



PERFORMANCE GUARANTEE AND LIMITED WARRANTY AGREEMENT (LEASE)

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

1. Performance Guarantee.

a. Definitions.

- i. "Actual Annual kWh" means the AC electricity produced by your System in kWh measured and recorded by Sungevity during each Production Year. Sungevity uses the Sungevity Monitoring Service described below to measure the Actual kWh. To the extent such service is not available, we will estimate the Actual kWh by reasonable means, subject to the requirements of Section 3.b below.
- ii. "Guaranteed Energy Price per kWh" means a starting rate of \$0.1659 per kWh with an annual increase of 3.5 percent (3.5%).
- iii. "Production Year" means the twelve (12) month period beginning on the 1st day of the month in which your first monthly payment was due under the Lease Term, and each successive twelve (12) month period thereafter. For example, if the original Interconnection Date for your System occurred on March 15, each Production Year under the Lease Term would run from April 1 to March 31.

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

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

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

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

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

d. Monitoring. During the Lease Term, we will provide you at no additional cost our Sungevity monitoring service



("Monitoring"), which is a third party proprietary monitoring system that records and displays historical energy generation data over an Internet connection and consists of hardware installed by Sungevity on site and software accessed by Sungevity. If your System is not operating within normal ranges, Monitoring will tell us and we will notify you promptly.

2. Limited Warranties.

- a. Limited Warranties. Sungevity warrants the System as follows:
 - i. Installation Warranty. We will professionally install the System in a good and workman-like manner according to the standards defined in Section 4 below. This installation warranty will last for one (1) year following the completion of the System installation (the "Installation Warranty Period");
 - ii. Roof Warranty. When we penetrate your roof during a System installation, we will warrant roof damage that we cause to areas that are within a three-inch (3") radius of our roof penetrations, as well as actual damage to your Property or personal belongings directly resulting from such roof damage. This roof warranty will last for the **longer of** (a) one (1) year following the completion of the System installation or (b) the remainder of any then-existing installation warranty on your roof (the "Roof Warranty Period");
 - iii. Use Warranty. Under normal use and service conditions, the System will be free from defects in workmanship or defects in, or a breakdown of, materials or components. This use warranty will start when we begin installing the System at your property and will last throughout the entire Lease Term (the "Use Warranty Period");
 - iv. Repair Warranty. Sungevity will repair or replace any defective part, material or component or correct any defective workmanship, at no cost or expense to you (including all labor costs), when you submit a valid claim to us under this Limited Warranty. If we damage your Property or your belongings, we will repair the damage or pay you for the damage that we cause in accordance with the provisions of Section 8 below. Sungevity may use new or reconditioned parts when making repairs or replacements. Sungevity may also, at no additional cost to you, upgrade or add to any part of the System to ensure that it performs according to the guarantees set forth in this Limited Warranty. This repair warranty will start when we begin installing the System at your property and will last throughout the entire Lease Term (the "Repair Warranty Period"); and
 - v. Output Warranty. The System's electrical output shall not decrease by more than fifteen percent (15%) during the first ten (10) years of the Lease Term.
- b. Making a Claim. You can make a claim by:
 - i. Writing us a letter and sending it to us via certified or registered U.S. Mail or a reputable overnight delivery service; or
 - ii. Sending us a fax at the number in Section 9 below.
 - iii. Warranty service will be performed promptly and typically on site. If the affected equipment requires off site warranty service, Sungevity will arrange for its transportation under warranty.
- c. Transfer of Limited Warranty. Sungevity will accept and honor any valid and properly submitted Warranty claim made during any Lease Term by any person who either purchases the System from you or to whom you properly transfer the Lease. If you have taken over an existing Lease, then the Limited Warranties specified above will cover you for the remainder of the Lease Term to the same extent as the person who originally leased the System.
- d. Insurance. During the Lease Term, including any extensions, Sungevity will insure the System against all damage or loss unless (i) the damage or loss is caused by your gross negligence; or (ii) you intentionally damage the System. In the event that you, or someone who is on site with your permission (such as a family

member, guest or a non-Sungevity service provider) damages the System, and the damage is not intentional or the result of gross negligence, you will be responsible for the lesser of (x) the applicable insurance deductible, or (y) the actual costs of repairing the System. In connection with Sungevity's provision of this insurance, you agree to reasonably cooperate with Sungevity to provide any required information or assistance concerning coverage or claims.

3. Maintenance and Operation.

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

4. Sungevity's Standards.

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

5. System Repair, Relocation or Removal.

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

6. Force Majeure.

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

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

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

7. Exclusions and Disclaimer.

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

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

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



THE LIMITED WARRANTIES DESCRIBED IN SECTION 2.a ABOVE ARE THE ONLY EXPRESS WARRANTIES MADE BY SUNGEVITY WITH RESPECT TO THE SYSTEM. SUNGEVITY HEREBY DISCLAIMS, AND ANY BENEFICIARY OF THIS LIMITED WARRANTY HEREBY WAIVES, ANY WARRANTY WITH RESPECT TO ANY COST SAVINGS FROM USING THE SYSTEM.

8. Limitations of Liability.

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

9. Notices.

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

Notices to Sungevity: Sungevity Development LLC
66 Franklin Street, Suite 310
Oakland, CA 94607
Fax: 866-421-1924

Notices To You: At the billing address in the Lease or any subsequent billing address you give us.

10. Applicable Law/Arbitration.

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



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

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

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

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

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

11. Assignment and Transfer of this Limited Warranty.

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

[Signatures appear on last page after Exhibits]

Exhibit A

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



Exhibit B

Table of Guaranteed Annual kWh

PRODUCTION YEAR	GUARANTEED ENERGY PRICE PER KWH	ESTIMATED ANNUAL KWH	GUARANTEED ANNUAL KWH *
1	\$0.1659	8221	7810
2	\$0.1734	8139	7732
3	\$0.1813	8057	7654
4	\$0.1896	7977	7578
5	\$0.1982	7897	7502
6	\$0.2072	7818	7427
7	\$0.2166	7740	7353
8	\$0.2264	7663	7280
9	\$0.2367	7586	7207
10	\$0.2475	7510	7135
11	\$0.2588	7435	7063
12	\$0.2705	7361	6993
13	\$0.2828	7287	6923
14	\$0.2957	7214	6853
15	\$0.3091	7142	6785
16	\$0.3231	7071	6717
17	\$0.3378	7000	6650
18	\$0.3532	6930	6584
19	\$0.3692	6861	6518
20	\$0.3860	6792	6452
21if extended	\$0.4036	6724	6388
22if extended	\$0.4219	6657	6324
23if extended	\$0.4411	6590	6261
24if extended	\$0.4612	6524	6198
25if extended	\$0.4821	6459	6136

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

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



Entire Agreement; Changes.

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

Property Owner's Name: Kenn Ramage

Property Co-Owner's Name (if any):

Signature: _____

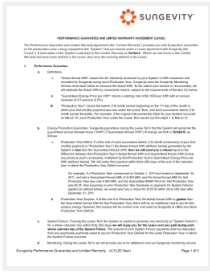
Signature: _____

Date: _____

Date: _____

Signature: *Kenn Ramage*
Kenn Ramage (Jan 7, 2013)

Email: kennr@vanstone.com







04.PerformanceGuarantee_5.39_a1U for iQuote a1UU0000000IU2XMAW

EchoSign Document History

January 14, 2013

Created:	January 14, 2013
By:	Your Solar Consultant (echosign@sungevity.com)
Status:	SIGNED
Transaction ID:	RXLLVW5M67325W

“04.PerformanceGuarantee_5.39_a1UU0000000IU2XMAW.pdf for iQuote a1UU0000000IU2XMAW” History

-  Widget created by Your Solar Consultant (echosign@sungevity.com)
January 14, 2013 - 4:34 PM PST
-  Widget filled in by Kenn Ramage (kennr@vanstone.com)
January 14, 2013 - 4:37 PM PST - 71.177.137.39
-  User email address provided through API
January 14, 2013 - 4:37 PM PST - 71.177.137.39
-  Signed document emailed to Kenn Ramage (kennr@vanstone.com) and Your Solar Consultant (echosign@sungevity.com)
January 14, 2013 - 4:37 PM PST

