city of Norton Shores

4814 Henry Street Norton Shores, Michigan 49441 www.nortonshores.org

AGENDA 10c
DATE 8·3·2020

July 28, 2020

Council Meeting of August 3, 2020
Subject: Solar Project – Power Purchase and Roof Lease Agreements

The Honorable Mayor
and
Members of the City Council

Ladies and Gentlemen:

At the May 2020 work session staff presented to City Council a Phase II solar proposal whereby solar arrays would be installed on Fire Station 2, the Police Garage/City Hall and the DPW Garage. Projected energy savings over the 25-year life span with the panels is estimated at $355,000.

City Council is requested to enter into a 25-year solar power purchase agreement and rooftop system site lease agreements for each location with New Energy Equity (NEE) of Annapolis, Maryland. Chart House Energy is the local developer for NEE who funds and owns the system. Chart House installs, operates and maintains the system on their behalf.

City Attorney Douglas Hughes has reviewed the agreements. Comments and questions have been satisfactorily addressed and answered.

A resolution is attached for City Council's consideration.

Respectfully submitted,

Mark C. Meyers
City Administrator

MCM/ss
Attachments

Norton Shores will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status, handicap or political beliefs or other legally protected characteristics.

RESOLUTION

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby authorizes the Mayor and City Clerk to execute a 25-year power purchase agreement with New Energy Equity of Annapolis, Maryland and rooftop system site lease agreements for Fire Station 2, Police Garage/City Hall and Public Works Garage.

At a rescheduled meeting of the City Council of the City of Norton Shores, held remotely, on the 3rd day of August 2020, the foregoing resolution was moved for adoption by Council Member . The motion was supported by Council Member .

Ayes:

Nays:

Absent:

Resolution declared adopted/denied.

_____

Shelly Stibitz, City Clerk

city of Norton Shores 50th Anniversary 1968-2018

Internal Memo

May 21, 2020

TO: Mayor and City Council

FROM: Mark C. Meyers, City Administrator MCM

SUBJECT: Chart House Energy Phase II Solar Proposal

In 2016 Chart House Energy installed a solar array on Fire Station #3 located on Pontaluna Road. The solar array has saved the City $700 per year to date in energy costs. Chart House Energy is proposing to install additional arrays on City facilities, including Fire Station #2, the Police Garage/City Hall and the DPW garage. Attached is a proposal reflecting the energy savings of $354,216 over the 25-year life span of the solar installations.

It should be noted that Chart House Energy has been involved with a number of projects in the area including several installations at the City of Muskegon Heights, Spring Lake Village Hall and local industries including Smart Vision Lights and Renishaw. Jon Ledsworth and Rob Rafson of Chart House Energy will present their proposal at the May 26, 2020 work session. Should you have any questions prior to the meeting you may contact me.

/ss
attachment

Chart House Energy

City of Norton Shores Solar Energy Proposal – PHASE TWO

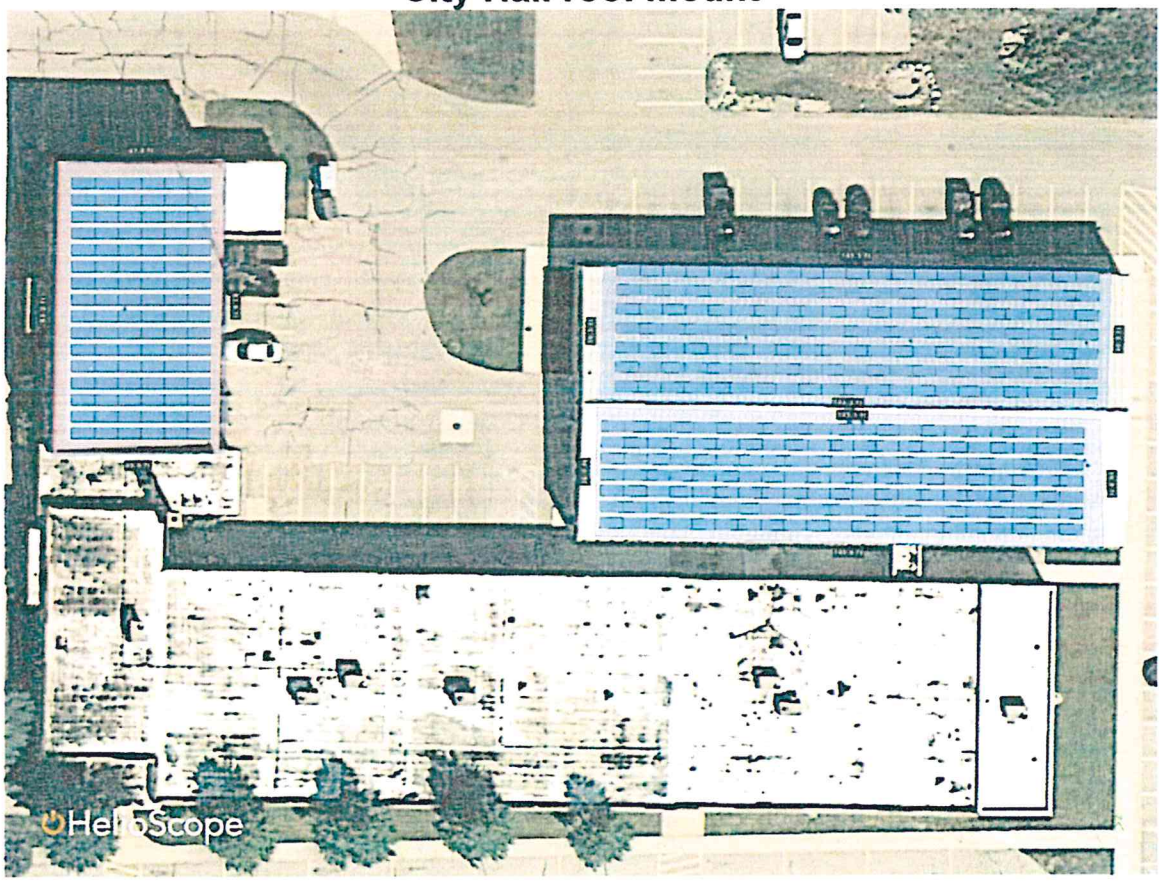
Chart House Energy (CHE) is excited to expand energy savings for the City of Norton Shores again in pursuing the installation and implementation of a solar energy production array at three City facilities. The project would include Fire Station #2, DPW, and City Hall. Solar PV projects provide power for the building, offsetting both energy usage and some peak power usage. The system consists of solar panels, non-penetrating racking, inverters, and wiring. The proposed system details are:

- First Year savings is $3,260, totaling **$354,216 over 25-year** Agreement
  - City realizes 10% savings from solar and energy efficiency measures
  - Savings can be improved by adding energy efficiency measures (not included in this proposal estimate)
  - No upfront investment
- Total **317.5kW** roof mount solar system utilizing 934 solar panels.
- The total investment to be made by Chart House Energy is $667,466
- **Clean, renewable solar energy will provide nearly 100% of Norton Shores' electricity** across these 3 locations.
- **Job training for up to 3 local individuals** to help with project installation.
- Living wage jobs created in the construction field.
- Environmental stewardship and marketing to surrounding communities and state representatives.
- CHE designs, builds, installs, owns, monetizes the tax benefits, operates, and maintains the roof and solar system. All panels and parts will be American-made and Michigan-made where possible. All engineering and labor will come from Michigan and be as local as possible.
- Continued installation of solar will demonstrate Norton Shores' dedication to community and clean, renewable solar energy.
  - Fire Station #3 savings to date $1,422.47
- In this option Norton Shores has no responsibility for operations and maintenance of the solar system and if there ever is a need to maintain the roof CHE will remove panels at no cost.

DPW roof mount
1174 E Mount Garfield

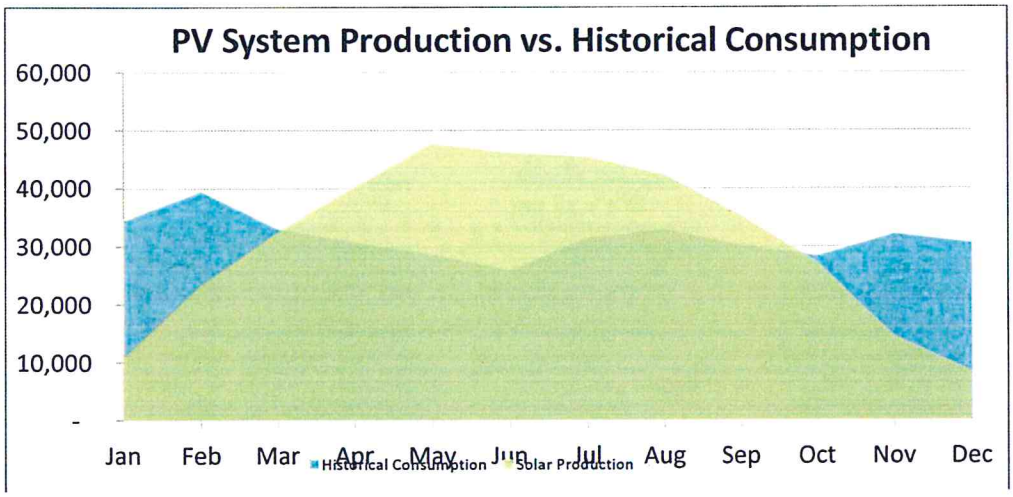
Fire Station #2 roof mount
3920 Airline Road

City Hall roof mount



4184 Henry Street

- **Exact array design will be confirmed upon final design site visit.**



Norton Shores Combined

317.6 kW Solar project

Chart House Energy

Investment

Total Project	$	667,466	
Customer Contribution	$	-	Building integrated cost into solar system

Savings

	Annual total Electric bill (without solar)	Cost of electricity offset by solar	Power Purchase from solar	Annual saving from solar	
2020	$ 51,467	$ 0.1356	$ 0.1270	/kWh	
		3.2%	2.0%	Annual Index	
2021		$ 51,467	$ 48,207	$ 3,260	
2022		$ 52,859	$ 48,935	$ 3,924	
2023		$ 54,289	$ 49,674	$ 4,615	
2024		$ 55,757	$ 50,424	$ 5,333	
2025		$ 57,265	$ 51,186	$ 6,079	
2026		$ 58,814	$ 51,959	$ 6,855	
2027		$ 60,404	$ 52,744	$ 7,661	
2028		$ 62,038	$ 53,540	$ 8,498	
2029		$ 63,716	$ 54,349	$ 9,367	
2030		$ 65,439	$ 55,170	$ 10,270	
2031		$ 67,209	$ 56,003	$ 11,206	
2032		$ 69,027	$ 56,849	$ 12,178	
2033		$ 70,894	$ 57,708	$ 13,186	
2034		$ 72,811	$ 58,579	$ 14,232	
2035		$ 74,781	$ 59,464	$ 15,317	
2036		$ 76,803	$ 60,362	$ 16,441	
2037		$ 78,881	$ 61,274	$ 17,607	
2038		$ 81,014	$ 62,199	$ 18,815	
2039		$ 83,205	$ 63,139	$ 20,066	
2040		$ 85,455	$ 64,092	$ 21,363	
2041		$ 87,767	$ 65,061	$ 22,706	
2042		$ 90,141	$ 66,043	$ 24,097	
2043		$ 92,579	$ 67,041	$ 25,538	
2044		$ 95,082	$ 68,053	$ 27,029	
2045		$ 97,654	$ 69,081	$ 28,573	
				$ 354,216	25 year savings

Power Purchase Agreement

New Energy Equity

And

City of Norton Shores

2530 Riva Road, Suite 200

Annapolis, MD 21401

Main: 443-267-5012

POWER PURCHASE AGREEMENT

This POWER PURCHASE AGREEMENT (this "Agreement") is made and entered into as of **[DATE]** (the "Effective Date") by and between **New Energy Equity, LLC**, a Delaware limited liability company ("Seller"), and **City of Norton Shores** ("Purchaser"), Michigan. Each of Seller and Purchaser are sometimes referred to as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, Seller intends to build, own and operate a photovoltaic solar electrical generation system on the Premises (defined below) that is described in detail in Exhibit B; and

WHEREAS, the Premises are owned by City of Norton Shores ("Host"); and

WHEREAS, Host and Seller are parties to that certain System Site Lease Agreement dated of even date herewith (the "Site Lease"), pursuant to which Host has leased to Seller the Premises (as defined in the Site Lease) and granted to Seller certain easements over, across, through, under, about and on the Premises for the installation, maintenance, and operation of the System;

WHEREAS, Seller desires to install the System on the Premises and sell the electricity generated from the System to Purchaser, on the terms set forth herein; and

WHEREAS, Purchaser desires to purchase from Seller the electricity[1] generated from the System on the terms set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser hereby agree as follows:

AGREEMENT

1. DEFINITIONS. Capitalized terms used herein shall have the meanings ascribed to them in Exhibit A.

2. PURCHASE AND SALE OF ENERGY.

2.1 Sale of Energy. Seller shall sell to Purchaser and Purchaser shall purchase from Seller all of the Energy[2], as and when the same is produced, at the Energy Price in effect at the time of delivery. Seller shall deliver the Energy to the Delivery Point, and Purchaser shall accept the Energy so delivered for the full Contract Term.

2.1.1 If, for any reason, Purchaser's electric requirements are less than the Energy produced by the System, Purchaser shall nevertheless pay for all Energy as and when

[1] In some jurisdictions, it is more correct to describe the transaction as a purchase of net metering credits. It depends in part on the System Owner's drafting preference but also upon how the relevant program is structured.

[2] If there will be multiple Purchasers, then the allocation of the Energy/Net Metering Credits needs to be described here.

produced by System pursuant to the terms of this Agreement. To the extent permitted by law, Purchaser may deliver any excess Energy to Utility in accordance with the Net Metering Rules or enter into other arrangements to deliver or exchange such excess Energy to another purchaser. Seller shall provide reasonable assistance to Purchaser in arranging and coordinating such deliveries or exchanges; provided, that all such assistance shall be at the sole expense of Purchaser.

2.1.2 To the extent that Purchaser's electricity requirements exceed the Energy produced by the System, Purchaser shall purchase such excess electricity from Utility. Purchaser acknowledges that this Agreement is in no way intended to replace Purchaser's Utility electrical service. Such service shall remain Purchaser's primary source of electricity and no minimum level of Energy production is guaranteed by Seller hereunder. Purchaser shall be responsible for all charges, applicable taxes, penalties, ratcheted demand or similar charges assessed by Utility for transmission and distribution service and other services necessary to meet its full energy requirements.

2.1.3 The estimated production of the System is set forth in Exhibit C ("Estimated Production"). Purchaser shall be entitled to utilize the entire Energy output of the System; provided, however, that Seller shall not be required to deliver a minimum amount, or any other specific quantity, of Energy from the System. Anything herein to the contrary notwithstanding, there is no guarantee that Purchaser will realize any energy cost savings as result of this Agreement or the purchase of Energy from the System.

2.1.4 Following the Commercial Operation Date, in the event the System fails to generate any Energy for 180 consecutive days for reasons other than Force Majeure, System upgrades pursuant to Section 3.9, Purchaser's breach of this Agreement or Host's breach of the Site Lease (an "Unexcused Outage") then, beginning on the 181st day and for each subsequent consecutive day of an Unexcused Outage, Seller shall pay to Purchaser, in the form of a set-off against invoices for future Energy deliveries, an amount equal to $10 per day until the end of such Unexcused Outage. Payment by Seller of such amounts shall be Purchaser's sole and exclusive remedy for any Unexcused Outage. In the Event the System fails to generate Energy for 360 consecutive days, then Seller may terminate this Agreement upon thirty (30) days' written notice to Purchaser delivered at any time prior to the date on which the System resumes generating Energy.

2.1.5 THE PARTIES AGREE THAT IT WOULD BE EXTREMELY DIFFICULT OR IMPRACTICABLE UNDER THE PRESENTLY KNOWN AND ANTICIPATED FACTS AND CIRCUMSTANCES TO ASCERTAIN AND FIX THE AMOUNT OF ACTUAL DAMAGES THAT WOULD BE SUFFERED DUE TO UNEXCUSED OUTAGES, INCLUDING THOSE LASTING MORE THAN 180 DAYS. THEREFORE, THE PARTIES ACKNOWLEDGE THAT THE AMOUNTS DESCRIBED IN SECTION 2.1.4 ARE A FAIR AND REASONABLE DETERMINATION OF THE AMOUNT OF DAMAGES WHICH WOULD BE SUFFERED BY PURCHASER FOR UNEXCUSED OUTAGES, AND THAT SUCH AMOUNTS DO NOT CONSTITUTE A PENALTY.

2.2 Contract Term. The term of this Agreement shall be for a period of twenty-five (25) years commencing on the Commercial Operation Date (the "Contract Term").

2.3 Environmental Attributes and Incentives.

2.3.1 Environmental Attributes. Seller shall have all right, title, and interest in and to all Environmental Attributes related to the System. At Seller's expense, Purchaser agrees to cooperate with Seller in any applications for Environmental Attributes related to the System.

2.3.2 Environmental Incentives. Seller shall have all right, title, and interest in and to all Environmental Incentives related to the System. Any Environmental Incentive related to the System that is initially credited or paid to Purchaser shall be assigned by Purchaser to Seller without delay. At Seller's expense, Purchaser agrees to cooperate with Seller in any applications for Environmental Incentives related to the System.

2.3.3 Assistance with Environmental Attributes and Incentives. Purchaser shall promptly assist and cooperate with Seller in acquiring and maintaining in effect all necessary permits and approvals for the System from Governmental Authorities relating to Environmental Attributes and Incentives. Purchaser shall comply with all laws, regulations and rules relating to acquiring and maintaining Environmental Attributes and Environmental Incentives and shall deliver to Seller copies of any documentation related thereto that is required by law to be in the name or physical control of Purchaser. Seller shall reimburse Purchaser for its reasonable and necessary third-party costs incurred in relation to Purchaser's assistance with such matters.

2.3.4 Impairment of Environmental Attributes and Incentives. Purchaser shall not take any action or suffer any omission that would have the effect of reducing or impairing the value to Seller of the Environmental Attributes and Environmental Incentives. Purchaser shall promptly notify Seller of any event, action or omission that could have the effect of reducing or impairing the value of the Environmental Attributes and Environmental Incentives. Upon the occurrence of any such event, action or omission, Purchaser shall consult with Seller as necessary to prevent reduction or impairment of the value of Environmental Attributes and Environmental Incentives.

2.4 Estimated Purchaser Savings. Purchaser acknowledges that the Calculation of Estimated Benefits attached hereto as Exhibit F is solely an estimate of the ongoing costs and benefits that Purchaser may anticipate. Purchaser specifically acknowledges that the Calculation is an estimate based upon several variables that may change, resulting in a change in the amount and nature of the benefits.

3. THE SYSTEM.

3.1 Installation, Operation, and Maintenance of the System. Seller shall be responsible for the installation, operation, and maintenance of the System in a manner consistent with Prudent Operating Practice. If the supply of Energy from the System is interrupted as a result of malfunction or other shutdown, Seller shall use commercially reasonable efforts to remedy such interruption. Both Parties shall comply with all applicable laws and regulations relating to the operation of the System and the generation and sale of Energy, including obtaining and maintaining in effect all relevant approvals and permits.

3.2 Interconnection with Utility.

3.2.1 The System will be interconnected by the Utility with the electrical grid.

3.2.2 RESERVED

3.2.3 Seller shall have sole responsibility for resolving any disputes with Utility regarding the amount of energy production from the System, and shall also have sole discretion over any such resolution.

3.2.4 Purchaser shall be solely responsible for resolving any disputes with Utility regarding the rate applied to Energy production and the amount paid by Utility to Purchaser, as defined and governed by the applicable tariff. Any conflict between the terms of this Agreement and the Tariff shall be resolved in favor of the tariff.

3.3 Maintenance of Health and Safety. Seller shall take all reasonable safety precautions with respect to the operation, maintenance, repair, and replacement of the System and shall comply with all applicable health and safety laws, rules, regulations, and permit requirements. If Seller becomes aware of any circumstances relating to the Premises or the System that creates an imminent risk of damage or injury to any Person or any Person's property (and, should Purchaser become aware of such circumstances, Purchaser shall promptly notify Seller with respect thereto), Seller shall take prompt action to prevent such damage or injury and shall promptly notify Purchaser. Such action may include disconnecting and removing all or a portion of the System, or suspending the supply of Energy to Purchaser.

3.4 Assistance with Permits and Licenses. Upon Seller's request, Purchaser shall assist and cooperate with Seller, to acquire and maintain approvals, permits, and authorizations or to facilitate Seller's compliance with all applicable laws and regulations related to the construction, installation, operation, maintenance, and repair of the System, including providing any building owner or occupant authorizations, signing and processing any applications for permits, local utility grid interconnection applications and utility easements, and rebate applications as are required by law to be signed by Purchaser. Purchaser shall also deliver to Seller copies of any necessary approvals, permits, rebates, or other financial incentives that are required by law in the name or physical control of Purchaser. Seller shall reimburse Purchaser for reasonable and necessary third-party costs incurred by Purchaser in relation to Purchaser's assistance with such matters.

3.5 Commercial Operation Date. Seller shall deliver notice to Purchaser (5) days prior to the occurrence of the Commercial Operation Date.

3.6 Early Termination. In the event that the Notice to Proceed Date has not occurred within one year of the Effective Date, either Party may terminate this Agreement upon thirty (30) days' written notice to the other party delivered at any time prior to the actual Notice to Proceed Date; provided, however, that the foregoing date shall be extended on a day-for-day basis for any Force Majeure occurring after the Effective Date and prior to the Notice to Proceed Date.

3.7 Seller's Taxes. Subject to Section 3.8, Seller is responsible for all taxes in the nature of income taxes arising from the receipt of sales revenue hereunder.

3.8 Purchaser's Taxes. Purchaser is responsible for paying all sales, use and other taxes arising from Purchaser's purchase of the Energy as well as all real and personal taxes assessed

against either the Premises or the System. Seller shall provide reasonable assistance to Purchaser in the negotiation of payment in-lieu of tax agreements with the relevant taxing authorities.

3.9 Notice of Damage. Purchaser shall promptly notify Seller of any physical conditions or other circumstances of which Purchaser becomes aware that indicate there has been or might be damage to or loss of the use of the System or that could reasonably be expected to adversely affect the System.

3.10 System Upgrades. At any time, following notice to Purchaser, Seller may upgrade the System; provided that the upgraded System complies with this Agreement and applicable laws and, provided further, that if any System upgrade would increase the annual Estimated Production by more than ten percent (10%) percent, then Seller shall obtain Purchaser's prior written consent before performing the System upgrade. In order to perform any System upgrades, Seller may disconnect the System and interrupt Energy deliveries, provided that Seller shall complete such upgrades and re-connect the System within 180 days of commencing the upgrades.

4. PAYMENT AND METERING.

4.1 Consideration for Energy Delivered. As consideration for the delivery of Energy by Seller, Purchaser shall pay for Energy delivered hereunder at the applicable Energy Price.

4.2 Invoicing. Seller shall invoice Purchaser for Energy monthly. Seller shall deliver each invoice within thirty (30) Business Days after the end of each monthly billing period. Each invoice shall set out the amount of Energy delivered in kWh during such billing period, the then-applicable Energy Price, and the total amount then due to Seller, including any taxes assessed on the sale of Energy to Purchaser, offsets for amounts due from Seller to Purchaser pursuant to Section 2.1.4, and credits due to Purchaser under Section 4.5. The amount due shall be prorated for any partial month during the Contract Term. Such invoice shall include sufficient detail so that Purchaser can reasonably confirm the accuracy of the invoice including, among other details, beginning and ending meter readings. Purchaser shall pay the amount due to Seller within thirty (30) Business Days after receipt of each invoice. Payments not made within 30 days of receipt of Seller's invoice shall be subject to interest at the Interest Rate until paid.

4.3 Disputed Amounts. A Party may in good faith dispute the accuracy of any invoice (or any adjustment to any invoice) under this Agreement at any time within thirty (30) days following the receipt of the invoice (or invoice adjustment). In the event of such a dispute, such Party shall nonetheless pay the full amount of the applicable invoice or invoice adjustment on the applicable payment due date, except as expressly provided otherwise elsewhere in this Agreement, and to give written notice of the objection to the other Party. Any required refund following resolution of such dispute shall be made within five (5) Business Days after final resolution thereof, together with interest accrued at the Interest Rate from the original payment due date to the date refunded.

4.4 Metering of Delivery. Seller shall measure the amount of Energy supplied to Purchaser at the Delivery Point using a commercially available, revenue-grade metering system. Such meter shall be installed and maintained at Seller's cost. Purchaser shall cooperate with Seller to enable Seller to have reasonable access to the meter as needed to inspect, repair, and maintain

such meter. At Seller's option, the meter may have standard industry telemetry and/or automated meter reading capabilities to allow Seller to read the meter remotely. If Seller elects to install telemetry allowing for remote reading, Purchaser shall allow for the installation of necessary communication lines and shall reasonably cooperate in providing access for such installation. The meter shall be kept under seal, such seal to be broken only when the meter is to be tested, adjusted, modified, or relocated. In the event that either Party breaks a seal, such Party shall notify the other Party as soon as practicable.

4.5 Meter Verification. On each of the fifth, tenth, fifteenth and twentieth anniversaries of the Commercial Operation Date, or earlier at Seller's discretion, Seller shall test the meter and provide copies of any related test results to Purchaser. The tests shall be conducted by a qualified independent third party. Seller shall notify Purchaser seven (7) days in advance of each such test, and shall permit Purchaser to be present during such tests. If a meter is inaccurate, Seller shall promptly cause the meter to be repaired or replaced. If a meter is accurate or inaccurate by two percent (2%) or less, then Purchaser shall pay the costs of the meter testing. If a meter is inaccurate by more than two percent (2%), then Seller shall pay for the costs of the meter testing. If a meter is inaccurate by more than two percent (2%) and the duration of such inaccuracy is known, then prior invoices shall be adjusted accordingly and any amounts owed to Purchaser shall be credited against future invoices for Energy deliveries. If a meter is inaccurate by more than two percent (2%) and it is not known when the meter inaccuracy commenced, then prior invoices shall be adjusted for the amount of the inaccuracy on the basis that the inaccuracy persisted during the twelve-month period preceding the test and any amounts owed to Purchaser shall be credited against future invoices for Energy deliveries.

4.6 Books and Records. To facilitate payment and verification, each Party shall maintain all books and records necessary for billing and payments, including copies of all invoices under this Agreement, for a period of at least two (2) years, and Seller shall grant Purchaser reasonable access to those books, records, and data at the principal place of business of Seller . Purchaser may examine such books and records relating to transactions under, and administration of, this Agreement, at any time during the period the records are required to be maintained, upon request with reasonable notice and during normal business hours, however not more than once per year.

4.7 Change in Law. The Parties acknowledge and agree that the Energy Price is based on assumptions related to the availability to the Seller of the Environmental Incentives. In the event of the elimination or alteration of one of more Environmental Incentives or any other change in law that results in a material adverse economic impact on Seller in respect to this Agreement, the Parties shall work in good faith to amend this Agreement within thirty (30) Business Days after such elimination or alteration as may be reasonably necessary to restore the allocation of economic benefits and burdens contemplated hereunder by the Parties. If the Parties fail to enter into such an amendment by the end of such thirty (30) Business Day period, Seller may terminate this Agreement without penalty, and Seller shall remove the System from the Premises within one hundred eighty (180) days of such termination.

5. OPTION TO PURCHASE SYSTEM; END OF TERM.

5.1 Grant of Purchase Option. Seller hereby grants to Purchaser the right and option to purchase all of the Seller's right, title, and interest in and to the System on the terms set forth herein ("Purchase Option"). Purchaser may exercise the Purchase Option on either the sixth (6th), tenth (10th), fifteenth (15th) or twentieth (20th) anniversary of the Commercial Operation Date, or simultaneously with the termination of this Agreement pursuant to Section 10.2 (collectively, the "Purchase Option Dates"), provided that no Purchaser Event of Default, or any event which with the passage of time will become a Purchaser Event of Default, has then occurred and is ongoing.

5.2 Determination of Purchase Price. Purchaser may, on or at any time within thirty (30) days before each Purchase Option Date, request a determination of the purchase price under the Purchase Option (the "Purchase Price"). The Purchase Price shall be the fair market value of the System, as determined by an independent appraiser retained by the Parties (the "Independent Appraiser"). The Independent Appraiser shall be an individual who is a member of a national accounting, engineering or energy consulting firm qualified by education, experience, and training to determine the value of solar generating facilities of the size and age and with the operational characteristics of the System, and who specifically has prior experience valuing solar energy generating facilities. The Independent Appraiser shall be reasonably acceptable to Seller. Except as may be otherwise agreed by the Parties, the Independent Appraiser shall not be (or within three (3) years before his or her appointment have been) a director, officer, or an employee of, or directly or indirectly retained as consultant or adviser to, either of the Parties or their respective Affiliates. The fair market value assessment of the System shall consider, among other things, the income and savings associated with the System for the remaining portion of the Contract Term, the terminal value of the assets and the System's past and projected performance. The Independent Appraiser shall make a determination of the Purchase Price within thirty (30) days of appointment (the "Price Determination"). Upon making the Price Determination, the Independent Appraiser shall provide a written notice thereof to both Seller and Purchaser, along with all supporting documentation detailing the method of calculation of the Purchase Price. Except in the event of fraud or manifest error, the Price Determination shall be a final and binding determination of the fair market value. If Purchaser wishes to exercise the Purchase Option following the Price Determination, it shall deliver an exercise notice to Seller within ten (10) days of receipt of the Price Determination (the "Exercise Period"). Any such exercise notice shall be irrevocable once delivered. If Purchaser does not exercise the Purchase Option during the Exercise Period, then the Price Determination shall be null and void, and Purchaser may not request a new determination of the Purchase Price until the next Purchase Option Date. Each Price Determination by an Independent Appraiser shall be at Purchaser's expense.

5.3 Terms and Date of System Purchase. The Parties shall consummate the sale of the System to Purchaser no later than forty-five (45) days following Purchaser's exercise of the Purchase Option. On the effective date of such sale (the "Transfer Date") (a) Seller shall surrender and transfer to Purchaser all of Seller's right, title, and interest in and to the System and shall retain all liabilities, Environmental Attributes, Environmental Incentives, and profits arising from or relating to the System that arose prior to the Transfer Date; (b) Purchaser shall pay the Purchase Price to Seller in readily available funds, and shall assume all liabilities arising from or relating to the System as of and after the Transfer Date; (c) Purchaser shall pay all amounts due under this Agreement for Energy delivered hereunder; and (d) both the Seller and the Purchaser shall (i) execute and deliver a bill of sale and assignment of contract rights, together with such other conveyance and transaction documents as are reasonably required to fully transfer and vest title to

the System in Purchaser, and (ii) deliver ancillary documents, including releases, resolutions, certificates, third-party consents and approvals, and such similar documents as may be reasonably necessary to complete and conclude the sale of the System to Purchaser. The purchase and sale of the System shall be on an "as-is, where-is" basis, and Seller shall not be required to make any warranties or representations with regard to the System, but Seller shall, to the extent reasonably possible, transfer or assign to Purchaser all manufacturer and third-party warranties with respect to the System or any part thereof. Purchaser shall pay all transaction and closing costs associated with exercise of the Purchase Option.

5.4 End of Term. In the event Purchaser declines to exercise its Purchase Option in connection with the final Purchase Option during the Contract Term, then, at least thirty (30) days before the expiration of the Contract Term, the Parties shall use commercially reasonable efforts to negotiate and document an extension of the Contract Term. In the event the Parties fail to reach agreement regarding such an extension, then Seller shall, within one hundred eighty (180) days after the date of expiration of the Contract Term, remove the System from the Premises, provided that Seller shall not be required to remove electrical wiring or infrastructure, or any portion of the System below grade level. Other than as specifically provided otherwise herein or in the Site Lease, the removal of the System shall be at the cost of Seller.

6. TITLE AND RISK OF LOSS.

6.1 Title. Seller shall at all times retain title to and be the legal and beneficial owner of the System, and the System shall remain the personal property of Seller and shall not attach to or be deemed a part or fixture of the Premises. Seller may file one or more precautionary financing statements in jurisdictions it deems appropriate with respect to the System in order to protect its rights in the System.

6.2 Risk of Loss. Seller shall bear the risk of loss for the System, except to the extent caused by the breach by Purchaser of its obligations under this Agreement, the Site Lease or the negligence or intentional misconduct of Purchaser or its invitees.

6.3 System Casualty. Following any event resulting in material damage or destruction to the System, or roof supporting the System, or loss of the System, Seller shall have the option, in its sole discretion, to repair or replace the System and/or roof or to terminate this Agreement. Seller shall notify Purchaser in writing of its election within thirty (30) days after the date of the damage to the System. Seller shall under all circumstances be entitled to all insurance proceeds with respect to the System. If Seller elects to repair or replace the System, Seller shall undertake such repair or replacement as quickly as practicable. If Seller elects to terminate this Agreement, the termination shall be effective immediately upon delivery of the notice under this Section 6.3.

7. FORCE MAJEURE.

7.1 Force Majeure. To the extent either Party is prevented by an event of Force Majeure from performing its obligations under this Agreement, such Party shall be excused from the performance of its obligations under this Agreement. The Party claiming Force Majeure shall 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 shall 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, no Party may claim relief by reason of Force Majeure from a simple requirement to pay money due hereunder.

7.2 Notice. In the event of any delay or nonperformance resulting from an event of Force Majeure, the Party suffering the event of Force Majeure shall, as soon as practicable, notify the other Party in writing of the nature, cause, date of commencement thereof and the anticipated extent of any delay or interruption in performance; provided, however, that a Party's failure to give timely notice shall not affect such Party's ability to assert Force Majeure unless and to the extent that the delay in giving notice prejudices the other Party.

8. ADDITIONAL COVENANTS.

8.1 Liens. Purchaser shall not directly or indirectly cause, create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics', labor or materialman's lien), charge, security interest, encumbrance or claim on or with respect to the System or any portion thereof. If Purchaser breaches it obligations under this Section 8.1, it shall promptly notify Seller in writing, shall promptly cause any lien to be discharged and released of record without cost to Seller, and shall indemnify Seller against all claims, losses, costs, damages, and expenses, including reasonable attorneys' fees, incurred in discharging and releasing such lien.

8.2 Additional Purchaser Financial Information. If requested by Seller, Purchaser shall deliver within one hundred-eighty (180) days following the end of each fiscal year, a copy of Purchaser's annual report containing audited consolidated financial statements with footnotes for such fiscal year. In all cases such financial statements shall be for the most recent accounting period and prepared in accordance with generally accepted accounting principles consistently applied; provided, however, that if any such financial statements are not available on a timely basis due to a delay in preparation or certification, such delay shall not by itself constitute a Purchaser Event of Default so long as Purchaser diligently pursues the preparation, certification and delivery of the statements. [NTD – adjust for unaudited or public entity financial reporting]

8.3 Performance Assurance; Downgrade Event. If at any time Seller, in its sole judgment, determines that Purchaser's or Purchaser's Performance Assurance provider's creditworthiness or performance under this Agreement has or will become unsatisfactory, or if Purchaser or Purchaser's Performance Assurance provider experiences a Downgrade Event, then Seller may by written notice require Purchaser to provide Performance Assurance within fifteen (15) Business Days. Purchaser shall obtain and maintain such Performance Assurance, unless otherwise agreed upon by Seller in writing.

8.4 Conditions Precedent. The Seller's obligations hereunder shall be subject to and conditional upon each of the following conditions being met to the Seller's satisfaction:

(a) Receipt of all necessary permits and approvals for construction and operation of the System, determination being at the sole discretion of the Seller.

(b) Completion of contract negotiations with Utility on the interconnection design and approval.

(c) Approval of this Agreement by Seller's Financial Partners.

9. REPRESENTATIONS AND WARRANTIES.

9.1 Representations and Warranties of Purchaser. Purchaser represents and warrants to Seller that:

9.1.1 Purchaser has the requisite corporate, partnership or limited liability company capacity to enter into this Agreement and fulfill its obligations hereunder, that the execution and delivery by it of this Agreement and the performance by it of its obligations hereunder have been duly authorized by all requisite action of its stockholders, partners or members, and by its board of directors or other governing body, and that, subject to compliance with and obtaining all required governmental approvals under any applicable regulatory laws or regulations governing the sale or delivery of Energy, the entering into of this Agreement and the fulfillment of its obligations hereunder does not contravene any law, statute or contractual obligation of Purchaser;

9.1.2 This Agreement constitutes Purchaser's legal, valid and binding obligation enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws now or hereafter in effect relating to creditors' rights generally;

9.1.3 No suit, action or arbitration, or legal administrative or other proceeding is pending or has been threatened against the Purchaser that would have a material adverse effect on the validity or enforceability of this Agreement or the ability of Purchaser to fulfill its commitments hereunder, or that could result in any material adverse change in the business or financial condition of Purchaser;

9.1.4 No governmental approval (other than any governmental approvals which have been previously obtained) is required in connection with the due authorization, execution and delivery of this Agreement by Purchaser or the performance by Purchaser of its obligations hereunder which Purchaser will be unable to obtain in due course; and

9.1.5 The audited financial statements of Purchaser for the most recent three calendar years, together with any unaudited interim financial statements of Purchaser, (i) have each been prepared in accordance with generally accepted accounting principles consistently applied throughout the respective periods covered thereby, except as otherwise expressly noted therein; and (ii) present fairly and accurately the financial condition of Purchaser as of the dates thereof and results of its operations for the periods covered thereby. Purchaser further represents and warrants to Seller that since the date of the most recent of the above-referenced financial statements, there has been no material adverse change in Purchaser's financial condition, business, operations or prospects.

9.2 Representations and Warranties of Seller. Seller represents and warrants to Purchaser that:

9.2.1 Seller has the requisite corporate, partnership or limited liability company capacity to enter into this Agreement and fulfill its obligations hereunder, that the execution and delivery by it of this Agreement and the performance by it of its obligations hereunder have been duly authorized by all requisite action of its stockholders, partners or members, and by its board of directors or other governing body, and that, subject to compliance with and obtaining all required governmental approvals under any applicable regulatory laws or regulations governing the sale or delivery of Energy, the entering into of this Agreement and the fulfillment of its obligations hereunder does not contravene any law, statute or contractual obligation of Seller;

9.2.2 this Agreement constitutes Seller's legal, valid and binding obligation enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws now or hereafter in effect relating to creditors' rights generally;

9.2.3 No suit, action or arbitration, or legal administrative or other proceeding is pending or has been threatened against the Seller that would have a material adverse effect on the validity or enforceability of this Agreement or the ability of Seller to fulfill its commitments hereunder, or that could result in any material adverse change in the business or financial condition of Seller; and

9.2.4 Neither the System nor any of Seller's services provided to Purchaser pursuant to this Agreement infringe on any third party's intellectual property or other proprietary rights.

10. DEFAULTS/REMEDIES.

10.1 Seller Event of Default. Each of the following events shall constitute a "Seller Event of Default":

10.1.1 Seller fails to pay to Purchaser any amount when due under this Agreement and such failure remains uncured for ten (10) Business Days following notice of such failure to Seller; or

10.1.2 Seller materially breaches any other term of this Agreement and (i) if such breach is capable of being cured within thirty (30) days after Purchaser's notice to Seller of such breach, Seller has failed to cure the breach within such thirty (30) day period, or (ii) if Seller has diligently commenced work to cure such breach during such thirty (30) day period but such breach is not capable of cure within such period, Seller has failed to cure the breach within a further one hundred fifty (150) day period (such aggregate period not to exceed one hundred eighty (180) days from the date of Purchaser's notice).

10.2 Purchaser's Remedies. If a Seller Event of Default has occurred and is continuing, Purchaser may terminate this Agreement by written notice to Seller following the expiration of the applicable cure period, and may exercise any other remedy it may have at law or equity, including, in the event such Seller Event of Default occurs and is continuing after the sixth (6th) anniversary of the Commercial Operation Date, exercising the Purchase Option.

10.3 Purchaser Event of Default. Each of the following events shall constitute a "Purchaser Event of Default":

10.3.1 Purchaser fails to pay to Seller any amount when due under this Agreement and such breach remains uncured for ten (10) Business Days following notice of such breach to Purchaser;

10.3.2 (i) Purchaser commences a voluntary case under any bankruptcy law; (ii) Purchaser fails to controvert in a timely and appropriate manner, or acquiesces in writing to, any petition filed against Purchaser in an involuntary case under any bankruptcy law; (iii) any involuntary bankruptcy proceeding commenced against Purchaser remains undismissed or undischarged for a period of sixty (60) days; or Purchaser becomes structurally insolvent such that it becomes generally unable to meet its financial obligations as and when they fall due;

10.3.3 Host breaches any of its obligations under the Site Lease [NTD - If Purchaser is also the Host];

10.3.4 Purchaser breaches any of its obligations under Section 2.3.4;

10.3.5 Purchaser fails to secure the release of any lien imposed on the System in violation of Section 8.1 more than 15 days following notice thereof; or

10.3.6 Purchaser breaches any other material term of this Agreement and such breach remains uncured for thirty (30) days following notice of such breach to Purchaser, or such longer cure period as may be agreed to by the Parties.

10.4 Seller's Remedies. If a Purchaser Event of Default has occurred and is continuing, Seller may terminate this Agreement by written notice to Purchaser following the expiration of the applicable cure period. Seller may also exercise any other remedy it may have at law or equity, including recovering from Purchaser all resulting damages, inclusive of lost tax benefits and other incentives as well as any lost revenues from Purchaser (collectively, the "PPA Damages"). Pending Purchaser's payment of the PPA Damages, Seller may remain on the Premises and sell Energy and Environmental Attributes produced by the System to any third party.

10.5 Waiver of Consequential Damages. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, THE PARTIES AGREE THAT TO THE FULLEST EXTENT ALLOWED BY LAW, IN NO EVENT SHALL EITHER PARTY BE RESPONSIBLE OR LIABLE, WHETHER IN CONTRACT, TORT, WARRANTY, OR UNDER ANY STATUTE OR ON ANY OTHER BASIS, FOR SPECIAL, INDIRECT, INCIDENTAL, MULTIPLE, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES OR DAMAGES FOR LOST PROFITS OR LOSS OR INTERRUPTION OF BUSINESS, ARISING OUT OF OR IN CONNECTION WITH THE SYSTEM OR THIS AGREEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE PPA DAMAGES SHALL NOT BE CONSIDERED CONSEQUENTIAL DAMAGES AND SHALL NOT BE SUBJECT TO THE LIMITATIONS SET FORTH IN THIS SECTION.

10.6 Limitation of Liability. SELLER'S MAXIMUM LIABILITY UNDER THIS AGREEMENT (WHETHER IN CONTRACT, WARRANTY, INDEMNITY, TORT,

NEGLIGENCE, STRICT LIABILITY OR OTHERWISE) SHALL IN NO EVENT EXCEED THE AGGREGATE ESTIMATED REMAINING PAYMENTS AS OF THE DATE OF THE EVENTS GIVING RISE TO SUCH LIABILITY.

11. FINANCING ACCOMMODATIONS.

11.1 Purchaser Acknowledgment. Purchaser acknowledges that Seller may finance the System and that Seller's obligations may be secured by, among other collateral, a pledge or collateral assignment of this Agreement and a security interest in the System. In order to facilitate any such financing, with respect to which Seller has notified Purchaser in writing of the identity of such person's offering to provide such financing (each, a "Financing Party"), Purchaser agrees as follows:

11.1.1 Consent to Collateral Assignment. Seller shall have the right to assign this Agreement as collateral for financing or refinancing of the System, and Purchaser hereby consents to the collateral assignment by Seller to any Financing Party of Seller's right, title, and interest in and to this Agreement.

11.1.2 Financing Party's Rights Following Default. Notwithstanding any contrary term of this Agreement:

(a) Financing Party, as collateral assignee, shall be entitled to exercise, in the place and stead of Seller, any and all rights and remedies of Seller under this Agreement in accordance with the terms of this Agreement. Financing Party shall also be entitled to exercise all rights and remedies of secured parties generally with respect to this Agreement and the System.

(b) Financing Party shall have the right, but not the obligation, to pay all sums due under this Agreement and to perform any other act, duty, or obligation required of Seller hereunder or cause to be cured any default or event of default of Seller in the time and manner provided by the terms of this Agreement. Nothing herein requires Financing Party to cure any default of Seller (unless Financing Party has succeeded to Seller's interests) to perform any act, duty, or obligation of Seller, but Purchaser hereby gives Financing Party the option to do so.

(c) Upon the exercise of remedies under its security interest in the System, including any sale thereof by Financing Party, whether by judicial proceeding or under any power of sale, or any conveyance from Seller to Financing Party, Financing Party shall give notice to Purchaser of the transferee or assignee of this Agreement. Any such exercise of remedies shall not constitute a Seller Event of Default.

(d) Upon any rejection or other termination of this Agreement pursuant to any process undertaken with respect to Seller under the United States Bankruptcy Code, at the request of Financing Party made within ninety (90) days of such termination or rejection, Purchaser shall enter into a new power purchase agreement with Financing Party or its assignee on substantially the same terms as this Agreement.

11.1.3 Financing Party Cure Rights. Purchaser shall not exercise any right to terminate or suspend this Agreement unless Purchaser has given prior written notice to each Financing Party of which Purchaser has notice. Purchaser's notice of an intent to terminate or suspend must specify the condition giving rise to such right. Financing Party shall have the longer of thirty (30) days and the cure period allowed for a default of that type under this Agreement to cure the condition; provided that if the condition cannot be cured within such time but can be cured within the extended period, Financing Party may have up to an additional ninety (90) days to cure if Financing Party commences to cure the condition within the thirty (30) day period and diligently pursues the cure thereafter. Purchaser's and Seller's obligations under this Agreement shall otherwise remain in effect, and Purchaser and Seller shall be required to fully perform all of their respective obligations under this Agreement during any cure period.

11.1.4 Continuation Following Cure. If Financing Party or its assignee acquires title to or control of Seller's assets and cures all defaults existing as of the date of such change in title or control within the time allowed by Section 11.1.3, then this Agreement shall continue in full force and effect.

11.2 Notice of Defaults and Events of Default. Purchaser agrees to deliver to each Financing Party a copy of all notices that Purchaser delivers to Seller pursuant to this Agreement.

12. NOTICES. Any notice required, permitted, or contemplated hereunder shall be in writing and addressed to the Party to be notified at the address set forth below or at such other address or addresses as a Party may designate for itself from time to time by notice hereunder. Such notices may be sent by personal delivery or recognized overnight courier, and shall be deemed effective upon receipt.

To Seller:
New Energy Equity, LLC
2530 Riva Road, Suite 200
Annapolis, Maryland 21401
Attention: Matthew Hankey, President
Phone: 443-267-5012
Email: mhankey@newenergyequity.com

To Purchaser:
City of Norton Shores
4814 Henry Street
Norton Shores, MI 49441
Attention: Mark C. Meyers, City Administrator
Phone: 231-798-4391
Email: MarkM@nortonshores.org

13. GOVERNING LAW; DISPUTES.

13.1 Choice of Law. This Agreement shall be construed in accordance with the laws of the State of New York, without regard to the conflicts of law principles thereof.

13.2 Disputes.

13.2.1 Management Negotiations. The Parties shall use all reasonable efforts to settle disputes through negotiation between authorized members of each Party's senior management. Either Party may, by written notice to the other Party, request a meeting to initiate negotiations to be held within fifteen (15) days of the other Party's receipt of such request, at a mutually agreed time and place. If the matter is not resolved within thirty (30) days of their first meeting, either Party may pursue any available legal remedy.

13.2.2 Jurisdiction and Venue. Should management negotiations fail to resolve any dispute, any Party may initiate dispute resolution proceedings in any state or federal court in the State of Maryland. Each Party agrees to submit to the personal and subject matter jurisdiction of any such court and to waive any challenge it may have to the laying of venue in such location by reason of inconvenient forum or otherwise.

14. INDEMNIFICATION.

14.1 Seller's Indemnity to Purchaser. Seller shall indemnify, defend, and hold harmless Purchaser (including Purchaser's permitted successors and assigns) and Purchaser's subsidiaries, directors, officers, members, shareholders, employees and agents (collectively, "Purchaser Indemnified Parties") from and against any and all third-party claims, losses, costs, damages, and expenses, including reasonable attorneys' fees, incurred by Purchaser Indemnified Parties arising from or relating to (i) Seller's breach of this Agreement, or (ii) Seller's negligence or willful misconduct. Seller's indemnification obligations under this Section 14.1 shall not extend to any claim to the extent such claim is due to the gross negligence or willful misconduct of any Purchaser Indemnified Party.

14.2 Purchaser's Indemnity to Seller. Purchaser shall indemnify, defend, and hold harmless Seller (including Seller's permitted successors and assigns) and Seller's subsidiaries, directors, officers, members, shareholders, employees and agents (collectively, "Seller Indemnified Parties") from and against any and all third-party claims, losses, costs, damages, and expenses, including reasonable attorneys' fees, incurred by Seller Indemnified Parties arising from or relating to (i) Purchaser's breach of this Agreement, or (ii) Purchaser's negligence or willful misconduct. Purchaser's indemnification obligations under this Section 14.2 shall not extend to any claim to the extent such claim is due to the gross negligence or willful misconduct of any Seller Indemnified Party.

15. INSURANCE.

15.1 Insurance Required. Each Party shall maintain in full force and effect throughout the Contract Term, with insurers of recognized responsibility authorized to do business in the State in which the System will be located, assigned an A.M. Best rating of no less than A IX, insurance coverage in the amounts and types set forth on Exhibit C. Each Party shall, within ten (10) days of written request therefor, furnish current certificates of insurance to the other Party evidencing the insurance required hereunder.

15.2 Waiver of Subrogation. Each policy of insurance required hereunder shall provide for a waiver of subrogation rights against the other Party, and of any right of the insurers to any set-off or counterclaim or any other deduction, whether by attachment or otherwise, in respect of that policy.

15.3 No Waiver of Obligations. The provisions of this Agreement shall not be construed in a manner so as to relieve any insurer of its obligations to pay any insurance proceeds in accordance with the terms and conditions of valid and collectable insurance policies. The liabilities of the Parties to one another shall not be limited by insurance.

16. MISCELLANEOUS.

16.1 Confidential Information. Each Party agrees to protect any information about the other Party that is proprietary and non-public and is learned through the arrangements underlying this Agreement. Such information shall include the Energy Price and other material terms of this Agreement.

16.2 Assignments. Neither Party shall have the right to assign any of its rights, duties, or obligations under this Agreement without the prior written consent of the other Party, which consent may not be unreasonably withheld or delayed. The foregoing notwithstanding, Seller may assign any of its rights, duties, or obligations under this Agreement, without the consent of Purchaser, (i) to any of its Affiliates, (ii) to any Financing Party on a collateral basis or (iii) to any qualified purchaser of the System. A person shall be deemed a "qualified purchaser" for such purposes if it can be shown to have credit at least as strong as Seller and experience with solar energy projects at least as deep as Seller.

16.3 Entire Agreement. This Agreement and the Site Lease represent the full and complete agreement between the Parties hereto with respect to the subject matter contained herein and supersedes all prior written or oral agreements between the Parties with respect to the subject matter hereof.

16.4 Amendments. This Agreement may only be amended, modified, or supplemented by an instrument in writing executed by duly authorized representatives of Seller and Purchaser.

16.5 No Partnership or Joint Venture. Seller and Seller's agents, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of Purchaser. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement).

16.6 Headings; Exhibits. The headings in this Agreement are solely for convenience and ease of reference and shall have no effect in interpreting the meaning of any provision of this Agreement. Any Exhibits referenced within and attached to this Agreement, including any attachments to the Exhibits, shall be a part of this Agreement and are incorporate by reference herein.

16.7 Remedies Cumulative; Attorneys' Fees. No remedy herein conferred upon or reserved to any Party shall exclude any other remedy herein or by law provided, but each shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at

law or in equity or by statute. If any action, arbitration, judicial reference, or other proceeding is instituted between the Parties in connection with this Agreement, the losing Party shall pay to the prevailing Party a reasonable sum for attorneys' and experts' fees and costs incurred in bringing or defending such action or proceeding (at trial and on appeal) and/or enforcing any judgment granted therein.

16.8 Waiver. The waiver by either Party of any breach of any term, condition, or provision herein contained shall not be deemed to be a waiver of such term, condition, or provision, or any subsequent breach of the same, or any other term, condition, or provision contained herein. Any such waiver must be in a writing executed by the Party making such waiver.

16.9 Severability. If any part, term, or provisions of this Agreement is determined by an arbitrator or court of competent jurisdiction to be invalid, illegal, or unenforceable, such determination shall not affect or impair the validity, legality, or enforceability of any other part, term, or provision of this Agreement and shall not render this Agreement unenforceable as a whole. Instead, the part of the Agreement found to be invalid, unenforceable, or illegal shall be amended, modified, or interpreted to the extent possible to most closely achieve the intent of the Parties and in the manner closest to the stricken provision.

16.10 No Public Utility. Nothing contained in this Agreement shall be construed as an intent by Seller to dedicate the System to public use or subject itself to regulation as a "public utility" (as such term may be defined under any applicable law).

16.11 Service Contract. The Parties acknowledge and agree that, for accounting and tax purposes, this Agreement is not and shall not be construed as a capital lease and, pursuant to Section 7701(e)(3) of the Internal Revenue Code, this Agreement is and shall be deemed to be a service contract for the sale to Purchaser of energy produced at an alternative energy facility.

16.12 Forward Contract. The Parties acknowledge and agree that the transaction contemplated under this Agreement constitutes a "forward contract" within the meaning of the United States Bankruptcy Code, and the Parties further acknowledge and agree that each Party is a "forward contract merchant" within the meaning of the United States Bankruptcy Code.

16.13 Publicity. The Parties agree that each may, from time to time, issue press releases regarding the System, provided, however that neither Party shall issue a press release regarding the System without the prior consent of the other Party, which consent shall not be unreasonably withheld or delayed. The Parties shall cooperate with each other in connection with the issuance of such press releases. Purchaser shall not make claims of using solar energy at the Premises. Purchaser may publicize that it is serving as a host for the System and display photographs of the System in its advertising and promotional materials, provided that such materials shall identify Seller as the owner and developer of the System and shall be consistent with Section 2.3.

16.14 Counterparts and Facsimile Signatures. This Agreement may be executed in counterparts, which shall together constitute one and the same agreement. Facsimile or portable document format (".PDF") signatures shall have the same effect as original signatures, and each Party consents to the admission in evidence of a facsimile or photocopy of this Agreement in any court or arbitration proceedings between the Parties.

16.15 Further Assurances.

16.15.1 Additional Documents. Upon the receipt of a written request from the other Party, each Party shall execute such additional documents, instruments, and assurances and take such additional actions as are reasonably necessary and desirable to carry out the terms and intent hereof. Neither Party shall unreasonably withhold, condition, or delay its compliance with any reasonable request made pursuant to this section.

16.15.2 Certificates. From time to time, Purchaser shall provide within five (5) Business Days after receipt of a written request from Seller an estoppel certificate attesting, to the knowledge of Purchaser, to Seller's compliance with the terms of this Agreement or detailing any known issues of noncompliance, and making such other representations, warranties, and accommodations reasonably requested by the recipient of the estoppel certificate.

16.15.3. Opinion. Upon the receipt of a written request from Seller, Purchaser shall deliver an opinion of counsel, in form and substance satisfactory to Seller, confirming the enforceability of this Agreement against Purchaser.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties have caused this Power Purchase Agreement to be duly executed and delivered as of the Effective Date.

SELLER

New Energy Equity, LLC

By: _____
Name: Matthew Hankey
Title: President

PURCHASER

City of Norton Shores

By: _____
Name: Gary Nelund
Title: Mayor

By: _____
Name: Shelly Stibitz
Title: City Clerk

EXHIBIT A

DEFINITIONS

"Affiliate" means, with respect to any person or entity, any other person or entity controlling, controlled by or under common control with such first person or entity. For purposes of this definition and this Agreement, the term "control" (and correlative terms) means the right and power, directly or indirectly through one or more intermediaries, to direct or cause the direction of substantially all of the management and policies of a person or entity through ownership of voting securities or by contract, including, but not limited to, the right to fifty percent (50%) or more of the capital or profits of a partnership or, alternatively, ownership of fifty percent (50%) or more of the voting stock of a corporation.

"Agreement" has the meaning set forth in the Preamble.

"Business Day" means any day except a Saturday, Sunday, or a Federal Reserve Bank holiday.

"Commercial Operation Date" means the date when the System is "placed in service" for purposes of Section 48 of the Internal Revenue Code.

"Confidential Information" has the meaning set forth in Section 16.1.

"Contract Term" has the meaning set forth in Section 2.2.

"Contract Year" means the twelve (12) month period commencing on the Commercial Operation Date, and each consecutive twelve (12) month period thereafter during the Contract Term.

"Delivery Point" means the point of interconnection between the System and the Premises' internal electrical system.

"Downgrade Event" means Purchaser at any time (a) if rated by one of the following rating agencies, is rated less than (i) Baa3 by Moody's Investors Service, Inc. (or its successor), or (ii) BBB- by Standard and Poor's Rating Services, a division of McGraw-Hill (or its successor), or (iii) "investment grade" by any other nationally recognized rating agency, or (b) fails to maintain Performance Assurance.

"Effective Date" has the meaning set forth in the Preamble.

"Energy" means electrical energy that is generated by the System, expressed in kWh.

"Energy Price" means, for any Contract Year, the applicable amount set forth on Exhibit D.

"Environmental Attributes" means any and all environmental benefits, air quality credits, emissions reductions, offsets, and allowances, howsoever entitled, attributable to energy generation by a renewable fuel source and its displacement of energy generation by conventional,

nonrenewable, and/or carbon-based fuel sources. Environmental Attributes include, but are not limited to, (1) any benefit accruing from the renewable nature of the generation's motive source; (2) any avoided emissions of pollutants to the air, soil, or water (such as sulfur oxides (SO_x), nitrogen oxides (NO_x), carbon monoxide (CO), and other pollutants other than those that are regulated pursuant to state or federal law); (3) any avoided emissions of carbon dioxide (CO_2), methane (CH_4), and other greenhouse gases that have been determined by the United Nations Intergovernmental Panel on Climate Change to contribute to the actual or potential threat of altering the Earth's climate by trapping heat in the atmosphere; (4) any property rights that may exist with respect to the foregoing attributes howsoever entitled; (5) any green tags, renewable energy credits or similar credits, including RECs created pursuant to applicable law ("RECs"); and (6) any reporting rights to these avoided emissions, including, but not limited to, green tag or REC reporting rights. Environmental Attributes do not include (i) any energy, capacity, reliability, or other power attributes, (ii) Environmental Incentives, or (iii) emission reduction credits encumbered or used for compliance with local, state, or federal operating and/or air quality permits.

"Environmental Incentives" means any and all financial incentives, from whatever source, related to the construction, ownership, or operation of the System. Environmental Incentives include, but are not limited to, (i) federal, state, or local tax credits; (ii) any other financial incentives in the form of credits, reductions, or allowances that are applicable to a local, state, or federal income taxation obligation; and (iii) other grants, rebates, or subsidies, including utility incentive programs. Environmental Incentives do not include Environmental Attributes.

"Estimated Production" has the meaning set forth in Section 2.1.3.

"Exercise Period" has the meaning set forth in Section 5.2.

"Financing Party" has the meaning set forth in Section 11.1.

"Force Majeure" means any act or event that delays or prevents a Party from timely performing obligations under this Agreement or from complying with conditions required under this Agreement if such act or event, despite the exercise of reasonable efforts, cannot be avoided by, and is beyond the reasonable control of and without the fault or negligence of, the Party relying thereon as justification for such delay, nonperformance, or noncompliance, which includes, without limitation, an act of God or the elements, site conditions, extreme or severe weather conditions, explosion, fire, epidemic, landslide, mudslide, sabotage, terrorism, lightning, earthquake, flood, volcanic eruption or similar cataclysmic event, an act of public enemy, war, blockade, civil insurrection, riot, civil disturbance, or strike or other labor difficulty caused or suffered by a Party or any third party beyond the reasonable control of such Party. However, financial cost alone or as the principal factor shall not constitute grounds for a claim of Force Majeure, nor does the regular exercise of regulatory discretion by a Governmental Authority or the Utility.

"Governmental Authorities" means any national, state, regional, municipal or local government, any political subdivision thereof, or any governmental, quasi-governmental, regulatory, judicial or administrative agency, authority, commission, board or similar entity having jurisdiction over the System or its operations, the Premises or otherwise over any Party.

"Host" has the meaning set forth in the Preamble.

"Independent Appraiser" has the meaning set forth in Section 5.2.

"Interest Rate" means an annual rate equal to the lesser of (a) twelve (12) percent and (b) the highest interest rate permitted by applicable law.

"kWh" means kilowatt-hours.

"Letter of Credit" means one or more irrevocable, transferable standby letters of credit issued by either a U.S. commercial bank or a foreign bank with a U.S. branch, with such bank having a credit rating of at least "A-" from S&P or "A3" from Moody's, in a form acceptable to Seller.

"Net Metering Credits" means the credits applied to Purchaser's bill by the Utility in respect of Energy produced by the System and allocated to Purchaser under this Agreement.

"Net Metering Rules" means the rules established pursuant to Ohio law and regulation as well as applicable utility rules.

"Notice to Proceed Date" means the date on which physical work of a significant nature relating to the installation of the System on the Premises commences.

"Party" and "Parties" have the meanings set forth in the Preamble.

"Performance Assurance" means collateral in an amount as reasonably determined by Seller and in a form (e.g., cash, Letter(s) of Credit, guaranty, or other security or credit assurance) reasonably acceptable to Seller.

"Person" means any individual, corporation (including, without limitation, any non-stock or non-profit corporation), limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or governmental body.

"PPA Damages" has the meaning set forth in Section 10.4.

"Premises" means the leased real property under the Site Lease, located at:

City Hall – 4814 Henry Street, Norton Shores, MI 49441

Fire Station 2 – 3920 Airline Road, Norton Shores, MI 4944

DPW – 1174 E Mount Garfield, Norton Shores, MI 49441

"Price Determination" has the meaning set forth in Section 5.2.

"Prudent Operating Practice" means the practices, methods, and standards of professional care, skill, and diligence engaged in or approved by a significant portion of the electric power industry for solar energy facilities of similar size, type, and design as the System that, in the exercise of reasonable judgment, in light of the facts known at the time, would have been expected

to accomplish results consistent with applicable law, reliability, safety, environmental protection, applicable codes, and standards of economy and expedition.

"Purchase Option" has the meaning set forth in Section 5.1.

"Purchase Price" has the meaning set forth in Section 5.2.

"Purchase Option Dates" has the meaning set forth in Section 5.1.

"Purchaser" has the meaning set forth in the Preamble.

"Purchaser Event of Default" has the meaning set forth in Section 10.3.

"Purchaser Indemnified Parties" has the meaning set forth in Section 14.1.

"Seller" has the meaning set forth in the Preamble.

"Seller Event of Default" has the meaning set forth in Section 10.1.

"Seller Indemnified Parties" has the meaning set forth in Section 14.2.

"Site Lease" has the meaning set forth in the Recitals.

"System" means the solar energy generating system described in Exhibit B.

"Transfer Date" has the meaning set forth in Section 5.3.

"Utility" means Consumers Energy.

EXHIBIT B

DESCRIPTION OF THE SYSTEM

Description of Site:

The real property located at City of Norton Shores properties.

Description of System:

Equipment Name And Location	Manufacturer/ Model #	Specifications	Description
City Hall PV system 4814 Henry Street Norton Shores	Modules: Hanwha Q Cells 390 W Inverters: SolarEdge Racking: Aerocompact	131.7kW DC	• Ballasted Roof mount system •
DPW PV system 1174 E Mount Garfield Norton Shores	Modules: Hanwha Q Cells 390 W Inverters: SolarEdge Racking: Aerocompact	44.9kW DC	• Ballasted Roof mount system •
Fire Station 2 PV system 2719 Seminole Muskegon	Modules: Hanwha Q Cells 390 W Inverters: SolarEdge Racking: Aerocompact	141.2kW DC	• Ballasted Roof mount system •

EXHIBIT C

ESTIMATE SYSTEM PRODUCTION

*Note: these values are estimates only and actual production may vary. Seller does not guarantee any level of actual production.

SYSTEM PERFORMANCE	
Year	Solar (kWh)
1	386,919
2	385,062
3	383,214
4	381,374
5	379,544
6	377,722
7	375,909
8	374,104
9	372,309
10	370,522
11	368,743
12	366,973
13	365,212
14	363,459
15	361,714
16	359,978
17	358,250
18	356,530
19	354,819
20	353,116
21	351,421
22	349,734
23	348,055
24	346,385
25	344,722

EXHIBIT D

ENERGY PRICE

Contract Year	*Energy Price ($/kWh)*
1	$0.1270
2	$0.1295
3	$0.1321
4	$0.1348
5	$0.1375
6	$0.1402
7	$0.1430
8	$0.1459
9	$0.1488
10	$0.1518
11	$0.1548
12	$0.1579
13	$0.1611
14	$0.1643
15	$0.1676
16	$0.1709
17	$0.1743
18	$0.1778
19	$0.1814
20	$0.1850
21	$0.1887
22	$0.1925
23	$0.1963
24	$0.2003
25	$0.2043

EXHIBIT E

INSURANCE REQUIREMENTS

(a) Seller shall obtain and maintain the following insurance policies:

(i) Workers' compensation insurance, with limits of liability at least equal to the statutory requirements therefor;

(ii) Employer's liability insurance of not less than one million dollars ($1,000,000);

(iii) Commercial general liability insurance against liability for injury to or death of any Person or damage to property in connection with the use, operation or condition of the System of not less than PRICE combined single limit per occurrence and PRICE annual aggregate. Purchaser shall be named as an additional insured under this liability insurance, provided however that Seller shall in no event be obligated to repair or replace Purchaser's buildings or Premises;

(iv) Seller may satisfy the insurance requirements contained in this Agreement though any combination of primary and/or excess coverage; and

(v) Seller may elect to self insure any or all of the insurance requirements contained in this Agreement, with the approval of Purchaser. In such event, Seller shall submit to Purchaser a Certificate of Self-Insurance, including evidence of financial responsibility.

(b) Purchaser shall obtain and maintain the following insurance policies:

(i) Workers' compensation insurance, with limits of liability at least equal to the statutory requirements therefor;

(ii) Employer's liability insurance of not less than one million dollars ($1,000,000);

(iii) Commercial general liability insurance or its equivalent against liability for injury to or death of any Person or damage to property in connection with the use, operation or condition of the Premises of not less than two million dollars ($2,000,000) combined single limit per occurrence and annual aggregate. Seller shall be named as an additional insured under this liability insurance; provided, however, that Purchaser shall in no event by obligated to repair or replace Seller's equipment, buildings, or Premises;

(iv) Purchaser may satisfy the insurance requirements contained in this Agreement though any combination of primary and/or excess coverage; and

(v) Purchaser may elect to self insure any or all of the insurance requirements contained in this Agreement.

Norton Shores City Hall

ROOFTOP SYSTEM SITE LEASE AGREEMENT

This ROOFTOP SYSTEM SITE LEASE AGREEMENT (this "Agreement") is made and entered into as of [_____] (the "Effective Date") by and between **New Energy Equity**, a Delaware limited liability company ("Lessee"), and **the City of Norton Shores** ("Lessor"). Each of Lessor and Lessee are sometimes referred to as a "Party" and collectively as the "Parties."

WHEREAS, Lessor is the owner of certain improved real property located in Norton Shores (the "Premises"), and desires to grant a non-exclusive lease of the rooftop areas on said improvements, as more particularly described on Exhibit A attached hereto (the "Project Site"), and which includes the area on which the System will be installed as depicted on Exhibit A;

WHEREAS, Lessee is the developer, owner, and operator of photovoltaic solar energy generation equipment and facilities and desires to obtain a non-exclusive lease of the Premises, including Project Site, in order to install and operate one or more solar (photovoltaic) arrays in and on the Premises;

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby agree as follows:

AGREEMENT

1. DEFINITIONS. Capitalized terms shall have the meanings assigned to them herein or in the body of the Agreement.

2. LEASE.

2.1 Lease. Lessor hereby leases to Lessee the exclusive rights to use and access the Premises for the purposes of installing, maintaining, repairing and decommissioning one or more rooftop Solar equipment generating systems in accordance with the terms and conditions and for the purposes set forth herein. The Parties intend that this lease create a valid and present interest in the Premises in favor of Lessee. Therefore, this Agreement is an interest in and encumbrance upon the Premises which shall run with the land and shall be binding upon the Premises, and Lessor and its successors and assigns for the benefit of Lessee and its successors and assigns.

2.2 Term. The term of this Agreement shall be for 25 years commencing on the Effective Date (the "Term").

2.3 Payment to Lessor. Lessee shall pay to Lessor as rent the one-time sum of $1.00 (the "One-Time Payment") within fifteen (15) days after the Effective Date. Lessor acknowledges and agrees that the One-Time Payment constitutes payment in full of rent for the Term, and no additional amount shall be due or owing to Lessor under this Agreement.

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2.4 Permitted Uses. Lessee shall have the exclusive right to occupy and use the Premises for solar energy conversion, for the collection and transmission of electric power, and for related and incidental purposes and activities (collectively, "Operations") including, but not limited to, the construction, installation, improvement, relocation, operation, maintenance and repair of the System and removal of the System. Lessee agrees that said right shall be non-exclusive to other uses of the rooftop areas to be leased.

2.5 Lessee's Exercise of Rights. Lessee may construct and install the System on the Premises in the manner Lessee deems reasonable and appropriate; provided, however, that Lessee shall not unreasonably interfere with Lessor's use, operation, or maintenance of the Premises. The System shall be installed within the areas of the Project Site.

2.6 Premises Utilities. Lessor shall provide existing and available utilities to the Project Site in connection with Lessee's construction, start-up, maintenance, repair, replacement, operation and removal of the System. Lessor acknowledges and agrees that Lessee's use of the Premises includes the nonexclusive appurtenant right to the use of water lines, sewer lines, storm water lines, power lines, and telephone and communication lines.

2.7 Construction Laydown Area. Lessor shall provide Lessee sufficient space on the Premises for the temporary storage and staging of tools, materials and equipment reasonably necessary during installation and any maintenance, repair, replacement or removal of the System, provided that Lessee shall use commercially reasonable efforts to minimize disruption to Lessor's operations, and provided further that Lessee understands and acknowledges that space is limited at the Premises. Lessor and Lessee shall coordinate and cooperate in determining the amount of space and specific portion of the Premises necessary for such purposes.

2.8 Notice. Except as may be required by an emergency, Lessee shall give Lessor reasonable written or telephonic notice before any entry onto the Premises outside of normal business hours by Lessee's employees, agents, or contractors. Notwithstanding anything to the contrary in this Agreement, Lessee shall be permitted to access the Premises (i) during normal business hours and (ii) twenty-four (24) hours a day, seven (7) days a week for emergency purposes as reasonably determined by Lessee. In the event Lessee enters the Premises due to an emergency, Lessee shall promptly notify Lessor of its entry and the nature of the emergency. Unless otherwise agreed in advance, normal business hours shall mean Monday through Saturday, 7AM through 7PM.

3. EASEMENTS.

3.1 Access Easement and Use Rights. Lessor grants Lessee a nonexclusive easement for access and use of the Premises, on, under, over, and across the Premises and any other real property adjacent to the Premises and owned by Lessor (collectively, the "Easement Area"), for the purposes of locating, installing, operating, maintaining, improving, repairing, relocating, and removing the System on the Premises (the "Use Rights"). The Use Rights include the right of parking, access, and ingress to and egress from the System on, over, and across the Easement Area during the Term, and shall survive for a period of one hundred eighty (180) days following the termination of this Agreement for the purpose of removing the System. Without limiting the foregoing grant, Lessor covenants that the Use Rights may be used to achieve all the purposes set

forth in this Agreement. Throughout the Term of the Lease, as described below, Landlord hereby grants Tenant an easement through the Building, including all elevators, stairways or other access points of egress and ingress for purposes of accessing the Rooftop for the purpose described herein and pursuant to the terms and conditions set forth below.

3.2 Solar Easement. Lessor hereby grants Lessee a solar easement on, over, and above the Easement Area for the free passage of solar radiation to the System. Lessor shall not obstruct, or allow any tenant, contractor, employee or assignee of Lessor to obstruct, the passage of direct solar radiation across the Easement Area to the System. Trees, structures, and improvements located on the Easement Area as of the Effective Date shall be allowed to remain, and Lessee may not require their removal; provided that Lessee may require that any trees or other vegetation be pruned or trimmed to the point that they do not obstruct the passage of direct solar radiation across the Easement Area to the System to a degree greater than on the Effective Date. Neither Lessor nor any of Lessor's tenants, contractors, employees or assignees shall place or plant any trees, structures, or improvements on the Easement Area after the Effective Date that may, in Lessee's sole judgment, impede or interfere with the passage of direct solar radiation to the System, unless Lessor has received prior written approval from Lessee. Lessee and Lessor further agree to execute and record such instruments or addenda to this Agreement as may be required under applicable State or local law to evidence the solar easement granted in this Section.

4. RIGHTS OF LESSEE.

4.1 Solar Resources. Lessee shall have the sole and exclusive right to convert all of the solar resources of, and to conduct Operations on, the Premises. Lessor shall not grant any rights in the Premises purporting to permit others to conduct Operations on the Premises in derogation of Lessee's sole and exclusive rights and privileges hereunder. Without the prior written consent of Lessee, Lessor shall not (i) waive any right available to Lessor or grant any right or privilege subject to the consent of Lessor by law or contract, including without limitation any environmental regulation, land use ordinance, or zoning regulation, with respect to setback requirements, or other restrictions and conditions respecting the placement of the System on the Premises or (ii) grant, confirm, acknowledge, recognize, or acquiesce in any right claimed by any other Person to conduct Operations on the Premises, and Lessor agrees to give Lessee notice of any such claims and to cooperate with Lessee in resisting and disputing such claims.

4.2 Signage. Lessee shall have the right to erect, modify, and maintain reasonable signage on the Premises with respect to the System and to Lessee's interests therein.

4.3 Enforcement of Legal Rights. Lessee shall have the right to enforce Lessor's rights under applicable laws protecting solar energy systems from obstruction. Lessor shall cooperate with any efforts by Lessee to enforce such rights.

4.4 Non-Interference. In no event during the Term will Lessor construct, build or locate, or allow others to construct, build, or locate any equipment or facilities (solar or otherwise) that would interfere with the Solar Equipment or otherwise engage in, or allow others to engage in activity, that might impede the Solar Equipment's access to the sun or decrease the output or efficiency of the Solar Equipment.

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5. DESIGN AND CONSTRUCTION OF SYSTEM.

5.1 Design and Construction. Lessor hereby consents to the construction of the System in accordance with the plans and specifications set forth on the attached Exhibit C. Lessee shall cause its contractors to comply with Lessor's reasonable and customary safety requirements and to coordinate construction of the System with Lessor so as to reasonably minimize disruption to the Premises and to Lessor's normal operations and activities thereon. Lessee shall not release Hazardous Materials on the Premises. As used in this Agreement, "Hazardous Materials" means any substance, material, waste, pollutant, or contaminant listed or defined as hazardous or toxic under any applicable law, and asbestos and petroleum, including crude oil or any fraction thereof, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas).

5.2 Acknowledgment of Lessor for Roof Mounted Systems. Lessor acknowledges that the installation of all or a portion of the System will require physically mounting and adhering the System to the roof of the Premises, including penetrations into the roof surface. Lessor agrees to review and approve any System load studies provided by Lessee, including those relating to the weight of the System and the integrity of the roof.

5.3 Removal Upon Termination. Upon the termination or expiration of this Agreement for any reason, Lessee shall, within one hundred eighty (180) days after the date of expiration, remove the System from the Premises, and restore the rooftop to its condition as of the Effective Date, normal wear and tear excepted. Removal of the System shall be at the cost of Lessee.

6. THE PREMISES.

6.1 Confirmation of Ownership. At the request of Lessee, Lessor shall obtain executed and acknowledged instruments and such other documents as Lessee or Lessee's title company may require to confirm Lessor's ownership of the Premises or to complete or evidence the full granting of the leasehold interest in the Premises as intended by this Agreement.

6.2 Liens.

6.2.1 Subordination. Lessor shall cooperate with Lessee to obtain a Subordination, Non-Disturbance and Attornment Agreement (an "SNDA") from each lienholder which provides on terms reasonably acceptable to Lessee that the lien and rights of the lienholder shall be subordinate to this Agreement. Lessor will also obtain any necessary consent and/or SNDA in favor of Lessee and on terms reasonably acceptable to Lessee from any and all entities having a possessory interest in the Premises.

6.2.2 Notice to Premises Lienholders and Release. Lessor shall give effective notice of Lessee's ownership of the System and the System's status as personal property to all parties having an interest in or any mortgage, pledge, lien (including mechanics', labor or materialmen's liens), charge, security interest, or encumbrance of any nature (collectively, "Liens") upon the real property and fixtures that are part of the Premises. If there is any Lien against the Premises that could reasonably be construed as prospectively attaching to the System as a fixture of the Premises, Lessor shall obtain a disclaimer or release of such Lien. Lessor consents to the filing of a disclaimer of the System as a fixture of the Premises in the office where

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real estate records are customarily filed in the jurisdiction of the Premises, and any other filing by Lessee in a public office regarding its ownership of the System deemed necessary or appropriate by Lessee, and Lessor hereby appoints Lessee as its agent with regarding to any such filing and authorizes Lessee to take required actions on Lessor's behalf required for such filing.

6.2.3 System Liens. Lessor shall not directly or indirectly allow any Lien on or with respect to the System by, through or under Lessor. If Lessor becomes aware of a Lien on the System by, through or under Lessor, Lessor shall promptly give Lessee written notice of such Lien and shall take such action as is necessary or appropriate to have such Lien discharged and removed. Lessor shall indemnify Lessee against all reasonable costs and expenses (including reasonable attorneys' fees) incurred in discharging and releasing any such Lien.

6.2.4 Premises Liens. Lessee shall not directly or indirectly allow any Lien by, through or under Lessee, on or with respect to the Premises or any interest therein, excluding Lessee's leasehold interest created pursuant to this Agreement, or any other asset of Lessor, including, without limitation, any Lien arising from or relating to the construction, ownership, maintenance or operation of the System by Lessee. Lessee shall defend and indemnify Lessor against all costs and expenses (including reasonable attorneys' fees and court costs at trial and on appeal) incurred in discharging and releasing any such Lien.

6.3 Quiet Enjoyment. Lessee shall enjoy quiet and peaceful use, enjoyment and possession of the Premises, free from any claim of any entity or person of superior title thereto without hindrance to or interference with or molestation of Lessee's quiet enjoyment thereof, and neither Lessor nor any person claiming by, through or under Lessor shall disturb Lessee's quiet and peaceful use, enjoyment and possession of the Premises.

6.4 No Interference. Lessor hereby agrees, for itself, its agents, employees, representatives, successors, and assigns, that it will not initiate or conduct activities that it knows or reasonably should know may damage, impair, or otherwise adversely affect the System or its functions, including without limitation activities that may adversely affect the System's exposure to sunlight. Lessor further covenants for itself and its agents, employees, representatives, successors, and assigns that it will not (i) interfere with or prohibit the free and complete use and enjoyment by Lessee of its rights granted under this Agreement; (ii) take any action that will interfere with the availability and accessibility of solar radiation over and above the Premises; (iii) take any action that will or may interfere with the transmission of electrical energy to or from the Premises; (iv) take any action that may impair Lessee's access to the Premises for the purposes specified in this Agreement; (v) plant or maintain any vegetation or erect or maintain any structure that will, during daylight, cast a shadow on the System; or (vi) take any action that may impair Lessee's access to any portion of the System.

6.5 System Property of Lessee; Transfer of the Premises. Lessor acknowledges and agrees that Lessee is the exclusive owner and operator of the System and all equipment (including, but not limited to, photovoltaic modules or panels, inverters, meters, wire, data monitoring equipment, and cabling), components and moveable property of Lessee attached to or used in the operation of the System, that no portion or component of the System is a fixture, and that in the event that the Premises are sold, leased, assigned, mortgaged, pledged, or otherwise alienated or

encumbered (a "Transfer"), such Transfer shall not attach to or affect the System, or Lessee's ownership rights to the System.

6.6 Transfer of Premises. Lessor shall not Transfer all or any portion of the Premises unless the transferee agrees in writing that its interest in the Premises is subject and subordinate in all respects to the terms of this Lease. Lessor shall give Lessee at least sixty (60) days' prior notice of any Transfer of all or any portion of the Premises. Any such notice shall identify the transferee, the portion of the Premises to be transferred, and the proposed date of the Transfer.

6.7 Premises Security, Health and Safety. Lessor shall provide reasonable measures for the security of the Premises, including restricting access to the area on which the System is located and providing monitoring of the Premises' security alarms, if applicable. Lessor shall maintain the Premises in a structurally sound and safe condition consistent with all applicable Laws. If Lessor becomes aware of any circumstances relating to the System that creates an imminent risk of damage or injury to the System or any employee of Lessee, Lessor shall promptly notify Lessee.

6.8 System Security. Lessee may install all security measures that Lessee, in its sole discretion, determines are or may be reasonably necessary for the System. Such measures may, but will not necessarily, include warning signs, fences, barbed wire closed and locked gates, and other measures appropriate and reasonable to protect against damage or destruction of the System or injury or damage to persons or property resulting from the System and Operations.

6.9 Maintenance of Premises. Lessor shall, without interfering with the operation of the System, maintain the Premises in good condition and repair, including the integrity of the roof, so that Lessee is able to comply with its obligations under this Agreement. Lessor shall use commercially reasonable efforts to maintain Lessor's electrical energy equipment located on the Premises in good condition and repair so as to be able to receive and use the Energy generated by the System. Lessor shall maintain its connection and service contract(s) with its local utility, or any successors thereto, so that Lessor can, upon any suspension or interruption of delivery of energy from the System, provide the Premises with its full requirements for electricity.

6.10 System Maintenance. During the Term, Lessee shall, at Lessee's sole cost, maintain the System, the Project Site and all areas of the Premises used by Lessee in the Operations, in accordance with applicable laws and Prudent Operating Practices.

6.11 Roof Maintenance. Lessor shall be solely responsible for, and bear all costs and expense relating to, maintaining the roof of the buildings on which the System is located, including all required repair (including leak repair), remediation and maintenance of such roof, unless such repair, remediation and maintenance is required as a direct result of the negligent installation of the System. Lessor shall consult with Lessee before performing any required roof repair, remediation and maintenance that may affect the System, and Lessee shall be permitted to witness any such repair, remediation and maintenance. In the event the System must be temporarily disconnected or removed in order for Lessor to perform roof repair, remediation or maintenance, Lessor shall consult with Lessee in advance of any such activity, Lessee shall disconnect and remove the System at Lessor's expense, and Lessor shall pay to Lessee lost income and

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environmental attribute Damages for the period during which the System is disconnected. Lessor shall be responsible for maintaining and enforcing all warranties relating to the roof.

6.12 System Relocation. In the event of an emergency, Lessor may request that Lessee relocate the System, at Lessor's expense, to another suitable location on the Premises, provided that (a) the Parties shall use reasonable efforts to perform the relocation during the months of October through March and outside of normal business hours and (b) Lessor shall pay to Lessee lost income and environmental attribute Damages for the period during which the System is disconnected in connection with such relocation.

6.13 Clean Condition. Lessee shall not unreasonably clutter the Project Site or the Premises and shall collect and dispose of any and all of Lessee's refuse and trash.

6.14 Taxes. Lessor shall pay when due all real property taxes and assessments possessory interest taxes, business or license taxes or fees, service payments in lieu of such taxes or fees, annual or periodic license or use fees, excises, assessments, bonds, levies, fees or charges of any kind which are assessed, levied, charged, confirmed, imposed or levied against the Premises by any governmental body or public authority.

6.15 The Parties further agree that all Environmental Attributes (defined below) and Solar Incentives (defined below) belong solely to Tenant (and/or to any persons/entities listed as Tenant's permitted assigns or sub-lessee(s)in Section 15) and shall remain the personal property of Tenant (and/or of any persons/entities listed as Tenant's permitted assigns or sub-lessee(s) in Section 15) and shall not attach to or be deemed a part of, or fixture to, the Premises. The Solar Facility and other improvements shall at all times retain the legal status of personal property as defined under Article 9 of the Illinois Uniform Commercial Code. "Environmental Attributes" shall mean, without limitation, carbon trading credits, renewable energy credits or certificates, emissions reduction credits, emissions allowances, green tags, tradable renewable credits, or Green-e® products with respect to the Solar Facility. "Solar Incentives" include, without limitation, any accelerated depreciation, installation or production-based incentives, investment and production tax credits and subsidies arising from the Solar Facility.

7. REPRESENTATIONS AND WARRANTIES

7.1 Representations of Lessor. Lessor represents and warrants to Lessee that:

7.1.1 Lessor has the requisite corporate, partnership or limited liability company capacity to enter into this Agreement and fulfill its obligations hereunder, that the execution and delivery by it of this Agreement and the performance by it of its obligations hereunder have been duly authorized by all requisite action of its stockholders, partners or members, and by its board of directors or other governing body, and that the entering into of this Agreement and the fulfillment of its obligations hereunder does not contravene any law, statute or contractual obligation of Lessor;

7.1.2 this Agreement constitutes Lessor's legal, valid and binding obligation enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws now or hereafter in effect relating to creditors' rights generally;

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7.1.3 no suit, action or arbitration, or legal administrative or other proceeding is pending or has been threatened against the Lessor that would have a material adverse effect on the validity or enforceability of this Agreement or the ability of Lessor to fulfill its commitments hereunder, or that could result in any material adverse change in the business or financial condition of Lessor;

7.1.4 Lessor owns the Premises in fee simple, subject to no liens or encumbrances except as set forth in Exhibit B. All persons having any ownership or possessory interest in the Premises (including spouses) are signing this Agreement. Each spouse signing this Agreement agrees that any rights such spouse may have shall be subject and subordinate to this Agreement and the easements and other rights granted hereby;

7.1.5 there are no Hazardous Materials on or under **City of Norton Shores City Hall**; and

7.1.6 no governmental approval (other than any governmental approvals which have been previously obtained) is required in connection with the due authorization, execution and delivery of this Agreement by Lessor or the performance by Lessor of its obligations hereunder which Lessor will be unable to obtain in due course.

7.1.7 Landlord acknowledges that it has inspected the Rooftop, that Landlord warrants the condition thereof and its suitability for Tenant's use, and that, except as may be expressly provided to the contrary in this Lease, Landlord shall make any alterations, improvements, or repairs in and to the Rooftop to make same ready for Tenant's use and occupancy.

7.2 Representations of Lessee. Lessee represents and warrants to Lessor that:

7.2.1 Lessee has the requisite corporate, partnership or limited liability company capacity to enter into this Agreement and fulfill its obligations hereunder, that the execution and delivery by it of this Agreement and the performance by it of its obligations hereunder have been duly authorized by all requisite action of its stockholders, partners or members, and by its board of directors or other governing body, and that the entering into of this Agreement and the fulfillment of its obligations hereunder does not contravene any law, statute or contractual obligation of Lessee;

7.2.2 this Agreement constitutes Lessee's legal, valid and binding obligation enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, and other similar laws now or hereafter in effect relating to creditors' rights generally;

7.2.3 no suit, action or arbitration, or legal administrative or other proceeding is pending or has been threatened against the Lessee that would have a material adverse effect on the validity or enforceability of this Agreement or the ability of Lessee to fulfill its commitments hereunder, or that could result in any material adverse change in the business or financial condition of Lessee; and

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7.2.4 no governmental approval (other than any governmental approvals which have been previously obtained) is required in connection with the due authorization, execution and delivery of this Agreement by Lessee or the performance by Lessor of its obligations hereunder which Lessee will be unable to obtain in due course.

8. DEFAULT; REMEDIES.

8.1 Lessee Default. Each of the following events shall constitute a "Lessee Default":

8.1.1 Lessee materially breaches any term of this Agreement and (i) if such breach is capable of being cured within thirty (30) days after Lessor's notice of such breach, Lessee has failed to cure the breach within such thirty (30) day period, or (ii) if Lessee has diligently commenced work to cure such breach during such thirty (30) day period but such breach is not capable of cure within such period, Lessee has failed to cure the breach within a further one hundred fifty (150) day period (such aggregate period not to exceed one hundred eighty (180) days from the date of Lessor's notice); and

8.1.2 (i) Lessee commences a voluntary case under any bankruptcy law; (ii) Lessee fails to controvert in a timely and appropriate manner, or acquiesces in writing to, any petition filed against Lessee in an involuntary case under any bankruptcy law; or (iii) any involuntary bankruptcy proceeding commenced against Lessee remains undismissed or undischarged for a period of sixty (60) days.

8.2 Lessor's Remedies. If a Lessee Default has occurred and is continuing, Lessor may terminate this Agreement by written notice to Lessee following the expiration of the applicable cure period, and may exercise any other remedy it may have at law or equity.

8.3 Lessor Defaults. The following events shall be defaults with respect to Lessor (each, a "Lessor Default"):

8.3.1 Lessor materially breaches any term of this Agreement and such breach remains uncured for thirty (30) days following notice of such breach to Lessor, or such longer cure period as may be agreed to by the Parties; and

8.3.2 (i) Lessor commences a voluntary case under any bankruptcy law; (ii) Lessor fails to controvert in a timely and appropriate manner, or acquiesces in writing to, any petition filed against Lessor in an involuntary case under any bankruptcy law; or (iii) any involuntary bankruptcy proceeding commenced against Lessor remains undismissed or undischarged for a period of sixty (60) days.

8.4 Lessee's Remedies. If a Lessor Default has occurred and is continuing, Lessee may terminate this Agreement by written notice to Lessor following the expiration of the applicable cure period. Lessee may also exercise any other remedy it may have at law or equity, including recovering from Lessor all resulting damages, which damages shall include, but not be limited to, the lost income and environmental attribute Damages and all other amounts of any nature relating to this Agreement.

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9. LIMITATIONS.

9.1 Limitation of Liability. EXCEPT AS SPECIFICALLY PROVIDED HEREIN, THE PARTIES AGREE THAT TO THE FULLEST EXTENT ALLOWED BY LAW, IN NO EVENT SHALL EITHER PARTY BE RESPONSIBLE OR LIABLE, WHETHER IN CONTRACT, TORT, WARRANTY, OR UNDER ANY STATUTE OR ON ANY OTHER BASIS, FOR SPECIAL, INDIRECT, INCIDENTAL, MULTIPLE, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES OR DAMAGES FOR LOST PROFITS OR LOSS OR INTERRUPTION OF BUSINESS, ARISING OUT OF OR IN CONNECTION WITH THE SYSTEM OR THIS AGREEMENT. THE FOREGOING NOTWITHSTANDING, THE LOST INCOME AND ENVIRONMENTAL ATTRIBUTE DAMAGES SHALL NOT BE CONSIDERED CONSEQUENTIAL DAMAGES AND SHALL NOT BE SUBJECT TO THE LIMITATIONS SET FORTH IN THIS SECTION.

9.2 Equitable Relief. The Parties acknowledge that money damages would not be a sufficient remedy for any breach of this Agreement, and that, accordingly, in the event of any such breach or threatened breach, either Party shall be entitled to immediately seek any and all remedies available to it at law or in equity, including but not limited to an injunction or specific performance, from a court of competent jurisdiction.

10. FINANCING ACCOMMODATIONS.

10.1 Lessor Acknowledgment. Lessor acknowledges that Lessee may finance the System and that Lessee's obligations may be secured by, among other collateral, a pledge or collateral assignment of this Agreement and a security interest in the System. In order to facilitate such financing, and with respect to each Financing Party Lessor agrees as follows:

10.1.1 Consent to Collateral Assignment. Lessee shall have the right to assign this Agreement as collateral for financing or refinancing of the System, and Lessor hereby consents to the collateral assignment by Lessee to any Financing Party of Lessee's right, title, and interest in and to this Agreement.

10.1.2 Financing Party's Rights Following Default. Notwithstanding any contrary term of this Agreement:

(a) Financing Party, as collateral assignee, shall be entitled to exercise, in the place and stead of Lessee, any and all rights and remedies of Lessee under this Agreement in accordance with the terms of this Agreement. Financing Party shall also be entitled to exercise all rights and remedies of secured parties generally with respect to this Agreement and the System.

(b) Financing Party shall have the right, but not the obligation, to pay all sums due under this Agreement and to perform any other act, duty, or obligation required of Lessee hereunder or cause to be cured any default or event of default of Lessee in the time and manner provided by the terms of this Agreement. Nothing herein requires Financing Party to cure any default of Lessee (unless Financing Party has succeeded to Lessee's interests) to perform any act, duty, or obligation of Lessee, but Lessor hereby gives Financing Party the option to do so.

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(c) Upon the exercise of remedies under its security interest in the System, including any sale thereof by Financing Party, whether by judicial proceeding or under any power of sale, or any conveyance from Lessee to Financing Party, Financing Party shall give notice to Lessor of the transferee or assignee of this Agreement. Any such exercise of remedies shall not constitute a Lessee Default.

(d) Upon any rejection or other termination of this Agreement pursuant to any process undertaken with respect to Lessee under the United States Bankruptcy Code, at the request of Financing Party made within ninety (90) days of such termination or rejection, Lessor shall enter into a new site lease agreement with Financing Party or its assignee on substantially the same terms as this Agreement.

10.1.3 Financing Party Cure Rights. Lessor shall not exercise any right to terminate or suspend this Agreement unless Lessor has given prior written notice to each Financing Party of which Lessor has notice. Lessor's notice of an intent to terminate or suspend must specify the condition giving rise to such right. Financing Party has the longer of thirty (30) days and the cure period allowed for a default of that type under this Agreement to cure the condition; provided that if the condition cannot be cured within such time but can be cured within the extended period, Financing Party may have up to an additional ninety (90) days to cure if Financing Party commences to cure the condition within the thirty (30) day period and diligently pursues the cure thereafter. Lessor's and Lessee's obligations under this Agreement shall otherwise remain in effect, and Lessor and Lessee shall be required to fully perform all of their respective obligations under this Agreement during any cure period.

10.1.4 Continuation Following Cure. If Financing Party or its assignee acquires title to or control of Lessee's assets and cures all defaults existing as of the date of such change in title or control within the time allowed by Section 10.1.3, then this Agreement shall continue in full force and effect.

10.2 Notice of Defaults and Events of Default. Lessor agrees to deliver to each Financing Party a copy of all notices that Lessor delivers to Lessee pursuant to this Agreement.

11. NOTICES.

11.1 Notices. Any notice required, permitted, or contemplated hereunder shall be in writing and addressed to the Party to be notified at the address set forth below or at such other address or addresses as a Party may designate for itself from time to time by notice hereunder. Such notices may be sent by personal delivery or recognized overnight courier, and shall be deemed effective upon receipt.

To Lessee: New Energy Equity, LLC
2530 Riva Road, Suite 200
Annapolis, MD 21401
Attention: John Langhus
Phone443-267-5012

With a copy to:

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To Lessor:

City of Norton Shores
4814 Henry Street
Norton Shores, MI 49441
Attention: Jim Murphy, DPW Director
Phone: 231-799-6804 Ext. 1380

With a copy to: Chart House Energy LLC
1310 11th St.
Muskegon, MI 49441
Attention: Rob Rafson
Phone: 231-224-6153

12. GOVERNING LAW; DISPUTES.

12.1 Choice of Law. This Agreement shall be construed in accordance with the laws of the State of Michigan, without regard to its conflict of laws principles.

12.2 Disputes.

12.2.1 Management Negotiations. The Parties shall use all reasonable efforts to settle disputes through negotiation between authorized members of each Party's senior management. Either Party may, by written notice to the other Party, request a meeting to initiate negotiations to be held within fifteen (15) Business Days of the other Party's receipt of such request, at a mutually agreed time and place. If the matter is not resolved within thirty (30) Business Days of their first meeting, either Party may pursue arbitration in accordance with Section 11.2.2.

12.2.2 Arbitration. Any controversy or dispute not amicably resolved by the Parties or through management negotiations shall be settled by binding arbitration. Either Party may initiate arbitration by giving written notice to the other Party. The notice shall state the nature of the claim or dispute, the amount involved, if any, and the remedy sought. The dispute shall be submitted to an independent arbitrator mutually selected by the Parties. If the dispute has a value in excess of $100,000.00, then at the election of either Party, there shall be a panel of three (3) arbitrators. If the Parties do not mutually agree on the arbitrator(s), the Parties shall then utilize the American Arbitration Association (or another entity mutually acceptable to the Parties) to provide the required independent arbitrator(s). The decision of the appointed independent arbitrator(s) shall be final and binding on the Parties. In rendering a decision, the arbitrator(s) shall comply with the Construction Industry Arbitration Rules of the American Arbitration Association then in effect. Notwithstanding that the Construction Industry Arbitration Rules may provide otherwise, the prevailing Party in any such arbitration shall be entitled to recover its arbitration cots, inclusive of counsel, expert, arbitrators' and administrative fees, from the losing Party, as determined by the arbitrator(s). Any such arbitration shall be conducted in New York, NY.

13. INDEMNIFICATION.

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13.1 Lessee's General Indemnity. Lessee shall indemnify, defend, and hold harmless Lessor (including Lessor's permitted successors and assigns) and Lessor's subsidiaries, directors, officers, members, shareholders, employees and agents (collectively, "Lessor Indemnified Parties") from and against any and all third-party claims, losses, costs, damages, and expenses, including reasonable attorneys' fees, incurred by Lessor Indemnified Parties arising from or relating to (i) Lessee's breach of this Agreement, or (ii) the negligence or willful misconduct of Lessee's invitees. Lessee's indemnification obligations under this Section 13.1 shall not extend to any claim to the extent such claim is due to the gross negligence or willful misconduct of any Lessor Indemnified Party.

13.2 Lessee's Environmental Indemnity. Lessee shall indemnify, defend and hold harmless the Lessor Indemnified Parties against, any claims, costs, damages, fees, or penalties arising from a violation by Lessee or Lessee's agents or contractors of any federal, State, or local law, ordinance, order, or regulation relating to the generation, manufacture, production, use, storage, release or threatened release, discharge, disposal, transportation, or presence of any Hazardous Material on or under the Premises.

13.3 Lessor's General Indemnity. Lessor shall indemnify, defend, and hold harmless Lessee (including Lessee's permitted successors and assigns) and Lessee's subsidiaries, directors, officers, members, shareholders, employees and agents (collectively, "Lessee Indemnified Parties") from and against any and all third-party claims, losses, costs, damages, and expenses, including lost income and environmental attribute Damages and reasonable attorneys' fees, incurred by Lessee Indemnified Parties arising from or relating to (i) Lessor's breach of this Agreement, (ii) the negligence or willful misconduct of Lessor, Lessor's tenants, or Lessor's invitees, or (iii) the failure of building or roof to support, in whole or in part, the System as installed, including changes in roof surface incline. Lessor's indemnification obligations under this Section 13.3 shall not extend to any claim to the extent such claim is due to the gross negligence or willful misconduct of any Lessee Indemnified Party.

13.4 Lessor's Environmental Indemnity. Lessor shall indemnify, defend and hold harmless the Lessee Indemnified Parties for, from, and against, any claims, costs, damages, fees, or penalties, including lost income and environmental attribute Damages, arising from the presence of any Hazardous Materials on or under the Premises, except to the extent that such presence is attributable to a violation by Lessee or Lessee's agents or contractors of any federal, State, or local law, ordinance, order, or regulation relating to the generation, manufacture, production, use, storage, release or threatened release, discharge, disposal, transportation, or presence of any Hazardous Material on or under the Premises.

14. INSURANCE.

14.1 Insurance Required. Each Party shall maintain in full force and effect throughout the Term, with insurers of recognized responsibility authorized to do business in the State in which the System will be located, assigned an A.M. Best rating of no less than A IX, insurance coverage in the amounts and types set forth on Exhibit D. Each policy of insurance maintained by Lessor shall (a) name Lessee as loss payee (to the extent covering risk of loss or damage to the Premises or the System) and as an additional named insured as its interests may appear (to the extent covering any other risk); and (b) contain endorsements providing that such policy shall not be

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cancelled or amended with respect to the named insured and its designees without thirty (30) days' prior written notice to Lessee. Each Party shall, within ten (10) days of written request therefor, furnish current certificates of insurance to the other Party evidencing the insurance required hereunder.

14.2 Waiver of Subrogation. Each policy of insurance required hereunder shall provide for a waiver of subrogation rights against the other Party, and of any right of the insurers to any set-off or counterclaim or any other deduction, whether by attachment or otherwise, in respect of that policy.

14.3 No Waiver of Obligations. The provisions of this Agreement shall not be construed in a manner so as to relieve any insurer of its obligations to pay any insurance proceeds in accordance with the terms and conditions of valid and collectable insurance policies. The liabilities of the Parties to one another shall not be limited by insurance.

15. MISCELLANEOUS.

15.1 Assignments. Neither Party shall have the right to assign any of its rights, duties, or obligations under this Agreement without the prior written consent of the other Party, which consent may not be unreasonably withheld or delayed. The foregoing notwithstanding, Lessee may assign any of its rights, duties, or obligations under this Agreement, without the consent of Lessor, (i) to any of its affiliates, (ii) to any third party in connection with a financing transaction, or (iii) to any purchaser of the System.

15.2 Entire Agreement. This Agreement represent the full and complete agreement between the Parties hereto with respect to the subject matter contained herein and supersedes all prior written or oral agreements between the Parties with respect to the subject matter hereof.

15.3 Amendments. This Agreement may only be amended, modified, or supplemented by an instrument in writing executed by duly authorized representatives of Lessee and Lessor.

15.4 No Partnership or Joint Venture. Lessee and Lessee's agents, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of Lessor. This Agreement shall not impart any rights enforceable by any third party (other than a permitted successor or assignee bound to this Agreement).

15.5 Headings; Exhibits. The headings in this Agreement are solely for convenience and ease of reference and shall have no effect in interpreting the meaning of any provision of this Agreement. Any Exhibits referenced within and attached to this Agreement, including any attachments to the Exhibits, shall be a part of this Agreement and are incorporate by reference herein.

15.6 Remedies Cumulative; Attorneys' Fees. No remedy herein conferred upon or reserved to any Party shall exclude any other remedy herein or by law provided, but each shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. If any action, arbitration, judicial reference, or other proceeding is instituted between the Parties in connection with this Agreement, the losing Party shall pay to the prevailing Party a reasonable sum for attorneys' and experts' fees and costs incurred in bringing

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or defending such action or proceeding (at trial and on appeal) and/or enforcing any judgment granted therein.

15.7 Waiver. The waiver by either Party of any breach of any term, condition, or provision herein contained shall not be deemed to be a waiver of such term, condition, or provision, or any subsequent breach of the same, or any other term, condition, or provision contained herein. Any such waiver must be in a writing executed by the Party making such waiver.

15.8 Severability. If any part, term, or provisions of this Agreement is determined by an arbitrator or court of competent jurisdiction to be invalid, illegal, or unenforceable, such determination shall not affect or impair the validity, legality, or enforceability of any other part, term, or provision of this Agreement and shall not render this Agreement unenforceable as a whole. Instead, the part of the Agreement found to be invalid, unenforceable, or illegal shall be amended, modified, or interpreted to the extent possible to most closely achieve the intent of the Parties and in the manner closest to the stricken provision.

15.9 Counterparts and Facsimile Signatures. This Agreement may be executed in counterparts, which shall together constitute one and the same agreement. Facsimile or portable document format (".PDF") signatures shall have the same effect as original signatures, and each Party consents to the admission in evidence of a facsimile or photocopy of this Agreement in any court or arbitration proceedings between the Parties.

15.10 No Partnership or Sale. Nothing contained in this Agreement shall be deemed or construed by the Parties or by any third person to create the relationship of principal and agent, partnership, joint venture, buyer and seller real property, or any other association between Lessor and Lessee, other than the relationship of lessor and lessee.

15.11 Memorandum of Lease. Lessor and Lessee agree to execute and record a memorandum of this Lease. Lessor shall execute, with notarization, and deliver to Lessee together with the its initial delivery of the signed Agreement a recordable Memorandum of Lease in a form reasonably acceptable to the Parties ("Memorandum of Lease"), which shall include the Exhibit A description of the **City of Norton Shores City Hall** and which Lessee shall then record in the Official Records of the County in which the **City of Norton Shores City Hall is** located. Lessee shall be responsible for the cost of recordation.

15.12 Estoppel Certificate. From time to time, upon written request by Lessee, Lessor shall provide within seven (7) days thereafter an estoppel certificate attesting, to the knowledge of Lessor, of Lessee's compliance with the terms of this Agreement, or detailing any known issues of noncompliance.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this System Site Lease Agreement to be duly executed and delivered as of the Effective Date.

LESSEE	**LESSOR**
New Energy Equity, LLC	**City of Norton Shores**
By: _____	By: _____
Name:	Name:
Title:	Title:

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EXHIBIT A

PREMISES; PROJECT SITE

Site Address: 4814 Henry Street, Norton Shores, MI 49441

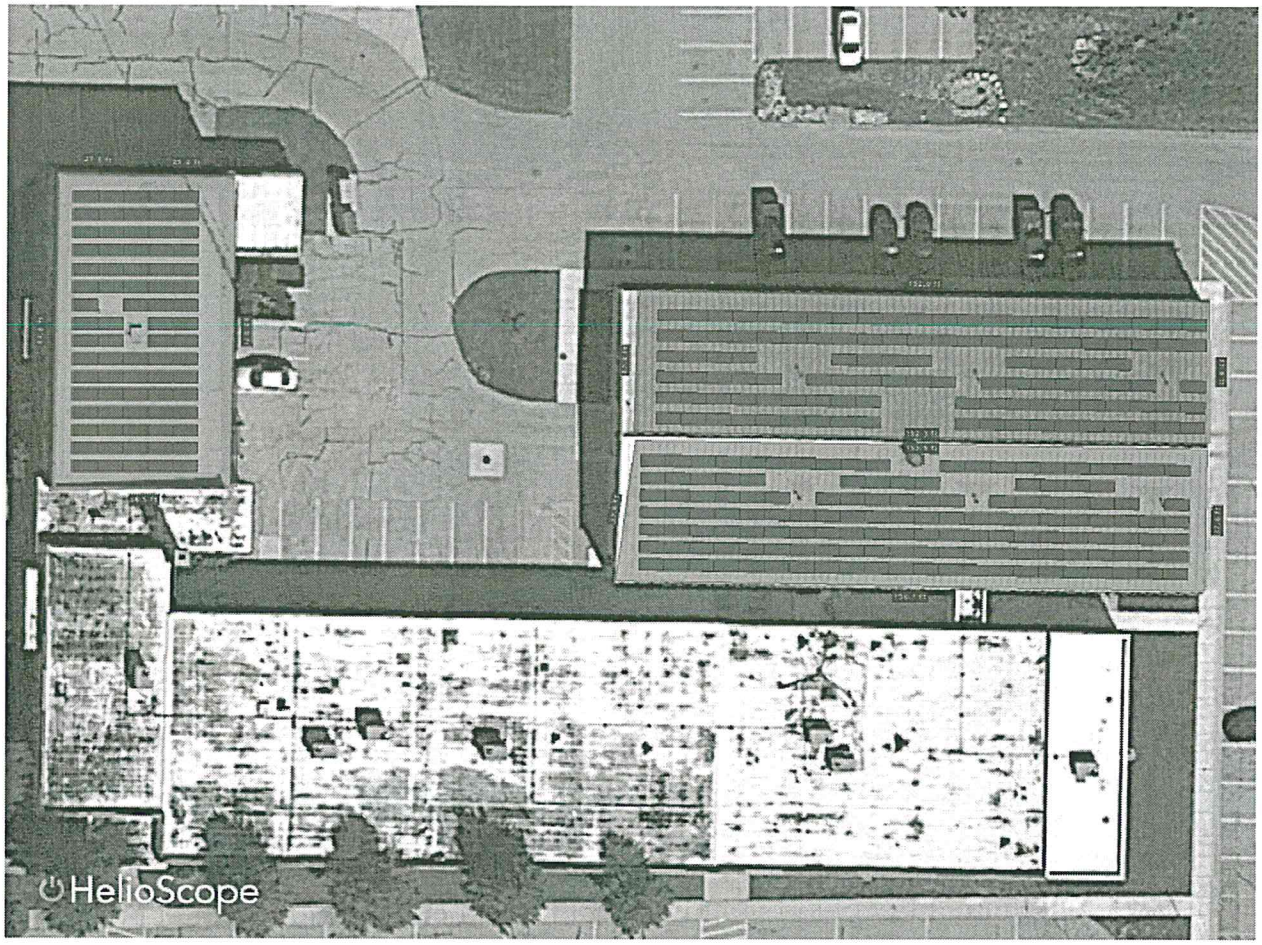

EXHIBIT B

ENCUMBRANCES ON LESSOR'S TITLE

Per the City of Norton Shores, there are no encumbrances on this property.

EXHIBIT C

SYSTEM DESCRIPTION

CITY HALL

General Information		
Project Address	4814 Henry St, Norton Shores, MI	
Utility Territory	Consumers Energy	
System Size DC	137.7	kW
System Size AC	102.6	kW
DC System Voltage	480	V
AC System Voltage	240V Single phase	V

Project Equipment		
Data Acquisition System	SolarEdge	
Module		
Manufacturer	Hanwha	
Module Size	390	
# Modules	353	
Inverter		
Manufacturer	SolarEdge	
Inverter Size	11.4kW	
# Inverters	9	
Racking		
Description	Ballasted roof mount	
Manufacturer	Aerocompact	
Inter Row Spacing	22.5"	
Tilt	15	
Azimuth	180	

EXHIBIT D

INSURANCE REQUIREMENTS

(a) Lessee shall obtain and maintain the following insurance policies:

(i) Comprehensive general liability insurance against liability for injury to or death of any Person or damage to property in connection with the use, operation or condition of the System of not less than one million dollars ($1,000,000) combined single limit per occurrence and annual aggregate. Lessor shall be named as an additional insured under this liability insurance, provided however that Lessee shall in no event be obligated to repair or replace Lessor's buildings or Premises;

(ii) Lessee may satisfy the insurance requirements contained in this Agreement though any combination of primary and/or excess coverage; and

(iii) Lessee may elect to self insure any or all of the insurance requirements contained in this Agreement.

(b) Lessor shall obtain and maintain the following insurance policies:

(i) Comprehensive general liability insurance against liability for injury to or death of any Person or damage to property in connection with the use, operation or condition of the Premises of not less than one million dollars ($1,000,000) combined single limit per occurrence and annual aggregate. Lessee shall be named as an additional insured under this liability insurance;

(ii) All-risk property insurance with coverage equal to the replacement value of the Premises. Lessee shall be named as an additional insured under this policy;

(iii) Lessor may satisfy the insurance requirements contained in this Agreement though any combination of primary and/or excess coverage; and

(iv) Lessor may elect to self insure any or all of the insurance requirements contained in this Agreement.