



SOLAR PHOTOVOLTAIC SYSTEM AGREEMENT

	"BAKER"	"Homeowner"
Name	NB Baker Electric, Inc. (dba Baker Electric Solar)	Lori Hostetler
Entity Type	a California Corporation	Individual/ Homeowner
Street Address	1298 Pacific Oaks Place	43271 Via Angeles
City, State Zip	Escondido, CA 92029	Temecula, Ca 92592
Telephone Number	760-745-2001	(951) 225-2332
Email Address	info@bakerelectricsolar.com	loridhos@gmail.com
CA Contractor's License No.	#C10-858088	

	"Photovoltaic System"
Size	7.14 kW (DC)
Panel Modules	✓ (28) REC Solar REC255PE-US (BW)
Inverter(s)	✓ (2) SMA America SMA - SB3000TL
Monitoring	Locust
Installed Value	\$25,000

	"Lessor"
Name	Kilowatt Systems, LLC.
Lease Term	20 Years
Estimated Lease Payment	✓ \$158 Lease - Monthly OK

	"Effective Date"
Date	Mar 4, 2014

	"Installation Site"
Street Address	43271 Via Angeles
City, State Zip	Temecula, Ca 92592
Electric Utility	SDG&E
Account Number	3-013-7807-36
Meter Number	222011-819736

I. PARTIES

This agreement ("Contract") is made on the Effective Date, by and between BAKER and Homeowner. Homeowner and BAKER may each individually be referred to as "Party" and both collectively referred to as "Parties".

II. CONSIDERATION

For good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, the Parties agree to the following:


Homeowner agrees to enter into a separate contract for the lease of the Photovoltaic System at Homeowner's residence ("Homeowner-Lessor Contract") within thirty (30) days of the Effective Date of this Contract with Lessor, a photovoltaic system leasing company, as described in the Lease Proposal (Exhibit A). Homeowner understands the Homeowner-Lessor Contract will include Lessor contracting the installation of the Photovoltaic System to BAKER. BAKER is not a party to the Homeowner-Lessor Contract. Upon execution of this contract, BAKER agrees to provide Lessor with a subsequent Installation Site evaluation and engineering proposal, with such information as required by Lessor to initiate Homeowner-Lessor Contract. The Installation Site evaluation and engineering proposal average a cost to BAKER of \$500.00.

Homeowner will immediately indemnify, defend, and hold BAKER harmless for all costs directly or indirectly related to this Contract to the extent avoidable by Homeowner. For example, without limitation, if Homeowner 1) decides to discontinue the Homeowner-Lessor Contract, or 2) fails to provide Lessor final acceptance of BAKER's work, Homeowner will pay BAKER for all costs and expenses BAKER incurs related to the installation and removal of the Photovoltaic System to the extent not immediately paid to BAKER by Lessor. This indemnification and defense provision will survive the expiration and termination of this Contract.

III. ALLOWANCES

This Contract includes allowances (if any) for the additional work by BAKER to be provided:

Description	Allowance
N/A	N/A
N/A	N/A
N/A	N/A

 Homeowner initials to confirm no allowances have been provided other than those listed above, if any.

If the above additional Work exceeds the above allowance, BAKER may bill Homeowner, with Homeowner's advance consent, separately from the Contract. There will be no refund due from BAKER to the Homeowner if the above additional Work is completed for less than the above allowance.

In the event BAKER is required to perform services or furnish material which is not included in this Contract (for example, and without limitation, the additional support of a roof structure which is not adequate to support the full load of the PV System equipment, service panel upgrade, main breaker downgrade, internal conduit runs, or painting external conduit) and expects to be compensated for same, BAKER must first obtain written approval from Homeowner for this work.

IV. UNDERSTANDING

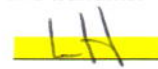

BAKER has separately entered into contracts with Lessor for the sales and installations of photovoltaic systems ("Contractor-Lessor Contract"), including the photovoltaic system of Homeowner. Lessor has subcontracted to BAKER a portion of Lessor's

obligation, including installation, under the Homeowner-Lessor Contract. Homeowner is not a party to the Contractor-Lessor Contract.

Upon execution of the Contract, Homeowner authorizes BAKER or Lessor to request a consumer credit report on Homeowner from a consumer credit reporting agency operating in compliance with the Fair Credit Reporting Act, with such information as required by Lessor to initiate the Homeowner-Lessor Contract. All credit information will be kept confidential. If the Homeowner fails to obtain credit approval from Lessor, the Parties will have no further obligations under this Contract.

In order for BAKER to perform its obligation under its Contractor-Lessor Contract, BAKER requires the proper approvals of all non-governmental entities that may have authority over the Installation Site, including but not limited to homeowners association ("HOA") approval under HOA conditions, covenants and restrictions ("CC&Rs") ("Association Approvals"). **Homeowner is responsible for all costs and expenses of any nature associated with obtaining Association Approvals required herein.** BAKER agrees to provide Homeowner with reasonable support and documentation required by an HOA as part of Homeowner's process of obtaining Association Approval. The Parties agree that time is of the essence in this Contract.

By initialing the appropriate statement, Homeowner represents and warrants:

-  Homeowner initials confirming the proposed solar system IS subject to an Association approval.
- OR**
-  Homeowner initials confirming the proposed solar system IS NOT subject to an Association approval.

BAKER may, without cost to Homeowner, erect a sign upon execution of this agreement. Homeowner understands that during the installation period, both a trailer and portable toilet will be parked on or near the job site.

The design, sizing and Installed Value of the Photovoltaic System in this agreement is based upon the information available to BAKER at the time Contract was prepared and is subject to change prior to execution of the Homeowner-Lessor Contract. Changes may be required after the Installation Site evaluation and engineering proposal include, but not limited to, when there is a change in 1) the rated capacity of the electrical service panel, or 2) the roof space or land available for mounting the module panels, or 3) a roof consisting of fragile roofing materials, or 4) other unforeseen problem with the Installation Site which differ materially from those ordinarily encountered and generally recognized as inherent to installation called for in this Contract.

If these changes materially affect the financial result for either Homeowner or BAKER under this contract, the Homeowner or BAKER may cancel this Contract in accordance with the manner prescribed in Section VIII within three days of receiving written notice of such change and all Parties will have no further obligation under this Contract.

V. RESPONSIBILITIES AND REPRESENTATIONS OF HOMEOWNER

In order for BAKER to perform its obligations under the Contractor-Lessor Contract, BAKER enters in to this Contract based upon certain representations by Homeowner, and Homeowner does hereby represent and warrant that reasonable access shall exist for BAKER to carry out its responsibilities as described within the Contract, including access for construction equipment.


In the event Homeowner authorized access through adjacent properties for BAKER's use during the Work, Homeowner is required to obtain written permission from the owner(s) of the adjacent properties for such use, and Homeowner agrees to be responsible and to defend, indemnify, and hold BAKER harmless from any and all forms of liability that may arise out of or relate to such use, including but not limited to encroachment or interference thereby upon the property, easements or rights of any third parties.

Notwithstanding anything potentially to the contrary in this Contract, BAKER is entitled to rely on express and implied representations concerning site conditions made by Homeowner and those employed by Homeowner.

Homeowner has reported to BAKER all conditions known to Homeowner which may not be apparent to BAKER and which might increase cost of the Work or delay completion. These conditions include, but are not limited to, hazards on the Installation Site, unsuitable soil conditions, prior defective work of others, latent defects in the roofing structure or materials, earlier attempts to do similar or related work, and obligations imposed by any governmental entity.

VI. WARRANTIES

All warranties for equipment, materials, installation and production guarantees are covered in the Homeowner-Lessor contract and provided to the Homeowner exclusively by the Lessor or the equipment manufacturer.



(Homeowner's Signature)

3/4/14

(Date)

LORI HOSTETLER

(Print Name of Homeowner)

BAKER will provide an additional warranty extending the Lessor's roof warranty up to a period of ten (10) years starting on the day BAKER begins installation of the Photovoltaic System, BAKER warrants that for each roof penetration ("Baker Roof Warranty") made in connection with the Photovoltaic System installation, including the surrounding area within a three (3) inch radius of each penetration, shall be free from damage to the roof and against water infiltration through the roof. If the roof is older than twenty (20) years, the Baker Roof Warranty is limited up to a period of five (5) years unless Homeowner provides BAKER acceptable proof of a roof inspection conducted by a state licensed roofing contractor within 90 days prior to the day BAKER begins installation of the Photovoltaic System.

VII. ENTIRE AGREEMENT

This Contract constitutes the entire integrated agreement between the Parties. The Parties are not bound by any other oral or written expression or representation. This Contract may only be modified in writing and signed by both Parties.

VIII. NOTICE OF RIGHT TO CANCEL

You, the Homeowner, have the right to cancel this Contract within three business days. You may cancel by emailing, mailing, faxing or delivering a written notice to BAKER at BAKER'S place of business by midnight of the third business day after you received a signed and dated copy of the Contract that includes this notice. You must include your name, your address, and the date you received the signed copy of the Contract.

 Homeowner initials confirming their understanding of the three day right to cancel.

 3-13-14

(Baker Electric Solar Authorized Signature)

(Date)

Andrew Berlin

(Print Name of Baker Electric Solar)

MECHANICS' LIEN WARNING

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics' lien on your property. A mechanics' lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics' liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a '20-day Preliminary Notice.' This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you received the Preliminary Notices.

You will get the Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.


For other ways to prevent liens, visit CSLB's website at www.cslb.cs.gov or call CSLB at 800-321-CSLB (2752).

REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME. This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.

CONTRACTOR:

NB Baker Electric Inc.
(dba Baker Electric Solar)

I HAVE READ AND HEARBY ACKNOWLEDGE


Signature of Homeowner

43271 Via Angeles

CONTRACTOR'S LICENCE NUMBER:#C10-858088

Temecula, Ca 92592

SD-1199

NOTICE OF CANCELLATION

(Date)

You, the Buyer, have the right to cancel this contract within three business days. You may cancel by emailing, mailing, faxing, or delivering a written notice to the Contractor at the Contractor's place of business by midnight of the third business day after you received a signed and dated copy of the Contract that includes this notice. Include your name, your address, and the date you received the signed copy of the Contract.

If you cancel, the Contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the Contractor at your residence, in substantially as good condition as you received it, any goods delivered to you under this control or sale. Or, you may, if you wish, comply with the Contractor's instructions on how to return the goods at the Contractor's expense and risk. If you do make the goods available to the contractor and the Contractor does not pick them up within 20 days of the date of your Notice of Cancellation, you may keep them without any further obligation. If you fail to make the goods available to the Contractor, or if you agree to return the goods to the Contractor and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, to NB Baker Electric, 1298 Pacific Oaks Place, Escondido, California, 92029.

Not later than midnight of the third
business day from the date at the top
of this notice:

I hereby cancel this contract:

Buyer Signature (SIGN HERE ONLY IF CANCELLING)

Buyer hereby acknowledges receipt of a copy of this notice of cancellation attached, but easily detached, to contract, and has orally been informed of his rights to cancel this transaction.

Date: 3/4/14



Buyer Signature

HOA ACKNOWLEDGEMENT

Homeowner is responsible for all costs and expenses of any nature associated with obtaining Association Approvals required herein. BAKER agrees to provide Homeowner with reasonable support and documentation required by an HOA as part of Homeowner's process of obtaining Association Approval. The Parties agree that time is of the essence in this Contract. Advance written approval from your HOA is required before we can schedule installation of your solar Photovoltaic System.

ACKNOWLEDGED BY:

 
Signature of Homeowner Date

WAIVER OF HOA APPROVAL

You may authorize BAKER to proceed with installation of your solar Photovoltaic System without advance written approval from your HOA. Homeowner agrees to be responsible and immediately reimburse, defend, and indemnify BAKER for all costs and expenses incurred directly and indirectly by BAKER that may have been avoidable if the Homeowner chooses to waive advance written HOA approval. Such costs may include, without limitation, the cost of removing and replacing some or all of the installed solar system and the cost to revise the design, and a reasonable mark-up for overhead and profit.

ACKNOWLEDGED BY:


Signature of Homeowner Date

ADDENDUM TO SOLAR PHOTOVOLTAIC SYSTEM AGREEMENT

This addendum is in reference to the Solar Photovoltaic System Agreement ("Contract") dated _____ by and between NB Baker Electric ("Baker") and Lori Hostetler ("Homeowner"). Homeowner and BAKER may each individually be referred to as "Party" and both collectively referred to as "Parties".

May it be known that the Parties, for good consideration contained in the Contract, do hereby agree to make the following changes and/or additions that are outlined below. These additions shall be made valid as if they are included in the original Contract.

Stated Contract for:

No other terms or conditions of the Contract shall be negated or changed as a result of this here stated addendum.

BAKER:

HOMEOWNER:

Signature of Baker

Signature of Homeowner

Print Name of Baker

Print Name of Homeowner