



## Agreement for Generation, Purchase & Sale of Renewable Energy Certificates

### Summary of Agreement

This contract covers the purchase of Solar Renewable Energy Credits (“SRECs”) where SRECs are sold by the Solar Photovoltaic System Owner (“Seller”) and purchased by Carbon Solutions Group (“CSG”).

An SREC represents the renewable attributes of one (1) Megawatt-Hour (MWh) of renewable energy generated by a Solar Photovoltaic System (“System”). SREC’s are used by utilities, corporations, individuals, and government entities to make and track environmental claims.

SRECs are minted and transacted on a REC Tracking System, in this case called the Western Renewable Energy Generation Information System (“WREGIS”). SREC generation separates the renewable attributes from the actual electricity generated by a System. For example a solar system owner can have a Net Metering Agreement with their Utility that governs the electricity generated and a separate SREC contract with CSG that governs the environmental attributes of that same electricity.

SRECs are generated based on the actual electricity produced by a System. In this Agreement CSG will register the System with the applicable REC Tracking System. CSG will also manage the actual generation of RECS. To do this we need access to the solar production meter readings for your solar system. This generally means granting CSG access to the online monitoring portal for your solar system.

CSG is offering the Seller a 15-year contract paid out over the following duration options.

- 1. 100% Upfront Payment.** This payment method requires customers to pay CSG back for any RECS not generated (we will keep a payment method on file for this option). System owners must also sign the attached Security Addendum)

## Key Contract Requirements

- System Owner (or Installer on System Owner’s behalf) must ensure that System meets all WREGIS Requirements. Outlined in Attachment A
- System Owner (or Installer on System Owner’s behalf) must grant CSG access to the System’s online monitoring portal
- System Owner must maintain internet access to online monitoring of the System and ensure CSG retains access
- System Owner must maintain System and keep it in good working order
- System Owner sells the rights to all SRECS generated during the contract period to CSG and may not sell the SRECS to any other party during the contract period
- CSG will make payments to the System Owner at the SREC price listed in this agreement according to the schedule in Table A.
- CSG is responsible for registering System on applicable REC tracking System
- CSG will generate all SRECS
- CSG will manage transfer and tracking of all SRECs generated by the System

This summary is meant to be a plain language explanation of the agreement between CSG and the System Owner. The following tables summarize the details of the System and the expected payments to the System Owner. Additional terms and conditions to this contract listed after the tables.

**Table A: Commercial Terms**

Commercial Terms	Upfront Payment
System Capacity	167 kW AC
Expected SREC's per Year	197
Duration	15 years
SREC Price	\$3.00
Total Payments	1
One Time Payment	\$9874.71

**Table C: System Information**

Owner Information	
Company Name (if Applicable)	
System Owner Name	
System Owner Phone	
Email Address	
Email Address to Send Contract	
System Owner Title	
System Address	
System City	
System State	
System Zip	
System County	
Contact Title	
Contact Name	
Contact Address	
Contact State	
Contact Zip	
Contact Phone #	
Contact Email	

**Table C: System Information**

System Information	
System Size kW DC	
System Size kW DC	
Max Annual Energy	
Online Date	
Interconnecting Utility	
Utility Account #	
Rev Grade Meter ID	
Rev Grade Meter County	
Reporting Entity(if over 300 kW)	
Reporting Entity ID(if over 300 KW)	
Cal Supplemental Energy Payment Received	
Facility Receives State/Provincial Public Benefit Fund Support Indicator	
Fed Tax Credits Received	

## Agreement

This agreement for the generation, purchase and sale of renewable energy credits (the “**Agreement**”) is made as of the Effective Date, by and between the seller listed in Table C (“**Seller**”) and Carbon Solutions Group, LLC, whose address is 515 N State St, Chicago, IL 60654 (“**CSG**”). Seller and CSG are each a “**Party**” and, collectively, are the “**Parties.**”

WHEREAS, the Parties wish to provide terms and conditions pursuant to which they are entering into this Agreement for the purchase and sale of Renewable Energy Certificates pursuant to both the Commercial Terms (“**Part A**”) and the General Terms (“**Part B**”), as set forth below;

NOW, THEREFORE, in consideration of their mutual covenants herein, the Parties, intending to be legally bound, agree as follows:

### Part A – Commercial Terms

Upon execution of this contract and receipt of required registration documents from system owner or installer CSG will begin the process to register the Seller’s system with the applicable tracking system. When the System has been approved by the tracking system for registration CSG will then pay Seller the first payment according to the option selected by the seller in the Projected Payment Schedule (Table B). Thereafter, CSG will make payments according to the milestones listed in the Projected Payment Schedule.

Subsequent annual payments will be made annually between December 1st and January 31st. Failure to provide CSG with Meter Readings at least once per-quarter may prohibit CSG from generating SRECSs for those time periods. If CSG is unable to generate SRECs due to the failure of the Seller providing Meter Readings or failure of the Seller to fully enable CSG’s access to Generation Data CSG will not be required to make payments detailed in the Projected Payment Schedule.

Upon execution of this agreement, Seller agrees to provide CSG with the following:

- a) System owner info which is to be included in Table C
- b) Documentation required for the system to be registered on WREGIS
- c) Access to online monitoring devices so that CSG may record production in order to generate RECS. This includes username and password and/or access granted to CSG
- d) Sign WREGIS Assignment of Ownership Form (attached as attachment A)



## Part B – General Terms

### 1. DEFINITIONS

1.1 Definitions. In addition to any other terms defined in the Agreement, the following terms shall have the meaning ascribed to them as set forth below:

“**Account**” means a Party’s electronic account with the Applicable Tracking System.

“**Administrator**” means the entity with jurisdiction over the Applicable Tracking System.

“**Attestation Form**”, if set forth on the line “Special Provisions” in Part A, means documentation provided from Seller to CSG transferring title to the REC, specifying the Certified Renewable Energy Facility, Delivered Quantity, Generation Period, and other information with respect to the REC sold herein as well as declarations made by Seller with respect to such REC to be completed in accordance with, and on the form required under, the Applicable Standard.

“**Business Day**” means any day except a Saturday or Sunday or a Federal Reserve Bank holiday. A Business Day opens at 8:00 a.m. and close at 5:00 p.m. Eastern Prevailing Time.

“**Certified Renewable Energy Facility**” means one or more electric generation units, other facilities or installations set forth in Part A, or upon Delivery if not set forth in this Agreement that has been determined by the Certifier to meet the requirements of the Applicable Standard and is designated as qualified for the Applicable Standard on the Applicable Tracking System.

“**Certifier**” means the entity with jurisdiction over the qualification of a resource as a Certified Renewable Energy Facility pursuant to the Applicable Standard.

“**Confidential Information**” has the meaning defined in Section 13.

“**Contract Price**” means the amount payable by CSG to Seller for each REC set forth in Part A.

“**Contract Quantity**” means the quantity of RECs set forth in Part A to be Delivered by Seller to CSG.

“**Defaulting Party**” shall have the meaning set forth in Section 10.

**“Deliver”, “Delivered” or “Delivery(ies)”** means the electronic delivery of production data associated with the System’s generation of renewable electricity or the enabling of CSG to access the System’s production data online.

**“Delivered Quantity”** means the quantity of renewable electricity generation represented by the production data delivered by the Seller.

**“Delivery Year”** means the period from January 1st to December 31st.

**“Effective Date”** means the date of successful registration with WREGIS

**“Event of Default”** shall have the meaning set forth in Section 10.

**“Generation”** the delivery of production data to a tracking system to generate RECs

**“Generation Period”** means the calendar year, quarter, or other specified period of time set forth in Part A in which the Energy associated with the RECs is or will be generated.

**“Interest Rate”** means a per annum rate of interest equal to two (2%) percent over the prime lending rate as published from time to time in The Wall Street Journal under “Money Rates” on such day (or if not published on such day, on the most recent preceding day on which published), but in no event to exceed the maximum lawful rate.

**“Market Exposure”** means, as reasonably calculated and substantiated upon request, the product of: (i) the difference between the Contract Price and the Market Price for the Undelivered Quantity, and (ii) the Undelivered Quantity.

**“Market Price”** means the average of market quotes for the Undelivered Quantity from at least two reputable brokerage firms or third-party intermediaries actively engaged in the purchase and sale of RECs under the Applicable Standard or, if no such quotes from such firms or intermediaries are available, any other reasonable method selected to value the Undelivered Quantity.

**“MWh”** means megawatt-hour.

**“Non-Defaulting Party”** shall have the meaning given in Section 10.

**“Payment Amount”** means an amount equal to the product of: (i) the Contract Price, and (ii) the Delivered Quantity. If this Agreement requires CSG to pay Seller before the Delivery of RECs, then Delivered Quantity means the expected Delivery Quantity.

**“Payment Due Date”** has the meaning set forth in table B



**“Production Data”** means - data which describes the quantity of renewable electricity generated by the System defined in Table C. This data will either be supplied by Seller to CSG on a quarterly basis or CSG will be enable by the Seller to upload production data from the System’s online monitoring system. This monitoring system must deliver Revenue Quality Metering.

**“Quarter/Quarterly”** means four times per year, for example, January, February, and March would represent the first quarter.

**“Renewable Energy Certificate(s)”** or **“REC(s)”** or **“SREC(s)”** means a certificate, credit, allowance, green tag, or other transferable indicium, howsoever entitled, that is associated with, but separate from, the generation of one (1) MWh of Energy from a Certified Renewable Energy Facility. To the extent applicable, the term **“RECs”** includes Solar Renewable Energy Certificate(s) (**“SRECs”**).

**“Renewable Portfolio Standard”** or **“RPS”** means a local, state, provincial or federal law, rule or regulation that requires a stated amount or minimum proportion or quantity of Energy sold or used by specified entities to be generated from a Certified Renewable Energy Facility.

**“Revenue Grade Meter”** means that which is acceptable to WREGIS for the purpose of generating. Per WREGIS Revenue Quality and its installation must, at a minimum, have +/-2 percent accuracy.

**“Seller”** means the Party set forth in Part A that is obligated to sell, assign and Deliver the RECs, or Furnish production data, under the circumstances specified in this Agreement.

**“Settlement Amount”** means, as determined in a commercially reasonable manner by the Non-Defaulting Party as of the Early Termination Date:

(a) if Seller is the Defaulting Party, an amount equal to the sum of: (i) the positive difference, if any, obtained by subtracting the Contract Price from the Market Price; multiplied by the Undelivered Quantity of Production Data, plus (ii) if and as applicable, any broker costs charged by brokers actively engaged in the purchase and sale of SRECs - incurred by Buyer for entering into any replacement transaction to purchase SRECs to cover the Undelivered Quantity minus (iii) the Contract Price multiplied by the Delivered Quantity for which Seller has not been paid by Buyer, if any; and

(b) if Buyer is the Defaulting Party, an amount equal to the sum of: (i) the positive difference, if any, obtained by subtracting the Market Price from the Contract Price multiplied by the Undelivered Quantity, plus (iii) if and as applicable, any broker costs charged by brokers actively engaged in the purchase and sale of SRECs under the Applicable Standard incurred by Seller for entering into any replacement transaction to sell the Undelivered Quantity plus

(iii) the Contract Price multiplied by the Delivered Quantity for which Seller has not been paid, if any.

“**Term**” has the meaning set forth in Table B.

“**Tracking System**” is a system which supplies a unique serial number to each megawatt hour of renewable energy generation.

“**Undelivered Quantity**” means the difference between the Contract Quantity found in the Commercial Terms (Table A) and the Delivered Quantity.

“**Unit Contingent**” shall mean that Seller’s obligation to Deliver the Contract Quantity of RECs shall be excused to the extent the Parties have specified a particular Certified Renewable Energy Facility as the generator of the RECs, and (i) the Certified Renewable Energy Facility specified in Part A is unavailable as a result of a Forced Outage (*as defined in the NERC Generating Unit Availability Data System (GATS) Forced Outage reporting guidelines*), (ii) the RECs have not been generated within the relevant Vintage or other time frame agreed to by the Parties due to a Force Majeure event affecting such Certified Renewable Energy Facility, or (iii) such other disruptions in supply from such Certified Renewable Energy Facility as may be further specified and conditioned on the line “Special Provisions” in Part A occurred. In any such event, Seller shall not be liable to CSG for any damages, including any amounts determined under Section 9 herein.

“**Vintage(s)**” means the time period(s), e.g., calendar year, energy year, reporting year, etc. set forth in Part A for which RECs produced during the Generation Period are eligible for the purpose of complying with the Applicable Standard as that time period is defined by the Applicable Standard.

“**WREGIS**” an independent tracking system that covers the Western Interconnection Territory

## **Term; Sale & Purchase Obligations; Other Party Obligations**

### **1. Term**

1.1 This Agreement shall commence on the Effective Date and shall terminate on the date on which both Parties have completed the performance of their obligations hereunder, unless terminated earlier or discharged pursuant to the terms hereof. Provisions of this Agreement which are stated or reasonably implied to survive such termination or discharge shall so survive until satisfied or waived.

## 2. CSG Responsibilities

CSG agrees to comply with all of the following terms:

2.1 CSG will Register the System with the applicable tracking system upon receipt of registration information from the Seller. This includes applicable data and documents required by both CSG and WREGIS. CSG may require further documentation at a later date to register the System on a different tracking system. Seller shall sign documentation requested by CSG within 30 days of request. Tracking system selection and switching to another tracking system shall be at CSG's sole discretion.

2.2 Upon successful registration CSG will deliver payment according to Table B via regular mail or ACH payment for SRECs to be generated by the facility represented in Table B.

2.3 CSG will use production data from online meter readings delivered according to the terms below to generate SRECs on the applicable tracking system.

## 3. Seller Responsibilities

The seller agrees to comply with all of the following terms:

3.1 Representations and Warranties of Seller. As of the relevant Delivery Date, Seller hereby represents and warrants to CSG that:

- (a) it has the right to sell the SRECs to be generated by the System;
- (b) the SRECs have not been sold for any other purpose or use;
- (c) the SRECs are free and clear of all liens or other encumbrances; and
- (d) the Seller has not made and will not make any environmental claims associated with the electricity generated by the System

3.2 The Seller grants CSG the right to act as its SREC generator on the tracking system of CSG's choice. This includes the seller completing all necessary documentation required by the applicable tracking system listed in Attachment A

3.3 The Seller must transfer all ownership rights to all SRECs generated for the Term of the Agreement (and any extensions thereof) to the CSG.

3.4 The System must meet the following metering requirements:

- a) The meter must be of Revenue Quality and its installation must, at a minimum, have +/-2 percent accuracy.
- b) Must meet the current WREGIS standard

3.5 Systems must either maintain an internet connection (which may be a cellular or wireless connection) to the device being used for generating metering data and grant CSG the rights to their energy production data so CSG may generate SRECS accordingly. Systems without an internet connected meter are not eligible under this agreement. The cost of the internet connection is the Seller's sole responsibility.

3.6 In the event of a sale of the property hosting the System or any change otherwise in the ownership of the System, CSG maintains the rights to the SRECs generated from the System. To be clear, this applies whether or not the ownership rights of the System are sold along with the rest of the property. Seller commits that this Agreement shall be assigned, if necessary, to the appropriate entity to effectuate the purpose of this Agreement. The CSG retains the rights to all SRECs generated during the Term of this Agreement as set forth herein.

3.7 The System must meet any other requirements not explicitly mentioned here but required under WREGIS or any other applicable tracking system selected by CSG

3.8 Systems must be completely located within the State of California.

#### 4. Other System Requirements

4.1 **System Upkeep and Maintenance.** Seller shall be responsible for all necessary upkeep and maintenance of the System. If the System falls into a state of disrepair or is destroyed, or its production is otherwise interrupted, Seller shall promptly notify CSG upon notice or event of such disrepair, destruction, or interruption.

4.2 **System Disrepair or Destruction.** If the System falls into a state of disrepair or is destroyed, or its production is otherwise interrupted, Seller shall be responsible for initiating repair on the System within ninety (90) calendar days from the date of initial disrepair, destruction, or interruption. Failure to notify CSG of the initiation of such repairs within ninety (90) calendar days from the notice or event of initial disrepair, destruction, or interruption

may constitute an Event of Default of this Agreement at the CSG's option.

**4.3 System Interruption.** If the System falls into a state of disrepair or is destroyed, or its production is otherwise interrupted, Seller shall be responsible for bringing the System back online and operational including reporting meter reads to CSG and ensuring the System recommences the production and delivery of electricity onto the grid, commensurate with its Nameplate Capacity within ninety (90) days from the initiation of such repairs. Failure to bring the System back online within ninety (90) days from the initiation of such repairs shall be an Event of Default of this Agreement.

**4.5 Insurance.** A non-residential Seller with a System above 50 kW (DC) shall maintain, at all times during the Term of the Agreement, commercial liability insurance, general liability insurance, third party liability insurance, and all risk insurance policies of a normal and customary value, provided that the risk insurance policy shall cover, at the minimum, the total cost of the System, for purposes of maintenance and repair. Seller shall present proof of such coverage to CSG upon request. A residential Seller shall maintain, at all times during the Term of the Agreement, general liability and property insurance which covers, at a minimum, the total cost of the System, for purposes of maintenance and repair. Any unresolved lapse in coverage for more than three (3) months during the term of the contract may constitute a default under this Agreement at CSG's option.

## **5. Delivery Obligation**

**Certified Renewable Energy Facility Delivery Obligation.** If a Certified Renewable Energy Facility is set forth in Table C., then Seller shall deliver production data from that Certified Renewable Energy Facility without excuse other than Force Majeure, unless CSG agrees in a prior writing that Seller may Deliver from an alternative Certified Renewable Energy Facility.

**5.1 Responsibility to deliver meter reads.** If Seller fails to deliver to CSG production data quarterly accordance with Section 5.5.8, then CSG will provide electronic notice to Seller of such failure. If Seller has not delivered meter read data to CSG within ten (10) business days of the notice to Seller the CSG has the option to hold Seller in Default and or to extend the term of this Agreement by one (1) year in order to recoup any losses to CSG arising from such failure. Failure to deliver meter reads for a full year will result in Default by the Seller.

**5.2 Additional Requirements for Prepayment.** If Seller has selected either partial or full prepayment option Seller is obligated to refund CSG any undelivered RECS annually. Each year of prepayment has a corresponding REC quantity to be delivered by the Seller. Seller must meet

at a minimum the delivery requirement each delivery year. If the delivery requirement is not met then the seller shall owe CSG the Settlement Amount for that Delivery Year.

*Example:*

*Seller's Annual Delivery Quantity: 15 RECS*

*Seller's MWH of generation: 13.6MWH*

*Market SREC Price: \$3.00 (example only)*

*Seller Owes: 2 RECS \* \$3.00 = \$6.00*

Additionally, seller shall:

- a. Seller shall sign attached Security Addendum
- b. Seller shall sign attached Credit Card Authorization Form
- c. Seller shall keep an up-to-date payment method on file with CSG
- d. If the system and or property where the system is located is sold all requirements to deliver RECS/meter reads to CSG shall be passed on to the new owner of the property. New property owner must sign CSG's REC agreement and agree to refund CSG prepayment for any undelivered RECS

## **6 Representations and Warranties of Both Parties.**

As of the Effective Date and upon each subsequent Delivery, each Party hereby represents and warrants to the other Party that:

- (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation;
- (b) it has all regulatory authorizations necessary for it to legally perform its obligations under this Agreement;
- (c) the execution, delivery and performance of this Agreement is within its powers, have been duly authorized by all necessary action and do not violate any of the terms and conditions in its governing documents, any contracts to which it is a party or any law, rule, regulation, order or the like applicable to it;
- (d) this Agreement and each other document executed and delivered in accordance with this Agreement constitutes its legally valid and binding obligation enforceable against it in accordance with its terms; subject to any equitable defenses, bankruptcy principles, or the like;

- (e) no Event of Default with respect to it has occurred and is continuing and no such event or circumstance would occur as a result of its entering into or performing its obligations under this Agreement;
- (f) it is acting for its own account, has made its own independent decision to enter into this Agreement and as to whether this Agreement is appropriate or proper for it based upon its own judgment, is not relying upon the advice or recommendations of the other Party in so doing, and is capable of assessing the merits of and understanding, and understands and accepts, the terms, conditions and risks of this Agreement;
- (g) it is a “forward contract merchant” within the meaning of the United States Bankruptcy Code; and
- (h) it has entered into this Agreement in connection with the conduct of its business and it has the capacity or ability to make Delivery or Accept Delivery, as applicable, of all data and information required

## **7 Prerequisites for Purchases**

7.1. CSG's obligation to begin the purchase of RECs from Seller at the rates of payment specified in Table A is contingent upon the satisfaction of all of the following conditions:

7.2. Seller has provided or will provide CSG with all documents required for registration on WREGIS or other tracking system. These documents include but are not limited to supporting documents provided. (List of required documents attached as Attachment A)

7.3. Seller has provided CSG with all information, documentation, and permission necessary to create a valid account in WREGIS or any other tracking system for purposes of CSG generating and obtaining full right and title to the SREC generated by the System. CSG generating and obtaining full right and title to the SREC generated by the System.

## **8. Taxes and Fees**

Each Party shall be responsible for the taxes levied upon it by any governmental authority; provided, however, that CSG will be responsible for any sales tax imposed under this Agreement. As used herein “taxes” means, but is not limited to, any or all ad valorem, property, occupation, severance, first use, conservation, gross receipts, privilege, sales, use, consumption, excise, lease, transaction, and other taxes, governmental charges, licenses, fees, permits and assessments, or increases therein, other than taxes based on net income or net worth. A tax is not a penalty or a fine.

## **9. Billing and Payment Instructions**

9.1. Payment. CSG shall pay Seller according to the Commercial Terms listed in Table B and according to the option selected by Seller in the Schedule provided in Table B. If payment is not made by the Payment Due Date, without limiting Seller's rights and remedies, the past due amount shall carry interest at the Interest Rate.

9.2. Payment Instructions. Payment shall be made by a check mailed to the address listed in Table C. For an additional transaction fee payment may also be made via electronic funds transfer, or by other mutually agreed upon method, in immediately available funds, to the bank account name and account number as set forth below, or as otherwise notified in writing to CSG from the Seller.

## **10. FORCE MAJEURE**

10.1. If either Party is rendered unable, wholly or in part, by Force Majeure to carry out its obligations with respect to this Agreement, that upon such Party's (the "Claiming Party") giving notice and full particulars of such Force Majeure as soon as reasonably possible after the occurrence of the cause relied upon, confirmed in writing, then the obligations of the Claiming Party will, to the extent it is affected by such Force Majeure, be suspended during the continuance of said inability, but for no longer period, and the Claiming Party will not be in default hereof or liable to the other Party for, or on account of, any loss, damage, injury or expense resulting from, or arising out of such event of Force Majeure during such Suspension Period. The Party receiving such notice of Force Majeure will have until the end of the tenth (10th) business day following such receipt to notify the Claiming Party that it objects to or disputes the existence of Force Majeure. If Seller is the Claiming Party, then such notification must be made to the CSG, and a determination of whether to object to or dispute the existence of Force Majeure shall be made by CSG.

10.2. "Force Majeure" means an event or circumstance which materially adversely affects the ability of a Party to perform its obligations under this Agreement, which event or circumstance was not reasonably anticipated as of the date such transaction was entered into and which is not within the reasonable control of, or the result of the negligence of, the Claiming Party, and which the Claiming Party is unable to overcome or avoid or cause to be avoided, by the exercise of due diligence. Force Majeure includes acts of God (such as tornadoes, fires, earthquakes and floods), explosions, war, hostilities, riots and acts or threats of terrorism (any such event, an "External Event") that disrupt the operation of the System. For avoidance of doubt; Force



Majeure does not include under delivery of contracted RECs (or data to generate RECs) due to climatological effects or technology malfunction

10.3. Force Majeure may not be based on: (i) the loss or failure of CSG's markets; (ii) CSG's inability to economically use or resell the REC(s) purchased hereunder; (iii) Seller's ability to sell the REC(s) to another at a price greater than the Purchase Price; (iv) curtailment for economic purposes only of the System(s) if acting as a wholesale market participant, made by the interconnected utility or RTO responsible for the operation of the distribution or transmission system to which the System is interconnected; (v) insufficiency or unavailability of insolation to operate the System or generate sufficient quantities of RECs; (vi) the performance or breakdown of equipment or an electrical grid outage not directly caused by an External Event; or (vii) the loss of tax credits, the denial of deductions, or the imposition of additional taxes.

10.4. If Force Majeure adversely affects the ability of Seller to deliver RECs from a System, then there shall be a Suspension Period with respect to that System's obligations to deliver RECs under this Agreement. If the Suspension Period arising from such an event lasts for a consecutive period of three-hundred sixty-five (365), then the Agreement may be terminated by CSG. If payments have been made to Seller with respect to the System, Seller shall return the amount of payment based on the applicable Purchase Price and on the difference between the number of RECs used to calculate payment and the number of RECs delivered from such System.

## 11. EVENTS OF DEFAULT

An "**Event of Default**" means, with respect to a Party (the "**Defaulting Party**"), the occurrence of any of the following: (i) failure by such Party to make, when due, any payment required under this Agreement, if such failure is not remedied within fifteen (15) Business Days after written notice of such failure is given by the other Party; (ii) any representation or warranty made by such Party that is incorrect or misleading in any material respect when made or when deemed made or repeated; (iii) the failure by such Party to perform any material covenant or obligation set forth in this Agreement - if such failure is not remedied within fifteen (15) Business Days after written notice is given by the other Party; (iv) such Party becomes Bankrupt; (v) Seller fails to deliver production data quarterly, or fails to enable CSG's access to, all or part of the production data and such failure is not excused under the terms of this Agreement then Seller will be considered in default of this agreement. Seller and will then have thirty (30) days to remedy by providing production data or enabling CSG's access to production data. If after thirty (30) days the upon this date Seller has not resolved its failure this then CSG may seek remedies afforded under this contract.

## 12. REMEDIES UPON DEFAULT

12.1 Remedies. If an Event of Default with respect to a Defaulting Party has occurred and is continuing, the other Party (the “**Non-Defaulting Party**”) shall have the right: (i) to designate a date, upon at least fifteen (15) Business Days’ written notice to the Defaulting Party, as an early termination date (“**Early Termination Date**”) to accelerate the amounts owed (Liquidation Notice).. The Non-Defaulting Party shall calculate-the Settlement Amount for the termination of this Agreement as of the Early Termination Date.

In the event of seller default:

- A. Pre-Paid Sellers. If Seller has not yet delivered the full quantity of RECs Seller shall pay CSG the Settlement Amount. The contract will continue for the duration of the contract term. Contract may be terminated early at CSG’s sole discretion.
  - a. CSG will invoice Seller for any Settlement Amounts. If invoice is not paid CSG will charge the customer’s payment method on file automatically.

If payment method is not successful CSG may pursue the additional methods outlined in the Security Addendum

Pay as generated customers. CSG will not pay Seller for any undelivered RECS. If Seller does not furnish meter reads to CSG, CSG still retains the rights to all environmental benefits from the system for the contract term. Contract may be terminated early by mutual agreement.

12.2 Notice of Payment of Settlement Amount. As soon as practicable after the early termination date a Notice of Payment of Settlement Amount shall be given by the Non-Defaulting Party to the Defaulting Party of the Settlement Amount. The notice shall include a written statement explaining in reasonable detail the calculation of such amount. The Settlement Amount shall be paid by the Party that owes it fourteen (14) Business Days after the notice is received.

12.3 Setoff. Each Party reserves all rights, setoff, recoupments, counterclaims or other remedies and defenses (to the extent not expressly waived or denied in this Agreement) that such Party has or to which such Party may be entitled arising from or out of this Agreement.

12.4 Limitation of Remedies, Liability and Damages. EXCEPT AS SET FORTH HEREIN, THERE IS NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY AND ALL IMPLIED WARRANTIES ARE DISCLAIMED. THE PARTIES CONFIRM THAT THE EXPRESS REMEDIES AND MEASURES OF DAMAGES PROVIDED IN THIS AGREEMENT SATISFY THE ESSENTIAL PURPOSES HEREOF. FOR BREACH OF ANY PROVISION FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL

BE THE SOLE AND EXCLUSIVE REMEDY, THE OBLIGOR'S LIABILITY SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED HEREIN OR IN A TRANSACTION, THE OBLIGOR'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY HEREIN PROVIDED, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS HEREIN IMPOSED ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

### 13. CONFIDENTIALITY

13.1 Confidentiality Generally. “**Confidential Information**” means all oral and written information exchanged between the Parties with respect to the subject matter of this Agreement. The following information does not constitute Confidential Information for purposes of this Agreement: (a) information that is or becomes generally available to the public other than as a result of a disclosure by either Party in violation of this Agreement, (b) information that was already known by either Party on a non-confidential basis prior to this Agreement, (c) information that becomes available to either Party on a non-confidential basis from a source other than the other Party if such source was not subject to any prohibition against disclosing the information to such Party, and (d) information that is developed by receiving Party or its affiliates independently and without access to the Confidential Information of disclosing Party. , Neither Party shall publish, disclose, or otherwise divulge Confidential Information to any person at any time during or after the term of this Agreement, without the other Party's prior express written consent. Each Party shall permit knowledge of and access to Confidential Information only to those of its affiliates and to persons investing in, providing funding to or acquiring it or its affiliates, and to its and the foregoing persons' respective attorneys, accountants, representatives, agents and employees who have a need-to-know such Confidential Information related to this Agreement.

13.2 Authorization to Disclose. The Parties are expressly authorized to disclose the existence of this Agreement and certain REC details to affect the Delivery of such RECs or otherwise comply with any relevant Applicable Standard while using commercially reasonable efforts to preserve the confidentiality of any other information unnecessary for such requirements, notwithstanding

any agreement between the Parties regarding the protection of Confidential Information. If required by any law, statute, ordinance, decision, order or regulation passed, adopted, issued or promulgated by a court, governmental agency or authority having jurisdiction over a Party, that Party may release Confidential Information, or a portion thereof, to the court, governmental agency or authority, as required by the applicable law, statute, ordinance, decision, order or regulation. Before such disclosure such Party shall promptly notify the other Party of the required disclosure, if legally permissible, such that the other Party may attempt (if such other Party so chooses and at such other's Party's expense) to cause that court, governmental agency or authority to treat such information in a confidential manner and to prevent such information from being disclosed or otherwise becoming part of the public domain. Notwithstanding the foregoing, if a Party is required to make a disclosure pursuant to this Section 10.2, then it will, if possible, request that such disclosure be accorded confidential treatment.

**13.3 Injunctive Relief; Survival.** Each of the Parties acknowledges and agrees that the other Party would be irreparably harmed if any Confidential Information of the Disclosing Party were to be disclosed to third persons, or if any use were to be made of such Confidential Information other than that permitted under this Agreement, and further agrees that the disclosing Party shall have the right to seek injunctive relief upon any violation or threatened violation of the terms of this Section 10, in addition to all other rights and remedies available at law or in equity, without having to post a bond or other security. The Parties' obligations under this Section 10 shall survive for a period of two (2) years following the expiration or termination of this Agreement.

**13.4 Meter and Inverter Data** During the process of gathering data from the systems online monitoring or other source CSG may obtain additional information about system performance, specs, historical production data, and other information. CSG retains full rights to this data and may use any and all information collected for system predictions, risk mitigation, and any other commercial purposes at CSG's sole discretion. CSG's rights include Including marketing information to third parties.

## **14. BANKRUPTCY CODE PROVISIONS**

The Parties intend that: (i) this Agreement is a "forward contract" within the meaning of the Bankruptcy Code, (ii) all payments made or to be made by one Party to the other Party, pursuant to this Agreement constitute "settlement payments" within the meaning of the Bankruptcy Code, (iii) all transfers of credit support by one Party to the other Party under this Agreement constitute "margin payments" within the meaning of the Bankruptcy Code, and (iv) each Party's rights constitutes a "contractual right to liquidate" this Agreement within the meaning of the United States Bankruptcy Code.

## 15. ENTIRE AGREEMENT; SEVERABILITY

This Agreement, together with any attachments or exhibits specifically referenced herein, constitutes the entire agreement between the Seller and the CSG with respect to the subject matter hereof, supersedes all prior oral or written representations and contracts, and may be modified only by a written instrument signed by CSG and Seller.

Any part of this Agreement is or becomes invalid, illegal, or unenforceable may be severed from the remainder hereof, and to the extent possible, the Parties will use reasonable efforts to replace any such part with provisions that preserve their original intent.

## 16. COUNTERPARTS

This Agreement may be executed by PDF or mailed paper copy in one or more counterparts, all of which taken together will constitute one and the same original instrument.

## 17. GOVERNING LAW; WAIVER OF TRIAL BY JURY & ATTORNEYS' FEES

17.1 Governing Law and Jury Trial Waiver. This Agreement shall be construed, enforced, and performed in accordance with the laws of the State of Illinois, without recourse to its principles governing conflicts of law that would apply the law of another jurisdiction. **AS A MATERIAL INDUCEMENT TO EACH PARTY TO ENTER INTO THIS AGREEMENT, THE PARTIES EACH HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING HERETO, ANY RECS OR THE AGREEMENT CONTEMPLATED HEREBY. EACH PARTY FURTHER WAIVES ANY RIGHT TO CONSOLIDATE ANY ACTION IN WHICH A JURY TRIAL HAS BEEN WAIVED WITH ANY OTHER ACTION IN WHICH A JURY TRIAL CANNOT BE OR HAS NOT BEEN WAIVED.**

17.2 Attorneys' Fees. In the event of any suit or other proceeding between the Parties arising out of this Agreement, the prevailing Party shall be entitled to recover reasonable attorneys' fees, costs (including at the trial and appellate levels) and expenses of investigation.

## 18. WAIVER; AMENDMENT

None of the terms or conditions of this Agreement may be amended or waived except in writing and signed by both Parties. The Parties agree that no waiver, amendment, or modification of this Agreement will be established by conduct, custom, or course of dealing. The failure of a Party to require performance of any provision of this Agreement will not limit such Party's right to seek such performance at a later time. Similarly, a Party's waiver of its rights with respect to any Event of Default or any other matter arising in connection with this Agreement will not be considered a waiver with respect to any subsequent Event of Default or matter.

**19. NOTICES**

All notices, payments and other formal communications which either Party may give to the other under or in connection with this Agreement shall be in writing and shall be sent by any of the following methods: hand delivery, reputable overnight courier, electronic mail or the electronic equivalent. If made to Seller communications shall be sent to the addresses referenced in Table B, if to CSG seller shall notify CSG by email to [SREC@carbonsolutionsgroup.com](mailto:SREC@carbonsolutionsgroup.com).

Each Party represents that the person signing this Agreement on its behalf is authorized to enter into this Agreement. Each Party also understands and agrees to the terms and conditions herein and agrees to be bound thereby. Each Party acknowledges its obligations of good faith and fair dealing under this Agreement (including commercially reasonable mitigation of damages, if any, so far as possible), notwithstanding any contrary provision herein or in applicable law.

**Seller**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Carbon Solutions Group, LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
  
Date: - \_\_\_\_\_

## Attachment A

### Required WREGIS Documents

- System Information Listed in Table C
- Notice of Assignment of Rights (Attached)
- Manufacturer's Specifications for Modules and Inverters
- Single Line Diagram of System Electrical Layout
- Revenue Meter ID (may be photo of meter or screenshot of meter online portal)
- Proof of Commercial Operation Date (at least one of the following):
  - Utility or Balancing Authority PTO Letter
  - Notice of Substantial Completion Letter
- EIA 860 (most recent year) - Systems Over 1MW only

## Attachment B

### Security Agreement Addendum:

### Reporting Requirements and Penalties for under production or undelivered data:

As referenced in the agreement under section 12.1 titled remedies of default:

- 1) If production data is not delivered for a three month period CSG will make one notification via email of such failure. If there is no response updating said data within ten (10) days of notification, CSG will add two (2) years to the current contract at the contracted rate plus impose an administrative fine of \$500.
- 2) If this continues for four consecutive quarters without correspondence from the system owner, we will consider the account in default at which point CSG has the right to take legal action for the balance of undelivered SRECs per the contract, plus a fine of said balance, and any associated legal and administrative fees to recoup the cost of undelivered SRECs.

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By

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Date