, in an amount not less than a combined bodily injury and property damage limit of one million (\$1,000,000) dollars per accident; excess liability insurance with a limit of one million (\$1,000,000) dollars per occurrence and in the annual aggregate in excess of the limits of insurance provided above; and any other insurance required by applicable laws or regulations.

Your initials indicate that you have read, and understand and accept the limitations and obligations set forth in this Section 9.

Accepted by (Initials) PS

#### 10. Options to Purchase

(a) Upon the fifth anniversary of this Residential Agreement, you will have the option to purchase the Solar Facility at the greater of fair market value, as determined at the time, and the price set forth in Exhibit A. Notwithstanding the foregoing, under no circumstance will the price exceed \$38,787, less any refund that you are owed pursuant to Section 7(b). Because we estimate that you would be entitled to a refund upon the fifth anniversary of this Agreement of \$29,432 arising from your Upfront Payment, we estimate that the cash purchase price upon the fifth anniversary will under no circumstance exceed \$9,355. Annually, SunRun will determine fair market value by hiring an independent appraiser to estimate the value of a residential solar facility per nameplate kilowatt. Alternatively, you may hire, at your expense, an expert independent appraiser to value your solar facility in-place. If you choose to hire an independent appraiser, the purchase price will be the average of your appraised estimate and the lesser of (i) SunRun's estimate and (ii) the maximum price set forth above. To purchase the Solar Facility pursuant to this Section 10(a), you must deliver a written notice of your intent to purchase to SunRun within sixty (60) days of the fifth anniversary of this Residential Agreement and deliver payment to SunRun within thirty (30) days of receiving an invoice from SunRun for the purchase price.

(b) You shall have the option to purchase the Solar Facility from SunRun at the end of the Initial Term of this Residential Agreement at greater of fair market value, as determined at the time, and the price set forth in Exhibit A. Notwithstanding the foregoing, under no circumstance will the price, upon the eighteenth anniversary of this Agreement, exceed \$17,640, less any refund that you are owed pursuant to Section 7(b). However, we do not anticipate that you will be owed a refund upon the expiration of the Initial Term. To purchase the Solar Facility pursuant to this Section 11(b), you must deliver a written notice of your intent to purchase to SunRun within sixty (60) days of the end of the Initial Term of this Residential Agreement and deliver payment to SunRun within thirty (30) days of receiving an invoice from SunRun for the purchase price.

(c) You may also purchase the Solar Facility at a price set forth for the previous anniversary date in Exhibit A in accordance with Section 11(b), should you sell your Property during the Initial Term; Section 15, for a number of reasons, including SunRun's failure to perform SunRun's Obligations; or, should your Utility substantially change the terms of its NEM Service.

(d) At other times, please contact SunRun at (415) 982-9000 to discuss the possibility of purchasing the Solar Facility.

(e) SunRun will credit the purchase price by any refund due to you pursuant to Section 7(b). For an example of this calculation, please see Exhibit A.

(f) If you purchase the Solar Facility, SunRun will continue to monitor the Solar Facility for as long as the meter continues to function, or until the eighteenth anniversary of this Residential Agreement, whichever is sooner. However, SunRun will not provide any maintenance or repair unless you enter into a separate agreement with SunRun, at your expense, to perform these services. If possible, SunRun will assign to you any product and/or workmanship warranties still in effect for the Solar Facility.

#### 11. Sale of Property and Assignment

(a) If you sell the Property, you may assign this Residential Agreement to any new owner, provided that the new owner first agrees in writing to be bound by all of the terms and conditions set forth herein. Please contact SunRun or visit <http://www.sunrunhome.com> to obtain an assignment agreement.

(b) During the Initial Term, within sixty (60) days of entering into a contract to sell the Property, you will have the option to purchase the Solar Facility at the greater of fair market value, as determined at the time, and the price set forth in Exhibit A, by delivering a written notice and payment to SunRun.

(c) If you sell or otherwise transfer your interest in the Property without either purchasing the Solar Facility or assigning this Residential Agreement to the new owner, or if the new owner refuses to take assignment, then you will be deemed to have terminated this Residential Agreement.

(d) SunRun may assign this Residential Agreement along with all rights and obligations hereunder to any third party without notice for any purpose, including, without limitation, collection of unpaid amounts, or in the event of an acquisition, corporate reorganization, merger or sale of substantially all of its assets to another entity; provided, however, your rights under this Residential Agreement shall be superior to the rights of any third party and no third party shall be able to interfere with your rights to the Solar Facility as long as you are fulfilling your obligations under this Residential Agreement.



## 12. Limitations of Liability

(a) SUNRUN WILL BE LIABLE TO YOU AND ANY OTHER PERSON FOR DAMAGES OR LOSSES DIRECTLY ATTRIBUTABLE TO ITS NEGLIGENCE OR WILLFUL MISCONDUCT. TOTAL LIABILITY FOR SUCH DIRECT DAMAGES OR LOSSES WILL IN NO EVENT EXCEED ONE MILLION DOLLARS. THIS WILL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR EQUITY ARE WAIVED, EVEN IF YOU HAVE GREATER RIGHTS UNDER CALIFORNIA'S LAWS, WHICH YOU SHOULD CONSULT. SUNRUN IS NOT RESPONSIBLE FOR ANY CON-SEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR LOSSES RELATING TO THIS RESIDENTIAL AGREEMENT, IN TORT OR CONTRACT, INCLUDING ANY NEGLIGENCE OR OTHERWISE.

(b) EXCEPT AS EXPRESSLY PROVIDED HEREIN, SUNRUN MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, REGARDING ITS OBLIGATIONS OR THE SOLAR FACILITY. THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED.

## 13. Resolution of Disputes

(a) You agree that to expedite and control the costs of disputes, resolution of any dispute relating to this Residential Agreement ("Dispute"), will be resolved according to the procedure set forth in this Section 13.

(b) Unless otherwise agreed in writing, SunRun and you agree to continue to perform each party's respective obligations under this Residential Agreement during the course of the resolution of the Dispute.

(c) You agree to first try to resolve informally any Dispute. Accordingly, neither SunRun nor you will start a formal proceeding for at least forty-five (45) days after notifying the other party in writing of the Dispute. You agree to send your notice to the address on the first page of this Residential Agreement, and SunRun will send its notice to your billing address.

(d) If SunRun and you cannot resolve the Dispute informally, the Dispute will be resolved by binding arbitration. The arbitration will be conducted under the rules of JAMS that are in effect at the time the arbitration is initiated (referred to as the "JAMS Rules") and under the rules set forth in this Residential Agreement. If there is a conflict between the JAMS Rules and this Residential Agreement, this Residential Agreement will govern. ARBITRATION MEANS THAT YOU WAIVE YOUR RIGHT TO A JURY TRIAL. You may, in arbitration, seek all remedies available to you under this Residential Agreement as interpreted under California law. If you decide to initiate arbitration, you agree to tell SunRun in writing the amount that you would pay to file a lawsuit in the appropriate court in California. Unless SunRun agrees to pay your fee for you, you only need to pay an arbitration initiation fee equal to such court filing fee, not to exceed one hundred twenty-five (\$125) dollars; SunRun agrees to pay any additional fee or deposit required by JAMS to initiate arbitration. SunRun also agrees to pay the costs of the arbitration proceeding if its actions or inactions are the cause of the Dispute and the arbitrator finds in your favor. Other fees, such as attorney's fees and expenses of travel to the arbitration will be paid in accordance with JAMS Rules. The arbitration will be held near you, unless you and SunRun agree to another location in writing. In order to start arbitration, you or SunRun must take the following actions:

i. Write a demand for arbitration. The demand must include a description of the Dispute and the amount of damages you are seeking. A copy of a demand for

arbitration can be found at [www.jamsadr.com](http://www.jamsadr.com).

ii. Send three copies of the demand for arbitration to: JAMS, Two Embarcadero Center, Suite 1500, San Francisco, CA 94111.

iii. Send one copy of the demand for arbitration to the other party.

(e) You agree to service of process by registered or certified mail, return receipt requested, at your billing address.

## 14. Force Majeure

(a) Neither you nor SunRun will be in default of this Residential Agreement for any delay or failure in the performance under this Residential Agreement (including any obligation to deliver or accept the electric energy output of the Solar Facility) if the delay or failure is due to Force Majeure. Force Majeure includes acts of God such as storms, fires, floods, lightning and earthquakes, sabotage or destruction by a third party of the Solar Facilities, war, riot, acts of a public enemy or other civil disturbance, or a strike, walkout, lockout or other significant labor dispute. Force Majeure does not include economic hardship of either you or SunRun, a power grid failure (except if caused directly by a Force Majeure event), a failure or delay in the granting of permits, or insufficiency, unavailability, failure, or diminishment of solar resources, except as a result of an event that would otherwise qualify as a Force Majeure.

(b) Force Majeure cannot be attributable to fault or negligence on the part of the party claiming Force Majeure and must be caused by things beyond that party's reasonable control. Additionally, you or SunRun must have taken all reasonable technical and commercial precautions to prevent the event.

(c) In order to claim Force Majeure as a reason for non-performance, you or SunRun must give notice to the other party of the Force Majeure within fourteen (14) days of the occurrence of the Force Majeure and estimate how long it will last and what the potential impact is on the Residential Agreement. The party claiming Force Majeure must (1) make reasonable attempts to continue to perform under the Residential Agreement, (2) quickly take action to correct the problem caused by the Force Majeure, and (3) make reasonable efforts to limit damage to the other party. Finally, the party claiming Force Majeure must notify the other party when the Force Majeure event ends and performance will resume as contemplated in this Residential Agreement.



(d) If you or SunRun is prevented from performing under this Residential Agreement for a period of either (i) three hundred sixty-five (365) consecutive days or more, or (ii) seven hundred thirty (730) non-consecutive days or more (whether full or partial days), the other party may terminate this Residential Agreement, without liability of either party to the other, upon thirty (30) days written notice at any time during the Force Majeure.

#### 15. Your Rights and Remedies

(a) If (i) SunRun makes a general assignment for the benefit of creditors, files a petition in bankruptcy, appoints a trustee or receiver, or has all or substantially all of its assets subject to attachment, execution or other judicial seizure, or (ii) SunRun fails to perform an obligation under the Residential Agreement and such failure continues beyond a period of (60) days (provided, in each case, this Residential Agreement is otherwise in full force and effect prior to such event), you will have the option to purchase the Solar Facility by delivering a written notice and payment to SunRun of the price set forth in Exhibit A.

(b) SunRun agrees that, if (A) SunRun (i) makes a general assignment for the benefit of creditors, files a petition in bankruptcy, appoints a trustee or receiver, or has all or substantially all of its assets subject to attachment, execution or other judicial seizure, or (ii) fails to perform an obligation under the Residential Agreement and such failure continues beyond a period of (60) days (provided, in each case, this Residential Agreement is otherwise in full force and effect prior to such event), and (B) you elect to exercise the purchase option granted pursuant to Section 15(a), then you also shall be entitled to liquidated damages in an amount equal to the difference between (x) the price at which the Solar Facility may be purchased pursuant to Section 15 hereof, and (y) the value of the Upfront Payment that you have made to SunRun which corresponds to energy not yet produced. Such liquidated damages payable to you pursuant to this Section 15(b) shall be taken into account and credited against the amount payable by you to acquire the Solar Facility.

#### 16. SunRun's Rights and Remedies

(a) If you (i) fail to perform a material obligation under the Residential Agreement, and you do not correct the failure within one hundred twenty (120) days, (ii) make a general assignment for the benefit of creditors, file a petition in bankruptcy, appoint a trustee or receiver, or have all or substantially all of your assets subject to attachment, execution or other judicial seizure, or you become insolvent or unable to pay your debts, or (iii) vacate or abandon the Property, you shall be deemed in default of this Agreement.

(b) If you (i) terminate this Residential Agreement without also purchasing the Solar Facility or (ii) are deemed in default of this Agreement, SunRun shall, subject to any cure rights provided herein, have the right to enter your Property and remove the Solar Facility, in which case you waive the right to any refunds due to you under Section 7.

#### 17. Exclusions

(a) This Residential Agreement does not include an obligation by SunRun to: remove or dispose of any hazardous substances that currently exist on the Property; improve the construction of the roof or the Property to support the Solar Facility; remove or replace existing rot, rust, or insect infested structures; provide structural framing for any part of the Property; pay for or correct construction errors, omissions, and deficiencies by you or your contractors; pay for, remove, or remediate mold, fungus, mildew, or organic pathogens; upgrade your existing electrical service; install any smoke detectors, sprinklers, or life safety equipment required by municipal code or inspectors as a result of the Solar Facility installation; pay for the removal or re-location of equipment, obstacles or vegetation in the vicinity of the Solar Facility; pay for any costs associated with municipal design or architectural review, or other specialty permits (this includes cost to attend any public hearings, notification of neighbors, or additional drawings required); paint electrical boxes or conduit at the Property; and move items unassociated with the Solar Facility around the Property.

[Intentionally left blank]



13. Miscellaneous

- (a) You agree that this Residential Agreement constitutes the entire agreement between you and SunRun. If any provision is declared to be invalid, that provision will be deleted or modified, and the rest of the Residential Agreement will remain enforceable. The terms of this Residential Agreement that expressly or by their nature survive termination shall continue thereafter until fully performed, which shall include without limitation the obligation to make payments hereunder.
- (b) This Residential Agreement shall be interpreted in accordance with and governed by the laws of the State of California, without regard to the conflict of laws principles thereof.
- (c) You agree that SunRun has the right to periodically check your consumer credit report.
- (d) You agree that SunRun has the right to use graphical representations or photography of the Solar Facility and the Property in its marketing and promotional materials.
- (e) This Residential Agreement supersedes any prior understandings, agreements, or representations by or between the parties, written or oral, to the extent they related in any way to the subject matter hereof.

SUNRUN INC.

11/24/09  
Date

[Signature]  
Signature

[Print Name]  
Print name

[Title]  
Title

CUSTOMER

11/16/09  
Date

[Signature]  
Signature

ROBERT S PHILIPP  
Print name

[Signature]  
Signature (optional)

Lois Philipp  
Print name (optional)

**EXHIBIT A: SUNRUN ELECTRICITY & BUYOUT PRICING**

At the signing of this Residential Agreement you will pay SunRun a lump sum Deposit of \$1,000. At the start of installation of the Solar Facility you will pay SunRun a lump sum Initial Payment of \$34,479. Together, these payments comprise the 'Upfront Payment.' As scheduled below, your Upfront Payment is subject to refund if the Guaranteed Output is not met.

During the Initial Term, SunRun will not charge you for electric energy in addition to the Upfront Payment.

End of Year	Performance Guarantee		Purchase Option
	Guaranteed kWh Output To Date	Refund / kWh If Guaranteed Output Not Met	Minimum Cash Purchase Price
-		NA	NA
1	NA	NA	\$15,907
2	NA	NA	\$11,930
3	41,342	\$0.16	\$7,953
4	54,984	\$0.17	\$3,977
5	68,567	\$0.17	\$0
6	82,060	\$0.18	\$0
7	95,494	\$0.18	\$0
8	108,858	\$0.19	\$0
9	122,153	\$0.19	\$0
10	135,379	\$0.20	\$0
11	148,535	\$0.21	\$0
12	161,622	\$0.21	\$0
13	174,639	\$0.22	\$0
14	187,587	\$0.23	\$0
15	200,465	\$0.23	\$0
16	213,275	\$0.24	\$0
17	226,014	\$0.25	\$0
18	238,685	\$0.25	\$0

After the Initial Term, SunRun shall on each anniversary of this Residential Agreement establish a new price per kWh that is equal to ten percent (10%) less than the baseline rate for electric energy, as established by your Utility or its successor, at the Property for a residential customer. If there is no baseline rate, the lowest rate for peak energy charged to a residential customer at the Property by your Utility, or its successor, shall apply.

Notwithstanding the foregoing, in no event shall this price per kWh be less than \$0.14 per kWh.

Pursuant to Section 7(b), if you purchase the Solar Facility before the Guaranteed Output has been achieved, SunRun will refund to you a portion of your Upfront Payment. Refunds of the Upfront Payment paid prior to the third anniversary of this agreement shall be paid at \$0.15/kWh.