

CALIFORNIA SOLAR CONSUMER PROTECTION GUIDE

Published March 2022

This guide provides important information to homeowners thinking of going solar.

PUTTING SOLAR ON YOUR HOME IS AN IMPORTANT FINANCIAL DECISION.
Don't sign a contract until you read this document!



This guide is from the California Public Utilities Commission (CPUC), a government agency that regulates privately-owned utilities like Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E).

Customers of PG&E, SCE, SDG&E, BVES, and PacifiCorp must initial and sign this guide to connect a residential solar system to the electric grid. The CPUC requires these companies to collect your signed copy of this guide to ensure that you know your rights and have enough information to make a decision. *(This requirement does not apply to solar thermal systems or solar systems in new home construction or multi-family buildings.)*

Guide Accessibility

- Audio recording available at 855-955-1535.
 - Español, 中文, 한국어, Tiếng Việt, Tagalog, Armenian, Portuguese, and Dari versions available at 866-849-8390.

You should understand and initial the first 4 pages and sign at the end of this guide before you sign a contract for a residential solar system.
Initial here if you understand this page (1/4)

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Watch Out for False Claims

Most solar providers are honest and fair. However, there are still some false claims you need to watch out for. Do not do business with a salesperson who makes one of these false claims.

False Claim

The Truth

You can get free solar energy at no cost to you.

Solar energy is rarely free. An honest company will be upfront about all the costs you will pay over time.

There is one exception: a few government-funded solar programs offer free or low-cost solar to low-income households. Go directly to page 6 to see what government-approved organizations run these programs.

You will never pay an electricity bill ever again after a solar system is installed.

After going solar, you will typically pay a small electricity bill every month and a larger electricity bill at the end of the 12-month cycle. See page 18 for an example.

Customers who take out a solar loan or sign a lease or power purchase agreement will also receive a monthly bill from a loan company or solar provider.

If you use Property Assessed Clean Energy (PACE) financing, you will also make a payment once or twice a year with your property taxes or monthly with your mortgage payment.

Time is running out and you must quickly sign an electronic tablet to get solar.

An honest salesperson would never rush you to sign anything without giving you time to review what you are signing.

California law requires that a salesperson show you the contract terms before you sign.



If you think you have been a victim of solar fraud, you may file a complaint against a contractor or home improvement salesperson to the Contractors State License Board (CSLB) at 800-321-CSLB (2752) or [cslb.ca.gov/consumers](https://www.cslb.ca.gov/consumers).

To file a complaint against a financing company, visit [dfpi.ca.gov/file-a-complaint](https://www.dfpi.ca.gov/file-a-complaint).

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Know Your Rights

You have the right...

to read this entire 24-page guide before signing a contract.

The CPUC recommends that solar providers give out this guide during their first contact with potential customers. Do not feel pressured to read this guide while the salesperson waits. Ask them to come back at a later date to allow you time to read it.

If you are a customer of PG&E, SCE, SDG&E, BVES, or PacifiCorp, a solar provider must give you time to read this guide before you sign a contract for solar. If they do not allow you to read this guide, they cannot connect your solar system to the electric grid, and you should report them to the Contractors State License Board (CSLB) at 800-321-CSLB (2752) or [cslb.ca.gov/consumers](https://www.cslb.ca.gov/consumers).

to a copy of a solar contract and financing agreement in the language in which the salesperson spoke to you.

If a solar provider or salesperson comes to sell you solar panels and speaks to you in a language other than English, they must give you a copy of the contract in that language. Also, if you prefer to read this guide in Spanish, Chinese, Korean, Vietnamese, or Tagalog, the solar provider or salesperson must give you this guide in that language.

to a Solar Disclosure Document from your solar provider.

By law, a solar provider must provide you with a completed Solar Energy System Disclosure Document created by the Contractors State License Board (CSLB). This one-page document shows you the total costs for the solar energy system. A blank version of this document is available at [cslb.ca.gov/consumers/solar_smart](https://www.cslb.ca.gov/consumers/solar_smart).

to a 3-day cancellation period after signing a contract.

You have at least three business days to cancel your contract for any reason. You may cancel the contract by emailing, mailing, faxing, or delivering a notice to your solar provider by midnight of the third business day after you received a signed, dated copy of the contract. If you are 65 years of age or older, you have five days. Note that different rules may apply for contracts negotiated at a company's place of business.

If your solar provider refuses to cancel the contract, report them to the CSLB at 800-321-CSLB (2752) or [cslb.ca.gov/consumers](https://www.cslb.ca.gov/consumers).



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Ask Solar Providers These Initial Questions Before You Sign A Contract

What is your Contractors State License Board (CSLB) license or registration number?

Ask for the solar provider's CSLB license number. If you were contacted by a telephone or door-to-door salesperson, ask for their individual home improvement salesperson (HIS) registration number, too. Then check the license and, if applicable, HIS registration numbers to make sure they are valid and associated with the solar provider by going to [cslb.ca.gov/consumers](https://www.cslb.ca.gov/consumers) or calling 800-321-CSLB (2752).

- CSLB License Number is: 890895
- (If applicable) HIS Registration Number is: 113052 SP

The CSLB license must be active and in classification C-46 (Solar Contractor), C-10 (Electrical Contractor), or B (General Building Contractor) in order to be valid. If your solar provider does not have a valid contractor license, do not sign a contract with them and report them to the CSLB.

What is the total cost of the solar energy system?

If you are considering a solar loan, lease, or power purchase agreement, also ask:

- Is there a down payment?
- How much will I pay per month? When will these payments increase and by how much?

If you are considering PACE financing, also ask:

- How much will I pay once or twice a year with my property taxes or monthly with my mortgage?
- How many years will I pay this amount?

If I sell my home, what are my options and what do I need to do?

Ask your solar provider, lender, or PACE program administrator to show you where in the contract it describes what happens when you sell your home.

OK, I read these 4 pages. Now what?

1

For a step-by-step guide for how to go solar, proceed to the next page. This is recommended, even if you've already started the solar process!

2

Make sure to get bids from at least 3 different solar providers. See page 9 for more details.

3

For other important questions to ask a solar provider before you sign a contract, go to page 10 of this guide.

4

If you already understand the information listed in the table of contents and are getting ready to sign a contract, you can skip to the "Before You Sign" checklist, on page 22 of this guide.

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STEP 1:

Is Solar a Good Fit for Me?

Solar photovoltaic panels can capture sunlight on your roof or property and convert it into electricity. This electricity powers the needs of your home, such as lights, electric

1

**Before you consider getting solar at your home, ask yourself:
Have I made my home energy efficient first?**

Reducing your energy use can reduce the size of the solar system you need, potentially saving you thousands of dollars. Visit energyupgradeca.org/home-energy-efficiency and/or contact your electricity provider for energy efficiency tips and advice on how to get a home energy assessment. You may also want to ask your electricity provider about residential demand response programs.

Do I qualify for low-income solar programs?

If you think you might qualify for a low-income solar program, be sure to read page 6. There are residential solar and community solar programs available for qualifying low-income PG&E, SCE, and SDG&E customers that could save you money with no financial contribution.

Is my roof suitable for rooftop solar?

- Does my roof receive a good amount of sunlight or is it mostly shaded? What direction does the roof face? Roofs that are mostly shaded or face due north are not good candidates for solar. If you plan to replace your roof soon, you should replace it before installing a rooftop solar system.
- If your roof is heavily shaded or isn't in great condition, or if you are a renter, community solar programs could be a good fit for you. With community solar, you receive 50-100 percent of your electricity from solar projects located across California. Community solar programs vary and may increase your electricity bill or provide an electricity bill savings. Contact your electricity provider for more information.

Low-Income Solar Programs

Available to PG&E, SCE, and SDG&E Customers



If you are not a PG&E, SCE, or SDG&E customer, call your electricity provider or check their website to see if any low-income solar options are available to you.

If you currently receive or qualify for a discounted electricity bill through the California Alternate Rates for Energy (CARE) or Family Electric Rate Assistance (FERA) program, you may qualify for assistance installing solar at low or no cost using one of the programs to the right.

You may also qualify for one of these programs if you live in a disadvantaged community (DAC). A DAC is a neighborhood vulnerable to multiple sources of pollution. To find out if you live in a qualified DAC, check out the map: cpuc.ca.gov/solarindacs.



PACE financing is not a “free government program.” If someone describes it this way to you, please read about false claims on page 2 of this guide. You can learn about PACE financing on page 14.

SASH Program & DAC-SASH Program

The SASH Program provides discounted rooftop solar for income-qualified single families. If you qualify, your family can get assistance installing solar at low cost. The DAC-SASH program is designed for CARE- or FERA-eligible single-family homeowners who live in a DAC. If you qualify, your family can get assistance installing solar. GRID Alternatives administers the SASH and DAC-SASH programs.

See if you qualify by visiting gridalternatives.org/qualify or by calling GRID Alternatives at 866-921-4696.

DAC-Green Tariff Program

The DAC-Green Tariff Program is designed for eligible households that live in a DAC. Participants can have 100 percent of their electricity offset by solar generation and receive a 20 percent discount on their electricity bills. In this program, you do not have to install solar on your roof. The solar is installed elsewhere and the bill credits are assigned to you.

See cpuc.ca.gov/solarindacs for more information on eligibility and how to sign up.

Community Solar Green Tariff Program

The Community Solar Green Tariff Program allows households in a disadvantaged community to subscribe to a solar farm within 5 miles of their neighborhood and receive a 20 percent discount on their electricity bills.

See cpuc.ca.gov/solarindacs for more information on eligibility and how to sign up.

STEP 2:

Understand Roles and Solar Process

2

Solar Providers

Solar providers are the companies that sell you solar and send installers to your home. Sometimes they provide financing. They must be licensed. See page 4.

Salespeople

Salespeople work for solar providers and may call you or knock on your door. They must be registered, with some limited exceptions. Ask for their “home improvement salesperson (HIS) registration” and check it at 800-321-CSLB (2752) or cslb.ca.gov/consumers.

Installers

Installers are sent by solar providers to your home to check roof, ground, and electric conditions and to install the solar system. They must be licensed like a solar provider. See page 4.

Manufacturers

Manufacturers are the companies that make solar equipment. They provide most solar warranties for purchased systems.

Electricity Providers

Electricity providers interconnect your solar system to the electric grid and send you electricity bills that may include solar bill credits.

Lenders

Lenders provide you with financing if you have a solar loan.

PACE Program Administrators

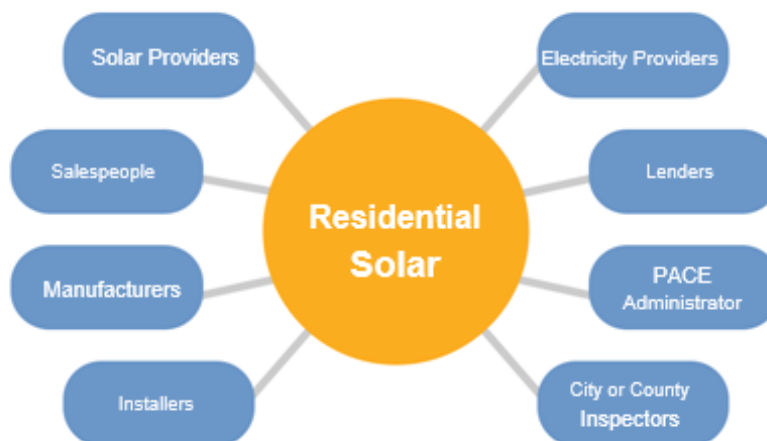
Except for a few governmental PACE programs, PACE financing programs are managed by PACE program administrators, which must be licensed. Check their license at dfpi.ca.gov/pace-program-administrators.

PACE Solicitors and PACE Solicitor Agents

PACE solicitors are organizations, such as contractor companies; and PACE solicitor agents are individuals, such as home improvement salespersons. They are authorized by PACE program administrators to solicit property owners to enter into PACE financing agreements. Check their enrollment with a PACE program administrator at dfpi.ca.gov/pace-program-administrators.

City/County Inspectors

City/county inspectors come to your home to make sure the system is up to code to ensure your health and safety.



Overview of a Typical Rooftop Solar Process

Before You Sign a Contract

You	decide if rooftop solar is a good fit for you (see page 5)
You	get a home energy assessment to make your home more energy efficient (see page 5)
You	look at low-income solar programs to see if you qualify (see page 6)
You	research solar providers and compare at least 3 bids (see page 9)
Solar Provider	provides you with contract and Solar Energy System Disclosure Document (see page 9)
You	qualify for financing, if needed (see page 12)
Lender/PACE Program Administrator	writes up financing agreement (if needed)
You	review solar contract, Solar Energy System Disclosure Document, and any financing agreement (see page 19)
You	go through checklist on page 22 of this Solar Consumer Protection Guide
You	sign this guide, the solar contract, and the financing agreement



It typically takes 1 to 3 months after you sign a contract for the solar system to be installed at your home.



After the solar system is installed, it typically takes 2 to 3 weeks to receive approval from your electricity provider to turn your system on. It could take longer depending on your circumstances.

After You Sign A Contract

Installer	performs a home site visit to confirm assumptions and check roof, ground, and electric conditions
Solar Provider	finalizes system design and applies for building permit with city or county agency
Installer	installs the solar system (only after receiving city/county permit)
City/County Inspector	inspects system for building permit compliance when applicable
Solar Provider	submits application to electricity provider to interconnect solar system to grid
Solar Provider	submits city/county inspection approval to electricity provider
You	turn on system only after receiving written approval from electricity provider
Electricity Provider	sends you your first electricity bill with solar/net energy metering credits (see page 17)
Lender/Solar Provider	sends you first bill for solar system or solar energy*

*If you use PACE financing, you will not receive a bill from a lender or solar provider (the last step above). Instead, your payments will be due once or twice a year with your property taxes or monthly with your mortgage payment.

STEP 3:

Find a Qualified Solar Provider

3

For low-income solar programs, go to page 6.

Find Solar Providers that Serve Your Neighborhood

Go to [cslb.ca.gov](https://www.cslb.ca.gov), a government website, and click on “Find My Licensed Contractor.” Enter your city and one of the following license classifications: C-46 (Solar Contractor), C-10 (Electrical Contractor), or B (General Building Contractor).

Go to [californiadgstats.ca.gov](https://www.californiadgstats.ca.gov), a government-funded website, to enter your ZIP code and see a list of solar providers and recent installation costs. Note that these costs are not verified by the government.

Check to see if your county has a County Contractors Association with licensed solar providers.

Ask friends and neighbors who had solar installed at least a year ago if they recommend a solar provider and why.

Narrow Down the List to Qualified Solar Providers

First, make sure solar providers you consider have a valid license from the CSLB. It is illegal for solar providers and their installers to conduct business without a license.

- Go to the Contractors State License Board (CSLB) website at [cslb.ca.gov/consumers](https://www.cslb.ca.gov/consumers) or call 800-321-CSLB (2752) to see if the solar provider and installer licenses are active and valid. The licenses must be in the classification C-46 (Solar Contractor), C-10 (Electrical Contractor), or B (General Building Contractor).

Find out how long the company has been in business and how many installations they have done.

Visit the CPUC’s public list of non-compliant solar providers, which identifies contractors that have violated CPUC, CSLB, or DFPI regulations. This list is updated quarterly and can be found at [cpuc.ca.gov/solarpubliclist](https://www.cpuc.ca.gov/solarpubliclist).

It’s a good sign if companies employ installers certified by the North American Board of Certified Energy Practitioners (NABCEP), a high standard in the industry.

Get Bids From At Least 3 Qualified Solar Providers, Compare Bids, and Ask Questions

After you narrow down the list of solar providers, ask for a bid or price quote.

- Look up how to compare solar quotes online and compare the bids you have obtained.
- Note that the cheapest bid is not necessarily the best option for you. A very low bid may indicate that a solar provider is trying to cut corners.

The CPUC recommends that solar providers give out this guide during their first contact with potential customers. Don’t hesitate to ask solar providers a lot of questions up front. A qualified company will be happy to answer all of them. A sample list of questions is on the next page.



Questions to Ask a Solar Provider

Before You Sign a Contract

Company Background

What is your company's contractor license number from the Contractors State License Board (CSLB)?

What is your installer's contractor license number?

Is the salesperson an employee of your company?

Will you subcontract with another company to install the solar system? If so, what is their CSLB contractor license number?

How long have you been in business, and how many systems have you installed?

Can you provide me with three customer references to call or visit? These customers should have solar installed for at least a year.

Design & Roof

Is my roof a good candidate for solar? Why?

Does my roof need to be replaced before installing solar panels?

- If yes, how much will that cost, who will do it, what is their license number, and is there a roof warranty?

Why did you choose this specific design and size for the solar system you are recommending to me?

- Note that a system sized to cover all of your electricity needs isn't necessarily the best investment. Typically, a system is sized to around 80-85 percent of your electricity use from the previous year.

What steps will you take to ensure my roof won't leak?

Roughly how much will it cost to remove and re-install the panels if I need to replace my roof in the future, including inspection fees?

Warranties & Performance of Solar System

Are there warranties for the panels and inverters?

- If yes, how long do they last and whom do I contact to replace these components?
- If equipment such as the inverter fails after the warranty period, how much will it cost to replace?

Are there warranties for labor/construction?

Are repairs and maintenance included in the contract? If yes, who should I contact for repairs?

Will I be able to monitor the performance of the system once it's installed? If so, how?

Does the solar provider offer a minimum energy guarantee (common with leases and power purchase agreements)?

- If yes, how will I be compensated if the system does not produce as much energy as promised in the contract?

Is there an insurance policy that comes with the solar system, or do I need to take out additional homeowner's insurance? Note that this is especially important if you live in fire-prone areas.

What are my obligations in the contract if my solar system stops working due to a disaster like an earthquake or a fire?

Who has the right to claim the environmental benefits of the power generated by my system? (See “Getting Environmental Credit for Going Green” on page 18).

Electricity Bill Savings Estimates *(see page 17)*



Please beware of a solar provider who tells you solar is free – it is not. See page 2 for more information on false claims.

Will you explain to me why an electricity bill savings estimate is not a guarantee?

What electricity provider bill escalation rate is assumed in your electricity bill savings estimate?

- Note that the CPUC has capped this escalation rate assumption at 4 percent per year.
-

What electricity rate plan do you recommend I switch to for solar, and why?

- How long will I be on that rate plan, and how can I compare or change rate plans on my electricity provider's website?
 - Note that each electricity provider has a rate plan comparison tool or page on its website.
-

Even though I will continue to pay electricity bills after going solar, I can receive solar bill credits on my electricity bill. How does that work?

Is there an option to pay my electricity bills monthly instead of annually, so the costs are more even throughout the year? How do I sign up?

Does my electricity provider offer special rates for solar customers?

Impacts On Future Sale of Your Home

Will a solar system make it more difficult for me to sell my home or refinance?

For leases, power purchase agreements (PPA), and PACE-financed systems:

- What happens if the home buyer doesn't want the solar system or doesn't qualify to take on my lease, PPA, or PACE-financed system?
 - Are there fees if I need to terminate the contract early to sell my house?
 - Are there fees for transferring the lease, PPA, or PACE financing to a new homeowner?
-

Timeline *(see page 8)*

When do you propose to start and finish installing solar on my roof?

After installation is complete, roughly how long will it take for my electricity provider to send me written approval to turn my system on?

What situations would allow me to be released from a contract?



For questions about financing, read the next section!

4

STEP 4:**Compare Your Financing Options****The most common solar financing options are:**

- Purchase of a solar system with a solar loan or cash. With a purchase, you own the system.
- Property Assessed Clean Energy (PACE) financing of the upfront costs of a solar system, which you pay back on your property tax bill. With PACE financing, you own the system.
- Lease of a solar system, in which the solar provider owns the system and “rents” it to you for a scheduled monthly payment over a set number of years.
- Power purchase agreements (PPA), in which the solar provider owns the solar system and sells you the electricity it generates for a certain price over a set number of years.

The next few pages contain a quick look at each option’s pros and cons, and then a closer look at each.

	PROS	CONS
Purchase with Cash or Loan	<p>Typically, greater return on investment.</p> <p>If you use a loan, little or no upfront costs.</p> <p>May increase value of home.</p> <p>You can directly receive tax credits and deductions. Consult tax professional to see if you qualify.</p>	<p>You are typically responsible for repairs and maintenance. This may involve contacting different manufacturers, who could go out of business during the 10- to 20-year component lifecycles.</p> <p>Some solar loans place a lien on your property. In those cases, if you do not make your payments, this could result in foreclosure or make it more difficult to sell your home or refinance your mortgage.</p>
PACE Financing	<p>Little or no upfront costs.</p> <p>May have a longer repayment period than typical home improvement loan, which may be preferable.</p> <p>You can directly receive tax credits and deductions. Consult tax professional to see if you qualify.</p>	<p>PACE financing results in a first-priority lien on your property. Your bank may require you to pay off the PACE assessment prior to refinancing.</p> <p>If you do not make your PACE payments, this could result in foreclosure or make it more difficult to sell your home or refinance your mortgage.</p> <p>You are typically responsible for repairs and maintenance. This may involve contacting different manufacturers, who could go out of business during the 10- to 20-year component lifecycles.</p>
Lease and PPA	<p>Little or no upfront costs.</p> <p>Solar provider is responsible for all monitoring, maintenance, and repairs.</p> <p>Minimum energy production often guaranteed.</p>	<p>Selling home may be more complicated than with a purchased system. Options typically are: the new owner must agree to take on the lease/agreement, you continue making payments, or you buy out the lease/agreement, which could be thousands of dollars.</p> <p>Solar provider could go out of business during the contract period.</p>

A Closer Look at Purchasing Outright (with cash or loan)



You can purchase a solar system from a solar provider or manufacturer with a traditional loan, solar loan, or cash. In this approach, you own the installed system. Types of loans include:

- **Secured loans:** these require an asset that will serve as collateral for the loan – often that asset is your solar system.
- **Unsecured loans:** these do not require any collateral, similar to a credit card.

A secured loan is often preferred because it typically has lower interest rates.

Many solar providers work with lenders that offer solar loans, but you should check with banks and credit unions as well. Compare offers to make sure you are being offered a reasonable interest rate.

If you install and own a solar system by the end of 2022, there is a 26 percent federal income tax credit (ITC) available. Under current law, the federal ITC is scheduled to drop to 22 percent for systems installed in 2023 and then 0 percent for systems installed after 2023. If you have questions about the ITC or whether a loan is tax deductible, speak to a Certified Public Accountant (CPA) for tax advice.

Unless you purchase a maintenance plan or your system comes with one, you will be responsible for any maintenance and repairs. Make sure you save the equipment warranties, particularly for the inverter, which may need to be replaced sooner than other equipment. If you sell your home, look for real estate agents and appraisers with experience selling homes with solar. You may include the system in the house sale just like any other major home improvement.

Questions to Ask a Lender About the Purchase of a Solar System with a Loan:

What is the total cost of the loan over the entire course of the contract?

How much will I pay up front, how much over time, and for how long?

What is my interest rate?
What is my annual percentage rate ("APR")?

Whom do I contact if I have questions about my loan payments?

Will a solar loan make it more difficult for me to sell or refinance my home?
Will I need to buy out my loan? Whom do I contact?



A Closer Look at PACE (Property Assessed Clean Energy)

PACE is a financing option that is available in some areas of California. In most places, it is sold through PACE solicitors and solicitor agents who are required to be enrolled with a PACE program administrator. In a PACE financing arrangement, a PACE program administrator finances the upfront costs of a solar system, which you then pay through an assessment on your property tax bill. With PACE financing, you own the solar system. You should read and review the terms carefully, and if necessary, consult with a tax professional or attorney.

PACE financing lasts for a fixed term, typically around 10-30 years, and it is attached to your house. If you sell your house before you have fully paid the PACE assessment, the buyer may require you to pay off the remaining balance of the assessment, which could be thousands of dollars. Some mortgage lenders will not loan money to buyers to purchase properties with PACE liens unless the full assessment is paid.

Unlike leases and power purchase agreements that require monthly payments, PACE assessments are typically due once or twice a year, in larger lump sums, with your property taxes. Given this unique arrangement, it's important to understand how much you will owe and when, so that you can set aside enough money throughout the year to cover the amount.

If your house is mortgaged and you typically pay your taxes with an escrow or impound account, your mortgage company may increase the amount you pay monthly to cover the anticipated increase to your property tax bill. Discuss how PACE will affect your monthly mortgage payment before you sign an agreement.

Be aware that if you fail to make your PACE payments included with your property taxes or mortgage, your home could be put in foreclosure.

Questions to Ask a PACE Program Administrator About a PACE-Financed System:

What is your PACE program administrator license number?
(Check the license at dfpi.ca.gov/pace-program-administrators)

Is the PACE solicitor or PACE solicitor agent I talked to enrolled with you? (Check their enrollment with the PACE program administrator at dfpi.ca.gov/pace-program-administrators)

What is the total cost of the financing over the entire course of the contract?

How much will I owe for PACE financing when I pay my mortgage or property taxes?

How many times a year will I owe this PACE payment?

What happens if I want to sell or refinance my home? Will selling or refinancing be more difficult with PACE financing? Is there anything I have to do with the mortgage company?

What are the penalties for failing to pay the assessment on time?

Whom do I contact if I have problems making my PACE payments?

Is the PACE solicitor or PACE solicitor agent I talked to enrolled with you? (Check their enrollment with the PACE program administrator at dfpi.ca.gov/pace-program-administrators)

A Closer Look at Lease & PPA (Power Purchase Agreement)



With a lease, the solar provider owns the system on your property and “rents” it to you for a set period of time. A solar provider will install the solar system on your home, and you will make scheduled monthly payments in exchange for all the electricity the system produces. A typical lease contract period is 20-25 years.

In a power purchase agreement (PPA), the solar provider owns the system on your property and sells you the electricity it generates. PPAs are similar to leases, except that instead of making a fixed monthly payment for the system, you typically pay for all the power the solar system generates (a fixed per-kilowatt-hour rate). The contract will specify the kilowatt-hour rate you pay in the first year and every year after that. This rate should generally be lower than your current electricity rate. A typical PPA contract period is 20-25 years.

- If you sell your house before the lease or PPA contract is over, you will have to pay the solar provider the remainder of the value of the lease or PPA or transfer the contract to the new property owner. Make sure you understand the specific contract terms, since buying out a lease or PPA can cost thousands of dollars.
- Payments for leases or PPAs will typically increase by a specified amount every year based on an “escalation clause” or “escalator.” Escalators are typically in the range of a 1 percent to 3 percent increase above the rate you paid in the previous year. Be cautious of entering into a contract with an escalator higher than that.
- There may be different ways to arrange leases and PPAs, such as paying more up front to reduce your monthly payments.

Questions to Ask a Lender or Solar Provider About a Lease or PPA

What is the total cost of the solar system or solar energy over the entire course of the contract?

How much will I pay up front, how much over time, and for how long?

Will my payments increase over time? How much will they increase and how frequently?

Is there an option to make a down payment to reduce my monthly payments (for a lease) or kilowatt-hour rate (for a PPA)?

What happens if I wish to end the lease or PPA early?

If I end my agreement early, will I owe a balloon payment and/or an early termination fee? If so, how much will I owe?

Will a lease or PPA make it more difficult for me to sell or refinance my home?

Who will be responsible for monitoring, operations, and maintenance of the solar system?

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STEP 5:**Learn About Electricity Bill Savings****Electricity Bill Savings Estimates Do Not Guarantee Savings**

Electricity bill savings estimates are educated guesses about how much you could save with rooftop solar. They are based on several uncertain factors. Here are some reasons why it's possible that your savings could be lower than the estimate:

- Your future energy use is uncertain. For example, if your family grows, you buy an electric vehicle, or you decide to turn up your air conditioning in the summer, your energy use will go up.
- If you sell your home, you could incur additional costs. For example, if a buyer doesn't want to take on a lease or PPA, you might have to buy out the contract, which could be thousands of dollars.
- Electricity prices and rates can change over time. Electricity bill savings estimates typically assume they will escalate, or rise, by a certain percentage each year (the CPUC has capped the assumed escalation rate at 4 percent for these estimates). Also, your electricity provider may require you to switch to a different rate plan in the future, which could change how much you save.
- Your solar system might perform slightly worse than the estimate assumed. For example, if your area is unusually dusty, the system could generate slightly less energy than estimated.



Before you sign a contract, ask yourself:

if the savings end up being lower than the estimated monthly or yearly savings, does getting rooftop solar still make sense to me?



How Electricity Bill Savings Work

If you go solar, your electricity provider will enroll you in its Net Energy Metering (NEM) program. NEM allows you to get a financial credit on your electricity bill when your solar system sends electricity back to the grid after first powering the electricity needs at your house. Usually, this credit is approximately equal to the retail rate of energy. This means that you are credited on your bill about the same amount that your electricity provider would have charged you for electricity during that time.

NEM and Your Electricity Bill

Consuming and Exporting Electricity

Since the sun isn't always shining, solar customers also rely on electricity from their electricity provider. After your solar system is interconnected to the grid, your monthly electricity bill will summarize how much electricity you took in or "consumed," from your electricity provider, and how much electricity your solar system sent to the grid or "exported."

Monthly Bill Charges, Credits, and Minimum Amounts

If you took in more than you sent out to the grid in any given month, you will see an overall charge on your bill. If you sent out more than you took in, you will see an overall credit. Typically, you will be able to carry forward credits to the next month's bill, and electricity usage charges will not be due until the end of a 12-month period. Note that many electricity providers require solar customers to pay a monthly minimum bill each month just like other customers. This minimum bill may change over time.

Time-of-Use Rates

PG&E, SCE, and SDG&E solar customers are required to go on a time-of-use (TOU) rate plan. A TOU rate plan will charge different prices for electricity depending up on the time of day. Prices are typically higher between 4 p.m. and 9 p.m., called "peak" hours, and lower the rest of the day and at night during "off peak" hours.

12 Month Settlement Bill

Typically, at the end of a 12-month period, you will receive a settlement bill, also called a "true up" bill, that settles all the credits and charges. Even though going solar can reduce your electricity costs, most customers still owe some money to their electricity provider at the end of the 12 months.

provider at the end of the 12 months. See graphic to the right that shows an example of an electricity bill over a 12-month cycle for a solar customer.

Some electricity providers give you the option to pay your settlement bill monthly instead of annually. If you choose the monthly option, your payments will be more evenly distributed over the course of the 12 months, and you will not have to worry about paying a potentially large bill once a year. Be clear with your solar provider if you want the monthly option and double-check with your electricity provider that the correct option was chosen.

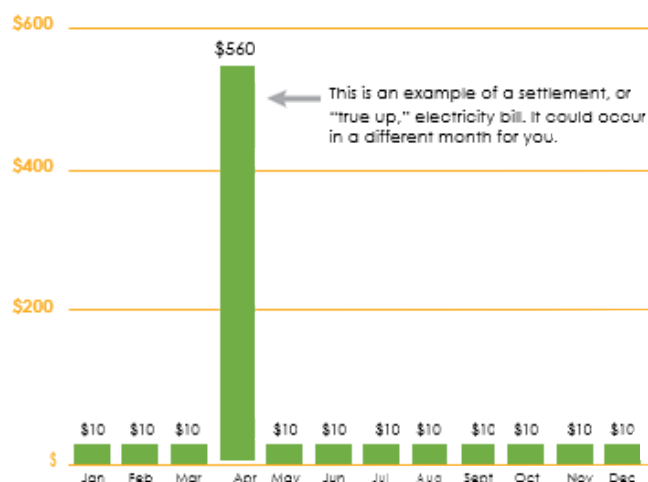
Though it's rare, if you sent out more electricity than you took in over the course of the 12-month period, you are typically eligible to be paid "net surplus compensation," which is around 2 to 3 cents per kilowatt-hour. Because this rate is lower than the retail rate, it is generally not in your financial interest to install a solar system that produces more energy than you would use over the course of a year.

Currently, PG&E, SCE, and SDG&E customers are guaranteed NEM for 20 years from the time their solar system starts operating. Your electricity rate, however, is subject to change. Go to www.cpuc.ca.gov/electricrates for more details on how electricity rates work.

If you still have questions after reading this section, you can find help at the additional resources on pages 20-21 of this guide.



Example Of A Settlement, Or "True Up" Electricity Bill





Getting Environmental Credit for Going Green

When a residential solar system produces electricity, the system is eligible to receive Renewable Energy Certificates (REC). If you purchase your solar system, you own any RECs created. If you enter a lease or PPA, ask your solar provider who will own the RECs, and check the contract fine print.

Solar system owners may sell the RECs they generate. System owners would need to qualify for the Western Renewable Energy Generation Information System (WREGIS), which issues and tracks RECs. Please visit the WREGIS FAQ at wecc.org/WREGIS/ for more information.



Combining Solar with Storage

When you install battery storage with your solar system, you can store excess solar electricity produced by your panels for use in the evening when the sun goes down. The software that comes with battery storage automatically determines whether to store the extra energy or export it to the grid to maximize cost savings. Battery storage can also provide limited back-up power.

The state-funded Self-Generation Incentive Program (SGIP) provides financial incentives to install storage. See cpuc.ca.gov/sgip for more details on SGIP.

STEP 6:

Carefully Read All Paperwork

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The Solar Energy System Disclosure Document

This document from the Contractors State License Board shows you the total costs for the proposed solar energy system as well as estimated electric bill savings using standardized inputs and assumptions. It also has information about your three-day right to cancel a contract. A solar provider is required to fill out this document. It may be placed as the cover page to the contract. See a blank version at cslb.ca.gov/consumers/solar_smart.

Contract

The solar contract is the legally binding document between you and the solar provider. Make sure to read it carefully.

Make sure everything you were promised is written in the contract. For example, many answers to the questions on pages 10 and 11 of this guide should be referenced in the contract.

By law, any contract for solar installation must include:

- Contractor information, including business address and license numbers
- Description of the project, including equipment installed and materials used
- Contract price, plus finance charge and/or down payment if applicable
- Approximate start and end date of the contract term
- Notice of a 3- or 5-day right to cancel the contract (with limited exceptions)

Ask the solar provider what situations would allow you to be released from the contract. For example, if your solar provider discovers on a site visit that your roof is shaded in a way that wasn't expected, that could cancel the contract.

Financial Paperwork

If you are purchasing a system with a solar loan, you will be asked to sign a separate financing agreement. The lender will provide you with this separate agreement.

If you are purchasing a system with PACE financing, you must sign: (1) a Financing Application and, (2) a Financing Agreement.

- Before you sign the Financing Application, read it carefully to make sure all the information is correct, including your contact information, your income, and the cost of the solar energy system.
- The separate financing agreement may be provided by the solar provider, the PACE program administrator, or a financing institution. If you are using PACE financing, it should include a PACE Financing Estimate and Disclosure form showing the solar system's total cost. A link to a blank version of this document is available at www.cslb.ca.gov/consumers/solar_smart.

Make sure everything you were promised is written into any financing agreement. For example, many answers to the questions on pages 13 – 15 of this guide should be referenced in the financing agreement.



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STEP 7: Review Additional Resource

If you still have questions about any aspect of going solar, find resources in the list below where you can read or watch additional information, or call someone to advise you.

Electricity Provider Solar Programs

Pacific Gas and Electric (PG&E)

- PG&E solar customer service: 877-743-4112
 - PG&E clean energy: pge.com/en_us/residential/solar-and-vehicles/options/option-overview/how-to-get-started/how-to-get-started.page

Southern California Edison (SCE)

- SCE solar phone number: 866-600-6290
- ▶ SCE solar power at home: sce.com/residential/generating-your-own-power/solar-power

San Diego Gas & Electric (SDG&E)

- SDG&E solar phone number: 800-411-SDGE (7343)
- SDG&E get started with solar: sdge.com/residential/solar/getting-started-with-solar



If another electricity provider supplies you with electricity, call them or check their website for details on their solar programs.

Low-Income Solar Programs

- SASH and DAC-SASH program: 866-921-4696 and gridalternatives.org/qualify
 - Community Solar Green Tariff program and DAC Green Tariff program: cpuc.ca.gov/solarindacs



If you are not a PG&E, SCE, or SDG&E customer, contact your electricity provider for low-income solar options.



Links with this icon have a resource available in video format.

Contractors State License Board (CSLB)

- CSLB 24-hour licensing and consumer information: 800-321-CSLB (2752)
 - Check a contractor license or home improvement salesperson registration: cslb.ca.gov/onlineservices/checklicenseii/checklicense.aspx
- ▶ CSLB solar smart: cslb.ca.gov/consumers/solar_smart
 - PACE Financing Estimate and Disclosure form and CSLB Solar Energy System Disclosure document: cslb.ca.gov/consumers/solar_smart

Department of Financial Protection and Innovation (DFPI)

- PACE financing information: dfpi.ca.gov/pace
- Financial services: 213-576-7690; pacehelp@dfpi.ca.gov
- PACE program administrator license check: dfpi.ca.gov/pace-program-administrators
- Filing a complaint against a PACE provider: dfpi.ca.gov/file-a-complaint

Solar Bills and Net Energy Metering (NEM)

- PG&E how to read your solar bill: pge.com/en_us/residential/solar-and-vehicles/green-energy-incentives/solar-and-renewable-metering-and-billing/how-to-read-your-bill/how-to-read-your-bill.page
- ▶ SCE understanding your bill: sce.com/residential/generating-your-own-power/net-energy-metering/understanding-your-bill
- SDG&E understanding your NEM statement: sdge.com/residential/savings-center/solar-power-renewable-energy/net-energy-metering/billing-information/understanding-your-nem-statement
- CPUC NEM overview: cpuc.ca.gov/nem

Solar Financing Guides

- Clean Energy States Alliance (CESA) homeowner's guide to solar financing: cesa.org/resource-library/resource/a-homeowners-guide-to-solar-financing-leases-loans-and-ppas
- CESA una guía práctica de financiación solar para dueños de casa (en Español): cesa.org/resource-library/resource/una-guia-practica-de-financiacion-solar-para-duenos-de-casa
- ▶ CESA/George Washington University rooftop solar financing 101: cesa.org/projects/sustainable-solar/videos

Other Solar Guides

- Solar Energy Industries Association (SEIA) Residential Consumer Guide to Solar Power: www.seia.org/research-resources/residential-consumer-guide-solar-power
- Interstate Renewable Energy Council (IREC) Be Solar Smart Consumer Checklist: irecusa.org/consumer-protection/consumer-checklist
- ▶ CESA/George Washington University Choosing a Solar Installer: cesa.org/projects/sustainable-solar/videos

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STEP 8: “Before You Sign” Checklist

Make sure you have completed these items before you sign any documents!

Remember, take your time and don't feel pressured to sign a contract. Do not sign anything if you feel you need more time to do research or think about your decision.

-
- ☐ Check to see if you qualify for a low-income solar program, which has strong protections for consumers. See page 6.
-
- ☐ Consider making your home more energy efficient before getting solar. This could save you money. See page 5.
-
- ☐ Get at least 3 bids for solar at your home. See page 9.
-
- ☐ Ask the solar provider for 3 customer references and call or visit them. See page 9.
-
- ☐ Check to make sure the solar provider's license, and if applicable, the home improvement salesperson's registration number, is current and valid with the Contractors State License Board. See page 4.
-
- ☐ Understand the solar purchasing process, including what happens after you sign a contract for solar. See page 8.
-
- ☐ Ask the solar provider the contract questions on page 4, 10, and 11 so you understand the terms of the solar contract.
-
- ☐ If you are financing your system, ask the lender, solar provider, or PACE program administrator the finance questions on page 13, 14 or 15, so you understand the terms of your financing arrangement.
-
- ☐ Read the critical information about electricity bill savings estimates on page 16, and review the standardized inputs and assumptions on the CSLB Solar Energy System Disclosure Document.
-
- ☐ Carefully read all the documents that the solar provider is asking you to sign. These usually include: 1) Solar Energy System Disclosure Document, 2) Contract, and 3) Financial Paperwork. See page 19.
-
- ☐ Save copies of all the documents you sign. The information will be useful if you sell your home, need to replace your roof, or have any repair or maintenance issues.
-

STEP 9:

Sign This Guide

March 2022

9

Have you read at least the first 4 pages of this guide?

The first 4 pages of the California Solar Consumer Protection Guide contain important information on false claims to watch out for and your rights.

The CPUC recommends that solar providers* give out this guide during their first contact with potential customers, so customers may fully understand what a solar purchase involves. If a solar provider gave you this guide along with your contract, the CPUC recommends that you take at least 48 hours to read and understand this entire guide before you sign below.



Do not feel pressured to read the complete document while the salesperson waits.

Ask them to come back at a later date to allow you time to read it.

Customer

Please affirm each of statements below by checking the boxes. If a statement does not apply to you, write "N/A" in that statement's box.

<input type="checkbox"/>	I have not yet entered into a contract for solar with the solar provider signing on page 24.
<input type="checkbox"/>	The solar provider provided me with a complete copy of the Solar Consumer Protection Guide before they collected my initials and signature below.
<input checked="" type="checkbox"/>	I read and initialed the first 4 pages of California's Solar Consumer Protection Guide. The solar provider gave me the time to read the entire 24-page guide.
<input checked="" type="checkbox"/>	I was provided an option to sign the Solar Consumer Protection Guide electronically or in handwriting.
<input checked="" type="checkbox"/>	The solar provider gave me the opportunity to read this guide in Español, 中文, 한국어, Tiếng Việt, Tagalog, Armenian, Portuguese, or Dari if they spoke to me in one of those languages.
<input checked="" type="checkbox"/>	If I was solicited as part of a door-to-door sale, the solar provider offered me the option to sign the Solar Consumer Protection Guide with a handwritten signature by default. I was also given the option to sign with an electronic signature.
<input type="checkbox"/>	If I was solicited as part of a door-to-door sale and did not expressly request an electronic format, a complete copy of the Solar Consumer Protection Guide was provided in paper format.
<input type="checkbox"/>	If I choose to sign the Solar Consumer Protection Guide electronically, I am using an email address that was created and is controlled by me prior to the sale, lease, or power purchase agreement.

By signing, I affirm that I have read and understand the California Solar Consumer Protection Guide. I also affirm that information from my solar contract, interconnection application, CSLB Solar Disclosure Form, and/or financing agreement may be reviewed by state regulators to ensure compliance with California's solar consumer protection laws.

Erik Schabel

1/7/2023

Customer Printed Name

Date

Erik Schabel

Customer Signature

continued on page 24

STEP 9: Sign This Guide *continued from page 23***Solar Provider**

Please affirm each of statements below by checking the boxes.

X	The customer initialed the first 4 pages of the guide.
X	The customer signed above before entering into a contract for the purchase, lease, power purchase agreement, or PACE financing of a solar system or solar energy with the company named below.
X	The sales presentation to this customer was principally conducted in this language:

Sherilyn M. Cano	1/10/2023
Company Representative Name/Title	Date
<i>Sherilyn M. Cano</i>	1-800-SunPower
Company Representative Signature	Company Phone
SunPower Corporation	SunPowerFinancing@SunPower.com
Company Name	Company Email
890895	C-46 (Solar Contractor), C-10 (Electrical Contractor)
Company CSLB License Number	Company CSLB License Classification

*A solar provider is defined in California Public Utilities Commissioner Decision (D.) 18-09-044 as a vendor, contractor, installer, or financing entity that enters into a contract for a power purchase agreement, lease, or purchased solar system. Pacific Gas and Electric Company (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E) require solar providers to upload a signed copy of this page with a signature to their interconnection portals before interconnecting residential customers in single-family homes to the electric grid. This requirement does not apply to new home construction, multifamily buildings, or solar thermal systems.



SOLAR ENERGY SYSTEM DISCLOSURE DOCUMENT

This disclosure shall be printed on the front page or cover page of every solar energy contract for the installation of a solar energy system on a residential building.

The TOTAL COST for the solar energy system (including financing and energy / power cost if applicable) is: \$ 95,358.19.

To make a complaint against a contractor who installs this system and/or the home improvement salesperson who sold this system, contact the Contractors State License Board (CSLB) through their website at www.cslb.ca.gov (search "complaint form"), by telephone at 800-321-CSLB (2752), or by writing to P.O. Box 26000, Sacramento, CA 95826.

If the attached contract was not negotiated at the contractor's place of business, and you are 65 years of age or older, you have a Five-Day Right to Cancel the contract, pursuant to Business and Professions Code (BPC) section 7159, as noted below. For further details on canceling the contract, see the Notice of Cancellation, which must be included in your contract.

Five-Day Right to Cancel

You, the buyer, have the right to cancel this contract within five business days. You may cancel by e-mailing, mailing, faxing, or delivering a written notice to the contractor at the contractor's place of business by midnight of the fifth 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 and this notice.

This document was developed through coordination of the California Contractors State License Board and the California Public Utilities Commission pursuant to Business and Professions Code section 7169.



SunPower Financing Agreement

Erik Schabel, 8588 Shanes Way, Santee, CA, 2094560966
Heliogold Solar

Lock in cleaner energy

\$0

Due today

2.9%

Annual Solar
bill increase

\$221

Monthly payment (includes ACH
discount)

\$0.247

Est. price per kWh
(year 1)

25

Term

System Details

Solar panels	425W (Model SPR-M-425-H-AC)
Panel count	18
System size	7.65 kW
Estimated year 1 production	10,708
Estimated electricity offset	102%

Get more with SunPower



Industry-best 95%
production
guarantee
(reimbursed
annually if we
ever fall short).



Repairs,
maintenance and
insurance handled
by SunPower at no
extra cost.



24/7 monitoring
for your entire
system puts
power at your
fingertips.



12-year warranty
protection for roof
damage incurred
at installation.



Prepay or transfer
this agreement
at any time. Just
call us and we'll
help.



Date: January 7, 2023

Lessee

Erik Schabel
Deborah Schabel
8588 Shanes Way
Santee, CA 92071
2094560966

Lessor

SunPower Capital, LLC
Attn: SunPower Financing
8900 Amberglen Boulevard
Suite 325
Austin, Texas 78729
(800) 786-7693

Installer

Heliogold Solar
CA 890895 B C10

Your Leased System		Your Estimated Savings	
Solar Panels	SunPower 425W (Model SPR-M-425-H-AC)	Pre-solar Monthly Electric Bill (Yr1)	\$470.35
Panel Count and System Size	18 Panels, 7.65 kW (DC), 6.912 kW (AC)	Estimated Monthly Electric Bill Savings (Yr1)	\$449.76
Inverter	Type M / SPWR-A4 (IQ 7HS)(18)	SunPower Monthly Lease After ACH Discount (Yr1)	\$220.83
Source of Performance Data	SunPower	Estimated Total Monthly Savings (Yr1)	\$228.93
Monitoring System	PVS6 Monitoring Kit	Estimated SunPower Lease Price per kWh (Yr1)	\$0.247
Racking Equipment	InvisiMount	Annual Solar Bill Increase (Yr1)	2.9%
Year 1 Production Estimate	10,708 kWh	Lease Term	Approximately 25 Years (300 calendar months)
Lease Term Production Estimate	246,832 kWh		
Estimated Electricity Offset	102%		

SunPower promises, We will...

- Insure the System, and arrange for its repair and maintenance (including the inverter) at no additional cost to you as specified in the Lease.
- Provide a Production Guarantee and Limited Warranty, as specified in the Lease. **Please note that estimated savings are not guaranteed.** Savings estimates are based upon a number of factors, including some that are beyond our control, like Your actual energy usage and future utility rates.
- Provide 24/7 web-enabled monitoring at no additional cost to you, as specified in the Lease.
- Provide you a warranty of your roof against leaks.

What are your transfer choices during the term?

- If you move, you may transfer this Lease to the purchaser of your Home, as specified in the Lease.
- If you move, you may purchase the System from Us for an amount equal to the System's Fair Market Value, plus any other amounts that are specified in the Lease.

What are your choices at the end of the term?

- You may request Us to have the System removed at no additional cost to you.
- You may renew the Lease, as specified in the Lease.
- Otherwise, the Lease will automatically renew and continue on a year-to-year basis, unless We notify you that We will remove the System at the end of the term.

1. INTRODUCTION

This solar lease (this "Lease") is the agreement between you and SunPower Capital, LLC (together with its successors and assigns, "Lessor," "We," "Us" or "Our"), covering the lease to you of the solar panel system (the "System") described below. Although the System will be installed at the installation location address listed above (the "Property" or your "Home") by the Installer identified above, this Lease is a lease only and not a contract for construction. The System will be installed at the Property by the installation contractor identified by Us. This Lease is up to sixteen (16) pages long and has up to seven (7) exhibits depending on the state where you live. This Lease has disclosures required by the Federal Consumer Leasing Act and, where applicable, state law. Our repair and maintenance designee, SunPower Corporation, Systems has agreed to provide a limited warranty on the System as described more fully in the Production Guarantee and Limited Warranty (the "Limited Warranty"). The Limited Warranty is attached as **Exhibit A**. We will also provide you with a System user manual (the "Guide"), that contains important operation, maintenance, and service information.

This is a legally binding agreement, so please read everything carefully including all of the exhibits. By signing this Lease you represent that you are either a citizen of the United States or not exempt from paying Federal income taxes. If you do not meet your contract obligations under this Lease, you may lose your rights to the System. If you have any questions regarding this Lease, please contact us at (800) 786-7693.

We will ensure our authorized installer (the "Installer") performs design, permitting, construction, installation, testing, and activation of the System on your Home.

You represent and warrant to Us that (a) you are the owner of the Property (that is, owner of so-called fee title, and not a tenant), (b) you occupy the Property, (c) any other owners of the Property have acknowledged this Lease by execution hereof; and (d) to the best of your knowledge, there are no conditions, concealed or otherwise, that would or may impede or delay the installation of the System or cause the Property to be unsuitable for the installation, including but not limited to dry rot, termites, or mold.

Shortly before the Lease Term Start Date, the Installer (together with the local utility, if necessary) will connect the System to the grid, test the operation of the System and train you in the use of the System. The Installer may perform such services by itself or through a competent subcontractor hired by the Installer and approved by Us. IF THE SYSTEM AS INSTALLED DIFFERS FROM THE "SYSTEM DESCRIPTION" BELOW BUT INCLUDES SUBSTANTIALLY EQUIVALENT OR BETTER EQUIPMENT WITH EQUAL TO OR GREATER OUTPUT, YOU WILL NOT HAVE THE RIGHT TO REJECT OR TERMINATE THIS LEASE.

The Fannie Mae B2-3-04 Compliance information is attached as **Exhibit F**.

This Lease includes only a lease of the System and does not include any other structural improvements performed or completed by the Installer. The cost of any such other improvements will be billed separately by the Installer and will not be included in the monthly payments during the Lease Term set forth on Exhibit B attached hereto ("Monthly Payments") or otherwise provided for under this Lease. By initialing below, you confirm that you have made no payments to the Installer prior to executing this Lease.

Lessee's Initials:

ES

Co-Lessee's Initials:

DS

2. LEASE TERM

We agree to lease you the System for twenty-five (25) years (300 full calendar months), plus, if the Lease Term Start Date is not on the first day of a calendar month, the number of days left in that partial calendar month, including the Lease Term Start Date. We refer to this period of time as the "Lease Term." The Lease Term begins on the Lease Term Start Date. The "Lease Term Start Date" is the date upon which your utility approves interconnection of the System.

We or the Installer will notify you by email when your System is ready to be turned on.

3. DESCRIPTION OF LEASED PROPERTY

Item
Maximum Rated Capacity of System: 7.65 kW DC
Photovoltaic Modules manufactured by SunPower Corporation (module model and quantity): 18 SunPower 425W (Model SPR-M-425-H-AC)
Inverter (brand and model number): Type M / SPWR-A4 (IQ 7HS)(18)
Racking (brand and model number(s)): InvisiMount
SunPower Monitoring system (model number): PVS6 Monitoring Kit

Please confirm by initialing below that the foregoing Description of Leased Property matches the system description in the proposal provided to you on January 7, 2023.

Lessee's Initials: ES

Co-Lessee's Initials: DS

4. PRICE AND PAYMENT TERMS

(a) Monthly Payments

The Monthly Payments section (set forth on Table 1 of Exhibit B attached hereto) describes your payment obligations under this Lease. Your first monthly payment of \$220.83 is due on the one-month anniversary of the Lease Term Start Date. If the Lease Term Start Date occurs after the 28th of the month, your first monthly payment will occur on the 1st of the second following month. For example, if the Lease Term Start Date is January 30, your first monthly payment will occur on March 1. SunPower reserves the right to update its billing systems from time to time and will notify you if your payment due date changes accordingly. You will receive a \$7.50 monthly discount if you agree to automatic Monthly Payments through your checking or savings account. You will not receive a \$7.50 monthly discount if you do not make automatic Monthly Payments through your checking or savings account.

(b) Additional Payment Requirements. In addition to the other amounts you agree to pay in this Lease, you agree to pay the following:

- (i) Sale or Refinancing Fee:** If you sell or refinance your Home and We are asked or required to provide any cooperation in connection with the sale or refinancing, We may charge you the reasonable expenses We incur in connection with such cooperation;
- (ii) Returned Check Fee:** \$15 (or such lower amount as required by law) for any check or withdrawal right that is returned or refused by your bank; and
- (iii) Late Fee:** You will pay a late payment fee equal to the lesser of \$10, 5% of the unpaid portion of any payment that is not received by Us within 10 days after it is due, or the maximum amount allowed by state law.

(c) Taxes

You agree to pay any applicable sales, use, or excise taxes on the payments due under this Lease. If this Lease contains a purchase option, you agree to pay any applicable tax on the purchase price for the System. You also agree to pay as invoiced any applicable personal property taxes on the System that your local jurisdiction may levy. Your actual tax due

will vary depending on changing tax rates over the term of this Lease. We have no responsibility to you for any increased real property taxes you may be subject to as a result of the installation of the System.

(d) Prepayment of Monthly Payments

- (i) At any time, you may make a Prepayment of all outstanding and remaining payments to be paid by You during the Initial Term. If you make a Prepayment, SunPower will retain all its obligations under this Lease.
- (ii) A "Prepayment" shall equal (1) any Monthly Payments due or unpaid, plus (2) the remaining Monthly Payments for Initial Term discounted by the lesser of (x) the prime rate plus 100 basis points (as published by the Wall Street Journal as of the last day of the calendar month prior to the date the pre-payment is made) and (y) 5%. Estimated Prepayments for each year of the Initial Term are shown in **Exhibit B**. A Prepayment quote can be obtained by calling Us at (800) 786-7693 or emailing SunPowerFinancing@sunpower.com.

(e) Acknowledgment

YOU AGREE THAT THE OBLIGATION TO PAY ALL MONTHLY PAYMENTS AND ALL OTHER AMOUNTS DUE UNDER THIS LEASE SHALL BE ABSOLUTE AND UNCONDITIONAL UNDER ALL CIRCUMSTANCES AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, DEFENSE, COUNTERCLAIM, SETOFF, RECOUPMENT OR REDUCTION FOR ANY REASON WHATSOEVER, IT BEING THE EXPRESS INTENT OF THE PARTIES THAT ALL AMOUNTS PAYABLE BY YOU HEREUNDER SHALL BE AND CONTINUE TO BE PAYABLE IN ALL EVENTS INCLUDING BY YOUR HEIRS AND ESTATE AND, EXCEPT AS REQUIRED BY APPLICABLE LAW OR AS SET FORTH IN SECTIONS 8 (CONDITIONS PRIOR TO INTERCONNECTION OF THE SYSTEM) AND 28 (NOTICE OF RIGHT TO CANCEL), YOU HEREBY WAIVE ALL RIGHTS YOU MAY HAVE TO REJECT OR CANCEL THIS LEASE, TO REVOKE ACCEPTANCE OF THE SYSTEM, OR TO GRANT A SECURITY INTEREST IN THE SYSTEM.

5. LEASE OBLIGATIONS

(a) System Installation, Home and Property Maintenance

You agree to:

- (i) cooperate with Installer for the purpose of the Installation and interconnection of the System to your local electricity grid, including providing reasonable assistance to the Installer in obtaining permits as needed (including documentation related to net metering), obtaining any consent of a third-party required for the Installation (such as a homeowner's association), installing, using and maintaining electric lines, inverters and meters, and providing any authorizations necessary to interconnect the System to your electrical system and the grid;
- (ii) if the installation is to a roof, acknowledge and accept that any roof penetrations necessary to complete the installation of the System may void any existing warranty of the roof manufacturer or roof installer;
- (iii) make the monthly payments and all other payments set forth in Exhibit B;
- (iv) only have the System repaired pursuant to the Limited Warranty and reasonably cooperate when repairs are being made;
- (v) keep trees, bushes and hedges trimmed so that the System receives as much sunlight as it did when the Installer installed it;
- (vi) not modify your Home or the Property in a way that shades the System;
- (vii) be responsible for any conditions at your Home and Property that affect the installation (e.g., blocking access to the roof or removing a tree that is in the way);
- (viii) permit Us or our designee, after We give you reasonable notice, to inspect the System for proper operation as We reasonably determine necessary;
- (ix) use the System primarily for personal, family or household purposes, but not to heat a swimming pool;
- (x) not do anything, permit or allow to exist any condition or circumstance that would cause the System not to operate as intended at the Property;

- (xi) notify Us promptly if you think the System is not working properly, damaged or appears unsafe, if the System is stolen, and prior to changing your power supplier;
- (xii) have anyone who has an ownership interest in your Home sign this Lease;
- (xiii) return any documents We send you for signature (like incentive claim forms) within seven (7) days of receiving them;
- (xiv) if you are notified of any recall of the System or its components, cooperate with the de-installation and return of the System or affected component;
- (xv) not allow a judgment, tax lien, municipal charge or tax levy to be filed against the System and keep the System free and clear of all liens, claims, levies and legal processes not created by Us;
- (xvi) not turn the System on without Our permission;
- (xvii) take reasonable steps to prevent unauthorized access to the roof of your Home and prevent System vandalism;
- (xviii) maintain and make available, at your cost, a functioning Internet connection, via either one available wired Ethernet port and standard AC power outlet within eighty (80) feet of the System's AC/DC inverter(s), secure access to your wireless home internet, or the purchase of a SunPower cellular plan at all times during the Lease Term;
- (xix) keep your SunPower Monitoring System connected at all times; and
- (xx) authorize Us to make inquiries concerning your credit history and standing from time to time. We may report information about your performance under this Lease to consumer reporting agencies. Late payments, missed payments or other defaults hereunder may be reflected in your credit report.

(b) System Construction:

The System will be installed at the Property by the Installer.

(c) Installation, Insurance, Repair and Our Obligations:

We agree to:

- (i) schedule the installation of the System at a mutually convenient date and time;
- (ii) design and procure the System according to written plans you review;
- (iii) notify you if the System design has to be materially changed so that you can review any such changes;
- (iv) give you reasonable notice when Installer or its contractors need to access the System and/or your Property;
- (v) keep your Property reasonably free from waste materials or rubbish caused by Installer or its contractors' activities during the installation process;
- (vi) require the Installer to ensure the removal of Installer's or its contractor's tools, construction/installation equipment, machinery, waste materials and rubbish from and around your Property prior to utility approval of the System;
- (vii) guarantee that any roof penetrations made for the System shall be completely weather-tight for the period of twelve (12) years;
- (viii) return your Property to a condition similar to its original condition at the completion of installation, excluding normal wear and tear (subject to Excluded Services performed pursuant to paragraph (d) below);
- (ix) require the Installer to carry adequate commercial general liability, commercial automobile liability, workers' compensation and any other insurance required by applicable laws and regulations. You may request from Installer evidence of a contractor's insurance coverage;
- (x) be solely responsible for damage caused to your Property, property of third parties, or bodily injury arising from the installation caused by Installer or its agents;

- (xi) insure the System against all damage or loss unless (1) that damage or loss is caused by your gross negligence; or (2) you intentionally damage the System. In cases where We bear the risk of loss, our sole obligation to you will be to arrange for the Installer to repair or replace the System to the extent required by the Limited Warranty and you must continue performing your obligations under this Lease (including the obligation to make Monthly Payments). Notwithstanding the foregoing, if We determine in Our sole discretion, that the System cannot be restored to its original condition, then We reserve the right to apply all insurance proceeds to your outstanding Monthly Payments due under this Lease and terminate this Lease; provided however, if you have prepaid any Monthly Payments that are due and payable after We determine that the System cannot be restored to its original condition, then you will be entitled to a portion of the available insurance proceeds to reimburse you for such prepaid Monthly Payments.
- (xii) measure the amount of power the System delivers to you, so long as you satisfy the Communication Requirements provided in the Limited Warranty;
- (xiii) ensure that the System will be repaired pursuant to the Limited Warranty by service providers licensed according to applicable law, and reasonably cooperate with you when arranging repairs; and
- (xiv) not put a lien on your Home or Property.

(d) Services not included in the Installation

This Lease does not include an obligation by Us or Installer to:

- (i) remove or dispose of any hazardous substances that currently exist on your Property;
- (ii) improve the construction of the roof of your Property to support the System;
- (iii) remove or replace existing rot, rust, or insect-infested structures;
- (iv) provide structural framing for any part of your Property;
- (v) pay for or correct construction errors, omissions or deficiencies by you or your contractors;
- (vi) pay for, remove or remediate mold, fungus, mildew or organic pathogens;
- (vii) upgrade your existing electrical service;
- (viii) install any smoke detectors, sprinklers or life safety equipment required by municipal code or inspectors as a result of the System installation;
- (ix) pay for the removal or re-location of equipment, obstacles or vegetation in the vicinity of the System;
- (x) pay for any costs associated with municipal design or architectural review, or other specialty permits (this includes cost to attend any public hearings, notification of neighbors or additional drawings required);
- (xi) paint electrical boxes or conduit at your Property; or
- (xii) move items unassociated with the System around your Property.

If an obligation listed as an exclusion in this paragraph (d) (an "Excluded Service") must be performed in order to properly complete the installation of the System, Installer will promptly notify you of the necessity of such Excluded Services. If appropriate, Installer will present a proposal of the costs to you for Installer to perform such Excluded Services. You agree to promptly either sign a separate contract for the Excluded Services with Installer, or to cause such Excluded Services to be completed by a separate contractor in accordance with Installer's installation schedule.

(e) Home Renovations or Repairs

If you want to make any repairs or improvements to the Property that could interfere with the System (such as repairing the roof where the System is located), you must (i) give Us at least 15 days' prior notice of your intent to repair or improve the Property such that We can (x) remove or otherwise protect and secure the System prior to commencement of such repairs or improvements and (y) reinstall the System after the repair or improvements have been completed, all at your sole cost and expense; and (ii) pay Us, or our designee if directed by Us, the cost of removal and before beginning repairs or improvements on the Property.

(f) No Alterations

You agree that you will not (i) move the System, (ii) make any modifications, improvements, revisions or additions to the System, (iii) remove any markings or identification tags, or (iv) take any other action that could void the Limited Warranty on the System without Our prior written consent. If you make any modifications, improvements, revisions or additions to the System, they will become part of the System and shall be Our property.

(g) Access to the System

You grant to Us and Our employees, agents, service providers and contractors the right to reasonably access all of the Property as necessary for the purposes of performing Our obligations under this Lease, including but not limited to designing, installing, repairing or monitoring the System, or for enforcing Our rights under this Lease. We shall provide you with reasonable notice of Our need to access the Property. You shall ensure that our access rights are preserved and shall not interfere with or permit any third-party to interfere with such rights or access.

(h) Indemnity

To the fullest extent permitted by law, you shall indemnify, defend, protect, save and hold harmless Us, Our employees, officers, directors, agents, successors and assigns from any and all third-party claims, actions, costs, expenses (including reasonable attorneys' fees and expenses), damages, liabilities, penalties, losses, obligations, injuries, demands and liens of any kind or nature arising out of, connected with, relating to or resulting from your negligence, willful misconduct, or failure to comply with any of the terms or conditions of this Lease; provided that nothing herein shall require you to indemnify (1) any person or entity from its own negligence or willful misconduct or (2) Installer or any manufacturer of the equipment comprising the System except in connection with your negligence or willful misconduct. The provisions of this paragraph shall survive termination or expiration of this Lease.

6. WARRANTY

TO THE FULLEST EXTENT PERMITTED BY LAW, YOU UNDERSTAND THAT THE SYSTEM IS WARRANTED SOLELY UNDER THE LIMITED WARRANTY ATTACHED AS **EXHIBIT A**, AND THAT THERE ARE NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR ANY PURPOSE, CONDITION, DESIGN, CAPACITY, SUITABILITY OR PERFORMANCE OF THE SYSTEM OR ITS INSTALLATION. YOU CONFIRM THAT WHETHER THIS LEASE PRODUCES AN OVERALL ENERGY COST SAVINGS TO YOU DEPENDS ON CIRCUMSTANCES OUTSIDE OF OUR CONTROL AND THAT WE HAVE NOT PROMISED TO YOU THAT THIS LEASE WILL RESULT IN AN OVERALL ENERGY COST SAVINGS TO YOU. YOU ALSO UNDERSTAND THAT THE LIMITED WARRANTY IS PROVIDED BY A THIRD-PARTY AND WILL NOT AFFECT YOUR OBLIGATIONS UNDER THE LEASE.

By initialing below, you acknowledge the Production Guarantee and Limited Warranty attached as **Exhibit A** is your sole warranty as to the condition, design, capacity, suitability or performance of the System or its installation, as set forth above.

Lessee's Initials:

ES

Co-Lessee's Initials:

DS

7. NOT USED**8. CONDITIONS PRIOR TO INTERCONNECTION OF THE SYSTEM****(a) Our Obligation to Lease**

Our obligations to lease the System are conditioned on the following items having been completed to Our reasonable satisfaction:

- (i) completion of (A) the engineering site audit (a thorough physical inspection of the Property, including, if applicable, geotechnical work), (B) the final System design, and (C) real estate due diligence to confirm the suitability of the Property for the construction, installation and operation of the System;
- (ii) receipt of all necessary zoning, land use and building permits; and
- (iii) Your completion of any renovations, improvements or changes reasonably required at Your Home or on the Property (e.g., removal of a tree or roof repairs necessary to enable Us to safely install the System).

We may terminate this Lease prior to the interconnection of the System without liability if, in Our reasonable judgment, any of the above listed conditions will not be satisfied for reasons beyond Our reasonable control.

(b) Amendments, Your Right to Terminate for Material Changes

We may terminate this Lease if, in Our reasonable judgment, the installation of the System will not occur within 180 days of the date of this Lease being fully executed by all parties for reasons beyond Our reasonable control.

Both parties will have the right to terminate this Lease, without penalty or fee, if We determine after the engineering site audit of your Home that We have misestimated by more than ten percent (10%) any of (1) the System size, (2) the System's total cost or (3) the System's originally estimated annual production. Such termination right will expire at the earlier of (A) one (1) week prior to the scheduled System installation date (provided that We have given you at least two weeks' notice prior to the scheduled System installation date), and (B) one (1) month after We inform you in writing of the revised size, cost or production estimate. If neither party exercises their right to terminate this Lease following such 10% change, then any changes to the System will be documented in an amendment to this Lease. You authorize Us to make corrections to the utility paperwork to conform to this Lease or any amendments to this Lease We both sign.

(c) Post-Installation Changes

After the System has been installed, if We determine that the System will not produce the amount of energy estimated on Page 1 of this Lease, and We are unable to increase the System's production by increasing the System size or other commercially reasonable means, We may present to You a modification detailing reductions to both your Monthly Payments and the Production Guarantee set forth in Table A of Exhibit A. Any such modification will be presented to You no later than one hundred and eighty (180) days after System interconnection. The modification will be deemed accepted by You and incorporated as an amendment to this Lease on the earlier of (a) the date you sign the modification, and (b) thirty (30) days after the modification has been sent to You. Under no circumstances will this Section 8(c) (POST-INSTALLATION CHANGES) permit: (a) a reduction of your Monthly Payments and/or Production Guarantee by more than ten percent (10%); or (b) an increase of your Monthly Payments and/or Production Guarantee in any amount.

By initialing below, you acknowledge and that We may modify your Monthly Payments and Production Guarantee as set forth above.

Lessee's Initials:

ES

Co-Lessee's Initials:

DS

9. TRANSFER

You agree that We may assign this System and/or Lease to one of Our financing partners without your consent. Such an assignment will not change Our obligation to ensure that the System is maintained and repaired as set forth in the Limited Warranty. If requested by Us, you agree to execute and deliver to any such transferee, assignee or financing partner an acknowledgment and confirmation of your obligations under this Lease as may be reasonably requested by Us.

10. OWNERSHIP OF THE SYSTEM; TAX CREDITS AND REBATES

You agree that the System is removable equipment owned by SunPower, is Our personal property under the Uniform Commercial Code and not a fixture (or real property) regardless of whether it is attached to real property, and will remain Our personal property even after installation and through the end of the Lease Term. You also acknowledge that We have the right to file any UCC-1 financing statement or fixture filing that confirms Our interest in the System. You understand and agree that this is a lease and not a sale agreement. We own the System for all purposes, including any data generated from the System. If the System is located in California, you agree that We may record a "Notice of an Independent Solar Energy Producer Contract" with the applicable county recorder's office, pursuant to Section 2869 of the California Public Utilities Code. If the System is located in any other State, you consent to any regulatory or governmental filing that is consistent with this Lease and applicable law, including a formal notice of this Lease which, among other things, provides record notice that the System is not a fixture to the Property. You agree, at Our request, to notify any mortgagee or holder of a deed of trust on the Property of the installation and existence of the System and that the System is SunPower's personal property and not a fixture (or real property) and to use reasonable efforts to obtain the consent of any mortgagee(s) of the Property to this Lease.

YOU UNDERSTAND AND AGREE THAT ANY AND ALL TAX CREDITS, INCENTIVES, RENEWABLE ENERGY CREDITS, GREEN TAGS, CARBON OFFSET CREDITS, UTILITY REBATES OR ANY OTHER NON-POWER ATTRIBUTES OF THE SYSTEM ARE OUR PROPERTY, AND FOR OUR BENEFIT, USABLE AT OUR SOLE DISCRETION. WE SHALL HAVE THE EXCLUSIVE RIGHT TO ENJOY AND USE ALL SUCH BENEFITS, WHETHER SUCH BENEFITS EXIST NOW OR IN THE FUTURE. YOU AGREE TO REFRAIN FROM ENTERING INTO ANY AGREEMENT WITH YOUR UTILITY THAT WOULD ENTITLE YOUR UTILITY TO CLAIM ANY SUCH BENEFITS. FOR SYSTEMS LOCATED IN NEW YORK AND PENNSYLVANIA, RENEWABLE ENERGY CREDITS WILL BE RETAINED BY YOU. YOU AGREE TO REASONABLY COOPERATE WITH US SO THAT WE MAY CLAIM ANY TAX CREDITS, RENEWABLE ENERGY CREDITS, REBATES, CARBON OFFSET CREDITS OR ANY OTHER BENEFITS FROM THE SYSTEM. THIS MAY INCLUDE, TO THE EXTENT ALLOWABLE BY LAW, A REQUIREMENT FOR YOU TO ENTER INTO NET METERING AGREEMENTS, INTERCONNECTION AGREEMENTS, CREDIT PURCHASE AGREEMENTS, AND FILING RENEWABLE ENERGY/CARBON OFFSET CREDIT REGISTRATIONS AND/OR APPLICATIONS FOR REBATES OR OTHER INCENTIVES FROM THE FEDERAL, STATE OR LOCAL GOVERNMENT OR A LOCAL UTILITY AND GIVING THESE TAX CREDITS, RENEWABLE ENERGY/CARBON CREDITS, REBATES, INCENTIVES, OR OTHER BENEFITS TO US. WE HAVE NOT GIVEN YOU ANY INFORMATION OR ADVICE REGARDING ANY POSSIBLE TAX CONSEQUENCES OR BENEFITS UNDER THIS LEASE. YOU AGREE THAT YOU WILL NOT CLAIM, OR TAKE ANY ACTION, OR FAIL TO TAKE ANY ACTION, INCLUDING CLAIMING ANY TAX CREDITS RESPECTING THE SYSTEM ON ANY TAX RETURN, THAT MAY HARM OR INTERFERE WITH OUR RIGHTS WITH RESPECT TO SUCH CREDITS, REBATES OR OTHER BENEFITS.

11. PURCHASING THE SYSTEM

a. **Purchase Option.** You have the option to purchase the System as follows:

- (i) Upon the fifth (5th) anniversary of the Lease Term Start Date;
- (ii) If you sell your Home at any time during the Lease Term;
- (iii) At the end of the Lease Term; or
- (iv) In the event of Our default pursuant to Section 16(b)(DEFAULT).

b. **Purchase Price.** In each of (i), (ii) and (iii) above, the price you pay for the System will be the fair market value ("Fair Market Value") at the time of the Your purchase. The Fair Market Value will be determined by an independent

appraiser hired by Us to estimate the value of a comparable in-service photovoltaic solar system in your state and utility service area. If the System is purchased prior to the fifth (5th) anniversary of the In-Service Date, the Fair Market Value will include the recapture of any federal tax credits.

c. **Purchase Terms.** Any purchase of the System will be on an AS-IS, WHERE-IS basis and you will be responsible for payment of any sales taxes or similar other taxes, fees or charges imposed on you or Us by governmental authorities in connection with such a sale and purchase. After purchase, We will provide you a bill of sale, the Lease will be terminated and neither You nor SunPower will have any remaining obligations. For clarity, this includes termination of all obligations regarding repair, maintenance or the Production Guarantee set forth in **Exhibit A**. If possible, We will assign to you any product and/or workmanship warranties still in effect for the System.

12. RENEWAL; REMOVAL AT END OF TERM

a. **Renewal; Automatic Renewal.** If We have not provided you notice that We do not want to renew the Lease, no later than sixty (60) days prior to the end of the Lease Term or any Renewal Period (defined below), We will send you written notice of the terms ("Renewal Terms") on which the Lease may be renewed on a one-year basis (each year a "Renewal Period"). If you do not want to renew the Lease, then at least thirty (30) days prior to the end of the Lease Term, you must submit a written request that We remove the System. **If You neither (a) accept the Renewal Terms nor (b) submit a request for removal, this Lease will automatically renew on a year-to-year basis at a rate for electric energy equal to 10% less than the then current average rate charged by your local utility.**

b. **Removal of the System.** We will remove the System within thirty (30) days after the expiration or termination of the applicable Lease Term or any Renewal Term.

13. SELLING YOUR HOME

(a) If you sell your Home you can either:

(i) Transfer this Lease and the Monthly Payments.

You may transfer this Lease if the person buying your Home (the "Home Buyer") signs a transfer agreement assuming all of your rights and obligations under this Lease. The Home Buyer must submit to a credit check for financial reporting purposes, but the result of that credit check will not impact Your ability to transfer this Lease to the Home Buyer. We will provide the transfer agreement and escrow instructions. If the sale of your Home closes in accordance with Our escrow instructions you will be released from your obligations under this Lease. If the Home Buyer defaults on this Lease and We have not yet received the signed the transfer agreement, you will be responsible for his or her default.

(ii) Purchase the System.

If you are in compliance with your Lease obligations, you can purchase the System pursuant to the terms set forth in Section 11 (PURCHASING THE SYSTEM) above.

(b) **Production Guarantee.** If you transfer this Lease pursuant to Section 13(a)(i), We will determine whether there is a prorated Payment Amount (as defined in Exhibit A) due to You at the time of transfer. If a Payment Amount is due to You, We will send such Payment Amount to You within thirty (30) days of the Lease transfer. For example, if You transfer this Lease in month 6 of a Guarantee Year (as defined in Exhibit A) and We determine that there has been an underperformance during months 1 through 6, We will send you a Payment Amount for that period. The Home Buyer would then receive a Payment Amount for the remainder of the Guarantee Year, i.e. months 7 through 12, if applicable. From that point on, the Home Buyer's Production Guarantee will be based on the terms set forth in Exhibit A.

(c) You agree to give Us at least thirty (30) days' prior written notice of the sale of your Home.

(d) If you sell your Home and cannot comply with any of the options in paragraph (a) above, you will be in default under this Lease. This Section 13 (SELLING YOUR HOME) also applies to a Home sale by your estate or heirs.

(e) EXCEPT AS SET FORTH IN THIS SECTION, YOU WILL NOT ASSIGN, SELL, PLEDGE OR IN ANY OTHER WAY TRANSFER YOUR INTEREST IN THE SYSTEM OR THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT. THE TERMS OF THIS LEASE WILL BE BINDING ON YOU AND YOUR HEIRS AND PERSONAL REPRESENTATIVES.

14. LOSS OR DAMAGE

(a) Unless you are grossly negligent or you intentionally damage the System, We will bear all of the risk of loss, damage, theft, destruction or similar occurrence to any or all of the System. Except as expressly provided in this Lease, no loss, damage, theft or destruction will excuse you from your obligations under this Lease, including the obligation to make Monthly Payments.

(b) If there is loss, damage, theft, destruction or a similar occurrence affecting the System, and you are not in default of this Lease, then you shall continue to timely make all Monthly Payments and pay all other amounts due under the Lease, and cooperate with Us to have the System repaired, at Our sole cost and expense.

15. LIMITATION OF LIABILITY**(a) No Consequential Damages**

OUR LIABILITY TO YOU UNDER THIS LEASE SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. YOU AGREE THAT IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES.

(b) Damages Cap

Except for claims under Section 5(h) (INDEMNITY), neither party's liability to the other will exceed an amount equal to the maximum amount that could be payable by you under Section 18 (EARLY TERMINATION LIABILITY), or with respect to property damage by Us, One Million Dollars (\$1,000,000).

16. DEFAULT

(a) You will be in default under this Lease if any one of the following occurs:

- (i)** you fail to make any payment when it is due and such failure continues for a period of thirty (30) days;
- (ii)** you fail to perform any material obligation that you have undertaken in this Lease (which includes doing something you have agreed not to do, like alter the System) and such failure continues for a period of fifteen (15) days after We provide written notice;
- (iii)** you have provided any false or misleading financial or other information to obtain this Lease;
- (iv)** you assign, transfer, encumber, sublet or sell this Lease or any part of the System without Our prior written consent;
- (v)** you (i) make an assignment for the benefit of creditors, (ii) admit in writing your insolvency, (iii) file, or there is filed against you, a voluntary petition in bankruptcy, (iv) are adjudicated bankrupt or insolvent, or (v) undertake or experience any substantially similar activity;
- (vi)** foreclosure proceedings are filed involving Your Home or you allow other creditors by legal process to take your money or property;
- (vii)** the System is disabled or disconnected and you do not notify Us of such event after you learn of such event; or
- (viii)** the System is intentionally altered, damaged or destroyed by you or your gross negligence, or you expose the System to seizure, confiscation, forfeiture or other involuntary transfer.

(b) We will be in default under this Lease if We fail to perform a material obligation under this Lease and do not initiate a remedy of such failure within a period of ninety (90) days after We receive notice of such failure.

17. REMEDIES IN CASE OF DEFAULT

(a) If this Lease is in default, We may take any one or more of the following actions. Where required by law, We will give you notice before taking any of these actions. We may:

- (i)** terminate this Lease and your rights to possess and use the System;
- (ii)** suspend Our performance under this Lease;

- (iii) take any reasonable action to correct your default or to prevent Our loss (any costs We incur to do so will be added to the amount you owe Us and will be immediately due);
- (iv) proceed, by appropriate court action, to enforce performance of this Lease and to recover damages for your breach;
- (v) turn off or take back the System by legal process or self-help, but We may not disturb the peace or violate the law; or
- (vi) subject to Our agreement to arbitrate disputes under Section 19 (APPLICABLE LAW; ARBITRATION), use any other remedy available to Us in this Lease or by law.

(b) Subject to Section 18 (EARLY TERMINATION LIABILITY) with respect to your Early Termination Liability, you agree to repay Us for any reasonable amounts We pay to correct or cover your default. By choosing any one or more of the remedies in paragraph (a) above, We do not give up Our right to use another remedy. By deciding not to use any remedy should this Lease be in default, We do not give up Our right to use that remedy in case of a subsequent default.

18. EARLY TERMINATION LIABILITY

If We exercise our right under Section 17 (REMEDIES IN CASE OF DEFAULT) to terminate this Lease due to your default, We and you agree that, from the nature of this Lease, it would be impracticable and extremely difficult to ascertain the amount of actual damages caused by your default. Therefore, We and you agree that in the case of such termination, We shall be entitled to recover from you, the "Early Termination Liability," which is a sum equal to (i) the Monthly Payments that are unpaid for the year in which the default has occurred; plus (ii) the Fair Market Value; plus (iii) any accrued and unpaid late charges; plus (iv) any dishonored payment item fees; plus (v) in the case of a termination whereby the System is removed from your Property, any amounts We expend to dismantle, remove and recover the System; plus (vi) any other amounts then due to Us under the Lease; less (vii) the amount We receive (less a reasonable fee payable to Us for Our services in selling the System) upon disposition of the System (not to exceed the amount of the Early Termination Liability), or an amount to which We and you otherwise agree. You may obtain, at your expense, a professional appraisal by an independent third-party (agreed to by Us and you) of the value that could be realized through sale of the System at wholesale after the System has been removed from your Property which shall be final and binding on the parties. As described above in this Section 18 (EARLY TERMINATION LIABILITY), any proceeds We receive upon actual disposition of the System will reduce the Early Termination Liability payable by you.

19. APPLICABLE LAW; ARBITRATION

PLEASE READ THIS SECTION CAREFULLY. ARBITRATION REPLACES THE RIGHT TO GO TO COURT, INCLUDING THE RIGHT TO A JURY AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING. IN ARBITRATION, A DISPUTE IS RESOLVED BY AN ARBITRATOR INSTEAD OF A JUDGE OR JURY.

The laws of the state where your Home is located shall govern this Lease without giving effect to conflict of laws principles. You and We agree that any dispute, claim or disagreement between the parties (a "Dispute") shall be resolved exclusively by arbitration.

The arbitration, including the selecting of the arbitrator, will be administered by JAMS, under its Streamlined Arbitration Rules (the "Rules") by a single neutral arbitrator to be agreed upon by the parties or selected under the Rules within thirty (30) days of the commencement of the arbitration. The arbitration will be governed by the Federal Arbitration Act (Title 9 of the U.S. Code). Either party may initiate the arbitration process 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. The arbitration shall be held in the location that is most convenient to your Home. If a JAMS office does not exist in the county where you live, then we will use another accredited arbitration provider with offices close to your Home.

If you initiate the arbitration, you will be required to pay the first \$125 of any filing fee. We will pay any filing fees in excess of \$125 and we will pay all of the arbitration fees and costs. If we initiate the arbitration, we will pay all of the filing fees and all of the arbitration fees and costs. To the extent not inconsistent with California law, we will each bear all of our own attorney's fees and costs except that you are entitled to recover your attorney's fees and costs if you prevail in the arbitration and the award you receive from the arbitrator is higher than Our last written settlement offer. This Section 19 (APPLICABLE LAW; ARBITRATION) shall govern to the extent it conflicts with the Rules. When determining whether your award is higher than Our last written settlement offer your attorney's fees and costs will not be included.

Only Disputes involving you and Us may be addressed in the arbitration. Disputes must be brought in the name of an individual person or entity and must proceed on an individual (non-class, non-representative) basis. The arbitrator will not award relief for or against anyone who is not a party. Neither of us, nor any other person, may pursue a Dispute as a class action, class arbitration, private attorney general action or other representative action, nor may any such Dispute be pursued on your or Our behalf in any litigation in any court. Claims regarding any Dispute and remedies sought as part of a class action, class arbitration, private attorney general or other representative action are subject to arbitration on an individual (non-class, non-representative) basis, and the arbitrator may award relief only on an individual (non-class, non-representative) basis. This means that the arbitration may not address disputes involving other persons with disputes 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 under this Lease. The arbitrator, however, is not authorized to change or alter the terms of this Lease or to make any award that would extend to any transaction other than yours. All statutes of limitations that are applicable to any dispute shall apply to any arbitration between us. The arbitrator will issue a decision or award in writing, briefly stating the essential findings of fact and conclusions of law.

BECAUSE YOU AND WE HAVE AGREED TO ARBITRATE ALL DISPUTES, NEITHER OF US WILL HAVE THE RIGHT TO LITIGATE THAT DISPUTE IN COURT, OR TO HAVE A JURY TRIAL ON THAT DISPUTE, OR ENGAGE IN DISCOVERY EXCEPT AS PROVIDED FOR IN THE RULES. FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS PERTAINING TO ANY DISPUTE. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING ON THE PARTIES AND MAY BE ENTERED AND ENFORCED AS A JUDGMENT IN ANY COURT HAVING JURISDICTION, EXCEPT TO THE EXTENT IT IS SUBJECT TO REVIEW IN ACCORDANCE WITH APPLICABLE LAW GOVERNING ARBITRATION AWARDS. OTHER RIGHTS THAT YOU OR WE WOULD HAVE IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

By initialing below, you acknowledge and accept that you are agreeing to arbitrate all disputes arising out of or related to this Lease.

Lessee's Initials: *ES*

Co-Lessee's Initials: *DS*

20. WAIVER

Any delay or failure of a party to enforce any of the provisions of this Lease, including but not limited to any remedies listed in this Lease, or to require performance by the other party of any of the provisions of this Lease, shall not be construed to (a) be a waiver of such provisions or a party's right to enforce that provision; or (b) affect the validity of this Lease. If Customer includes more than one person, We may release one or more of you without releasing the other(s).

21. NOTICES

All notices under this Lease shall be given in writing and shall be by personal delivery, electronic mail, overnight courier, or certified, or registered mail, return receipt requested, and deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices shall be sent to the person identified in this Lease at the addresses set forth in this Lease or such other address as either party may specify in writing. Each party shall deem a document sent via PDF as an original document.

We may engage a third-party service provider (a "Lease Administrator"). If We notify you that We have engaged a Lease Administrator, then after such notice (and until any future notice to the contrary) you must also furnish all notices and communications in connection with this Lease to the Lease Administrator, at the address (and, if applicable, e-mail address) specified to you by Us.

22. PERMISSION TO CONTACT

We may contact you by telephone, electronic or postal mail, or invite you to participate in surveys or focus groups, to discuss your experience with Us, Our affiliates, Our products and services, Our network of dealers/installers, service providers, and suppliers, and Our maintenance organization.

We may use any telephone number you provide Us, even if that number is for a cellular telephone and/or Our using the number results in charges to you.

23. ENTIRE AGREEMENT; CHANGES

This Lease contains the parties' entire agreement regarding the lease of the System. There are no other agreements regarding this Lease, either written or oral. Any change to this Lease must be in writing and signed by both parties. It is understood that (a) none of Our representatives has any power to change, modify or make any other terms or representations whatsoever than those herein stated, and (b) any representations made by Our representatives are superseded by terms of this Lease. If any portion of this Lease is determined to be unenforceable, the remaining provisions shall be enforced in accordance with their terms or shall be interpreted or rewritten so as to make them enforceable. If an exhibit to this Lease specific to a state, city or county conflicts with the terms of this Lease, that exhibit will govern with respect to Leases in that applicable state, city or county.

24. CUSTOMER DATA

For a copy of the SunPower Data Privacy Policy, please visit the following website:

<https://us.sunpower.com/privacy/residential-solar-financing>

By initialing below, you acknowledge your receipt of and opportunity to review the SunPower Data Privacy Policy.

Lessee's Initials:

ES

Co-Lessee's Initials:

DS

25. PUBLICITY

We will not publicly use or display any images of the System without your consent.

26. SURVIVAL

The provisions of this Lease regarding payment obligations, remedies, indemnities, governing law and arbitration, as well as all provisions that specifically provide for survival or for additional time periods, will survive the termination or expiration of this Lease.

27. FURTHER ASSURANCES; RULES OF CONSTRUCTION

You agree to cooperate in completing or executing documents or taking other actions necessary to affect the purposes of this Lease, including the preservation of Our interest in the System. In this Lease: (i) whenever the singular number is used, the same will include the plural and the neuter, masculine and feminine genders will include each other, as the context may require; (ii) the word "including" is construed in its broadest sense to mean "including without limitation" or "including, but not limited to"; (iii) references to agreements and other legal instruments include all subsequent amendments thereto, and changes to, and restatements or replacements of, such agreements or instruments; (iv) the words "shall" and "will" are used interchangeably and have the same meaning; and (v) the word "or" is not necessarily exclusive.

28. NOTICE OF RIGHT TO CANCEL

YOU, THE LESSEE, MAY CANCEL THIS LEASE AT ANY TIME PRIOR TO MIDNIGHT OF THE SEVENTH (7th) CALENDAR DAY AFTER THE DATE YOU SIGN THIS LEASE. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR AN EXPLANATION OF THIS RIGHT (ATTACHED HERETO AS EXHIBIT C).

By signing this Lease, you acknowledge you have read and understand your cancellation rights and the implications of cancellation and you have been informed orally of your cancellation rights.

ACKNOWLEDGMENT OF ARBITRATION

I understand that this Lease contains an agreement to arbitrate. After signing this Lease, I understand that I will not be able to bring a lawsuit concerning any dispute that may arise which is covered by the arbitration provision, unless it involves a question of constitutional or civil rights. Instead, I agree to submit any such dispute to an impartial arbitrator.

I have read this Lease and the exhibits in their entirety and I acknowledge that I have received a complete copy of this Lease and the exhibits.

Lessee's Name: Erik Schabel

Erik Schabel

Erik Schabel
1/7/2023

Co-Lessee's Name: Deborah Schabel

Deborah Schabel

Deborah Schabel
1/7/2023

Lessor: SunPower Capital, LLC

Sherilyn M. Cano

Sherilyn M. Cano
1/10/2023

The Installer with respect to this Lease is:

Heliogold Solar

CA 890895 B C10

Exhibit A (Limited Warranty)

PRODUCTION GUARANTEE AND LIMITED WARRANTY

1. INTRODUCTION

This Production Guarantee and Limited Warranty (this "Limited Warranty") is an agreement made by SunPower Corporation, Systems ("Operator") to provide you warranties on the System you have leased and warrant the output of the System you have leased. The System will be professionally installed by the duly licensed Installer at the address you listed in the agreement that this exhibit is appended to (the "Lease"). Capitalized terms in this Exhibit A will have the same meaning as the capitalized terms in the Lease unless they are differently defined in this Exhibit A. This Limited Warranty begins on Lease Term Start Date.

2. LIMITED WARRANTIES

(a) Limited Warranties

Operator warrants the System as follows:

(i) System Warranty

During the entire Lease Term, 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 (the "System Warranty");

(ii) Roof Warranty

Operator assigns to you the following roof warranty provided by the Installer: If installing the System requires penetrations to your Home's roof during a System installation and thereby causes damages to areas of the roof, then such roof damage will be repaired for your benefit, at any time during the period from the date the Installer begins installation of System through twelve (12) years (the "Roof Warranty Period"); and

(iii) Repair Promise

During the entire Lease Term, Operator will honor the System Warranty and will arrange to 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 Operator or Lessor under this Limited Warranty (the "Repair Promise"). If Operator or a contractor retained by Operator damages your Home, your belongings, or your Property, Operator will arrange to repair the damage caused or pay you for the damage caused subject to the limitations of liability provided in Section 6 of this Limited Warranty. Operator's service providers may use new or reconditioned parts when making repairs or replacements. Operator may also, at no additional cost to you, have its service providers upgrade or add to any part of the System to ensure that it performs according to the guarantees set forth in this Limited Warranty. Cosmetic repairs of the System that do not involve safety or performance shall be made at Operator's discretion.

(b) Warranty Length

- (i)** The warranties in Sections 2(a)(i) and (a)(iii) above will start on the Lease Term Start Date (provided that Lessor has countersigned the Lease) and continue through the entire Lease Term. Thus, for as long as you lease the System from Lessor, you will have a System Warranty and Operator's Repair Promise.
- (ii)** The Roof Warranty Period may be shorter than the System Warranty, as described in Section 2(a)(ii) above.
- (iii)** If you have assumed an existing Lease, then this Limited Warranty will cover you for the remaining balance of the existing Lease Term.

(c) Production Guarantee and Warranties

Production Guarantee

Operator estimates that each year during the Lease Term the System will generate the Production Guarantee (as defined below) of kilowatt-hours (kWh) in the table set forth below:

TABLE A

GUARANTEE YEAR	PRODUCTION GUARANTEE (kWh)	GUARANTEED ENERGY PRICE PER kWh
Year 1	10,173	\$0.247
Year 2	10,147	\$0.255
Year 3	10,122	\$0.263
Year 4	10,097	\$0.272
Year 5	10,071	\$0.280
Year 6	10,046	\$0.289
Year 7	10,021	\$0.298
Year 8	9,996	\$0.308
Year 9	9,971	\$0.317
Year 10	9,946	\$0.327
Year 11	9,921	\$0.338
Year 12	9,896	\$0.348
Year 13	9,872	\$0.359
Year 14	9,847	\$0.371
Year 15	9,822	\$0.382
Year 16	9,798	\$0.395
Year 17	9,773	\$0.407
Year 18	9,749	\$0.420
Year 19	9,724	\$0.433
Year 20	9,700	\$0.447
Year 21	9,676	\$0.461
Year 22	9,652	\$0.475
Year 23	9,628	\$0.490
Year 24	9,604	\$0.506
Year 25	9,580	\$0.522

- (i) If, at the end of each successive twelve (12) month anniversary of your Lease Start Date, the Actual Annual kWh (defined below) generated by the System is less than the Production Guarantee, then Operator will send you a payment in an amount equal to the difference between the Production Guarantee and the Actual Annual kWh, multiplied by the Guaranteed Energy Price per kWh (defined below) ("Payment Amount") after such Payment Amount is equal to or greater than \$5.00 ("Minimum Payment Amount"), unless such Payment Amount is due and payable in the last year of the Lease Term, in which case there is no minimum dollar amount requirement to remit the Payment Amount to you. If a Payment Amount is due under this Limited Warranty, but the Minimum Payment Amount requirement has not been satisfied, then the Payment Amount will continue to roll over to the next twelve (12) month anniversary of your Lease Start Date until the Minimum Payment Amount has been reached. Operator will make that payment at the end of a Guarantee Year. You are responsible for ensuring that the System remains free of shading.

For example, if the first twelve (12) month period commences on October 1, 2024, and ends on September 30, 2025, and the energy the System actually generated is less than the energy the system was guaranteed to generate during such twelve (12) month period, Operator will pay you the difference between the Actual Annual kWh and the Production Guarantee multiplied by the Guaranteed Energy Price per kWh. See the table below for a real-world example.

Example Production Guarantee	Example Actual Annual kWh	Example Guaranteed Energy Price per kWh	Example Payment to You
9,500	9,000	\$0.10	\$50.00

- (ii) If, at the end of each successive twelve (12) month anniversary of your Lease Start Date, the Actual Annual kWh is greater than 105% of the Production Estimate during any twelve (12) month period, this surplus will be carried over and will be used to offset any deficits that may occur in the future. If your System produces more energy than the Production Guarantee, then this additional energy is yours at no additional cost.
- (iii) **Defined Terms.** The following capitalized terms will have the below meanings when used in this Limited Warranty:

“Actual Annual kWh” means the AC electricity produced by your System in kilowatt-hours measured and recorded by Operator during each successive twelve (12) month anniversary of your Lease Start Date, as measured by the hardware that Operator or the Installer installs and as communicated to Operator by you pursuant to the Communication Requirements (as defined below).

“Communication Requirements” means the following actions you must take for this Limited Warranty (and the possibility of credit) to be available in a Guarantee Year: (a) establish communication with Operator via your home’s internet connection; and (b) maintain your Internet connection, at your cost, so that Operator’s hardware can transmit information about the System’s electricity production for at least two consecutive hours at least once each month in that Guarantee Year, and at least once within thirty (30) days after the end of the Guarantee Year.

“Guarantee Year” is each successive period of a calendar year from the date you first establish Internet communication with Operator after the Lease Term Start Date, as described below (**“Initial Communication Date”**), to the next anniversary of the Initial Communication Date. As per the Communication Requirements, if a period of one calendar month passes without a two-hour period of communication, the resumption of communication for at least two consecutive hours, whenever it occurs, will establish a new Initial Communication Date. Because the performance of the System will degrade over time, if the Initial Communication Date is between six and 18 months after the Lease Term Start Date, the Production Guarantee for that Guarantee Year will be the amount listed for Guarantee Year 2 rather than Guarantee Year 1 (and for each successive Guarantee Year will be the amount listed as the next Guarantee Year, to the end of the Lease Term). Similarly, if the Initial Communication Date is between 18 months and 30 months after the Lease Term Start Date, the Production Guarantee for that Guarantee Year will be the amount listed for Guarantee Year 3 rather than Guarantee Year 2, and so on for each successive Guarantee Year to the end of the Lease Term.

“Guaranteed Energy Price per kWh” is the value set forth on Table A of this Limited Warranty for the applicable Guarantee Year.

“Production Estimate” for a Guarantee Year is the estimated production made by Operator using details related to the installation of the System, including but not limited to, typical meteorological year data, equipment efficiency, roof pitch, and orientation.

“Production Guarantee” is 95% of the Production Estimate for a Guarantee Year made by Operator. The Production Guarantee for each System for each Guarantee Year is in column 2 of Table A.

- (iv) **Contingency for Lost Data.** In the event of hardware, communication, or other failure affecting Actual Annual kWh retrievable from the SunPower Monitoring System, Operator will make commercially reasonable efforts to resolve the failure in a timely manner and the calculations in this Section 2 will be adjusted to compensate for such lost data during such period of failure. Operator will use commercially reasonable methods to estimate the missing kWh based on utility bills or other available information and such estimate will be included in the calculations under this Section 2 for such period. In the event that no such information is reasonably accessible, Operator will make the adjustment based on the original kWh expectation attributable to such period. This section states Operator's sole liability, and your exclusive remedy, for any shortfall in Actual Annual kWh arising from any equipment failure or lost data relating to the SunPower Monitoring System.

(d) Making a Claim; Transferring this Warranty

(i) Claims Process

You can make a claim by:

- A. emailing Operator at the email address in Section 7 below; or
- B. writing Operator a letter and sending it via overnight mail with a well-known service at the address in Section 7 below.

(ii) Transferable Limited Warranty

Operator will accept and honor any valid and properly submitted claim made during the Lease Term by any person to whom you properly transfer the Lease.

(e) Exclusions and Disclaimer

Operator's obligations to provide the guarantee provided in this Limited Warranty will cease and the limited warranties and guarantee provided in this Limited Warranty do not apply to any lost power production or any repair, replacement, or correction required due to the following:

- (i) someone other than Operator, Installer, or a subcontractor specifically approved by Operator or Installer (an "Approved Subcontractor") installed, constructed, tested, removed, re-installed, or repaired the System;
- (ii) a power or voltage surge caused by someone other than Operator or Installer, including a grid supply voltage outside of the standard range specified by the local utility or the System specifications or as a result of a local power outage or curtailment;
- (iii) destruction or damage to the System or its ability to safely produce energy not caused by Operator, Installer, or Approved Subcontractor while servicing the System (e.g. if a tree falls on the System not due to any of Operator's negligence or that of Installer);
- (iv) the System is prevented from operating due to local utility or public utilities commission;
- (v) your failure to perform, or breach of, your obligations under the Lease (e.g., you modify or alter the System);
- (vi) your breach of this Limited Warranty, including you being unavailable to provide access or assistance to Operator and their service providers in diagnosing or repairing a problem, or your failing to maintain the System as stated in the Guide;
- (vii) any Force Majeure Event (as defined below);
- (viii) a change in usage of the Property or any buildings at or near such Property that may affect insolation without Lessor's or Operator's prior written approval;
- (ix) shading from foliage that is new growth or is not kept trimmed to its appearance on the date the System was installed;
- (x) any System failure or lost production not caused by a System defect (e.g., the System is not producing power because it has been removed to make roof repairs or you have required Operator or Approved Subcontractor to locate the inverter in a non-shaded area); or
- (xi) theft of the System (e.g., if the System is stolen, the System will be replaced per the Lease, but you will not be repaid for the power it did not produce).

This Limited Warranty gives you specific rights, and you may also have other rights which 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 SECTIONS 2(A) AND (C) ABOVE ARE THE ONLY EXPRESS WARRANTIES MADE BY OPERATOR WITH RESPECT TO THE SYSTEM. OPERATOR HEREBY DISCLAIMS, AND ANY BENEFICIARY OF THIS LIMITED WARRANTY HEREBY WAIVES ANY WARRANTY WITH RESPECT TO ANY COST SAVINGS FROM USING THE SYSTEM. SOME STATES DO NOT ALLOW SUCH LIMITATIONS, SO THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

3. OPERATOR'S STANDARDS

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

4. SYSTEM REPAIR OR REMOVAL

- (a) You agree that if (i) the System needs any repairs that are not the responsibility of Operator under this Limited Warranty, or (ii) the System needs to be removed and reinstalled to facilitate remodeling of your Home, you will have Operator, or another similarly qualified service provider approved by Lessor or Operator, perform such repairs, removal and reinstallation at Your expense.
- (b) If you want to return the System to Lessor under Section 12 of the Lease, then Lessor or Operator will arrange to remove the System at no cost to you. Operator will arrange to return your Home's roof area within three inches of the mounting penetrations to a waterproof condition. You agree to reasonably cooperate with Lessor, Operator, and Approved Subcontractors in removing the System including providing necessary space, access and storage, and Lessor or Operator will reasonably cooperate with you to schedule removal in a time and manner that minimizes inconvenience to you.

5. FORCE MAJEURE

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

- (a) Lessor or Operator, as soon as is reasonably practical, give you notice describing the Force Majeure Event;
- (b) Operator's suspension of its obligations is of no greater scope and of no longer duration than is required by the Force Majeure Event (i.e., when a Force Majeure Event is over, Lessor or Operator will arrange to make repairs); and
- (c) None of Operator's obligations that arose before the Force Majeure Event that could and should have been fully performed before such Force Majeure Event are excused as a result of such Force Majeure Event.

"Force Majeure Event" means any event, condition or circumstance beyond the control of and not caused by Operator's fault or negligence. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of power due to: an act of god; war (declared or undeclared); pandemic (including governmental acts or orders related to COVID-19); 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; drought; the binding order of any governmental authority (provided that, with respect to orders not related to health or safety, 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) or changes in law passed by any governmental authority (provided that such changes relate specifically to the

design, construction, installation, interconnection or operation of any of the System that is implemented after the Lease Term Start Date that materially and adversely affects Operator's ability to perform its obligations); unavailability of power from the utility grid, equipment, supplies or products (but not to the extent that any such availability of any of the foregoing results from Operator's failure to have exercised reasonable diligence); power or voltage surge caused by someone other than Operator or an Approved Subcontractor, including a grid supply voltage outside of the standard range specified by your utility; and failure of equipment not utilized by Operator or under Operator's control (not including the System – that is, defective or faulty components of the System are not a Force Majeure Event).

6. LIMITATIONS ON LIABILITY

(a) No Consequential Damages

YOU MAY RECOVER ONLY DIRECT DAMAGES, INCLUDING THOSE AMOUNTS DUE PURSUANT TO SECTIONS 2(C) AND 6(C) UNDER THIS LIMITED WARRANTY, AND IN NO EVENT SHALL LESSOR, OPERATOR, OR ITS AGENTS OR APPROVED 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) Limitation of Duration of Implied Warranties

ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY ARISING UNDER STATE LAW, SHALL IN NO EVENT EXTEND PAST THE EXPIRATION OF ANY WARRANTY PERIOD IN THIS LIMITED WARRANTY. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

(c) Limit of Liability

Notwithstanding any other provision of this Limited Warranty to the contrary, Lessor or Operator's total liability arising out of, or relating to, this Limited Warranty shall in no event:

- (i) For System replacement: exceed the greater of (a) the sum of the Monthly Payments over the term of the Lease and (b) the original cost of the System; and
- (ii) For damages to your Home, belongings and Property: exceed one million dollars (\$1,000,000).

7. NOTICES

All notices under this Limited Warranty shall be made in the same manner as set forth in the Lease to the addresses listed below:

TO LESSOR: SunPower Capital, LLC
c/o SunPower Corporation, Systems
8900 Amberglen Boulevard, Suite 325
Austin, TX 78729
Attention: SunPower Financing
Telephone: (800) 786-7693
Email: SunPowerFinancing@sunpower.com

TO YOU: At the billing address in the Lease or any subsequent billing address you provide.

8. ASSIGNMENT AND TRANSFER OF THIS LIMITED WARRANTY

Operator may assign its or Lessor's rights or obligations under this Limited Warranty to a third-party without your consent, provided that any assignment of Operator's or Lessor's obligations under this Limited Warranty shall be to a party professionally and financially 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 to whom you properly transfer the Lease. This Limited Warranty contains the parties' entire agreement regarding the limited warranty and production guarantee of the System.

EXHIBIT B (Lease Payments)
Table 1

Monthly Lease Payments and Estimated Prepayments

Monthly Lease Payments – Contract Year	Monthly Payment (after Automatic Payment Discount)	Estimated Prepayment *
Year 1:12 Monthly Lease Payments	\$220.83	\$50,039
Year 2:12 Monthly Lease Payments	\$227.24	\$49,891
Year 3:12 Monthly Lease Payments	\$233.83	\$49,658
Year 4:12 Monthly Lease Payments	\$240.61	\$49,335
Year 5:12 Monthly Lease Payments	\$247.59	\$48,915
Year 6:12 Monthly Lease Payments	\$254.77	\$48,390
Year 7:12 Monthly Lease Payments	\$262.15	\$47,752
Year 8:12 Monthly Lease Payments	\$269.76	\$46,994
Year 9:12 Monthly Lease Payments	\$277.58	\$46,106
Year 10:12 Monthly Lease Payments	\$285.63	\$45,081
Year 11:12 Monthly Lease Payments	\$293.91	\$43,907
Year 12:12 Monthly Lease Payments	\$302.44	\$42,576
Year 13:12 Monthly Lease Payments	\$311.21	\$41,075
Year 14:12 Monthly Lease Payments	\$320.23	\$39,394
Year 15:12 Monthly Lease Payments	\$329.52	\$37,521
Year 16:12 Monthly Lease Payments	\$339.07	\$35,443
Year 17:12 Monthly Lease Payments	\$348.91	\$33,147
Year 18:12 Monthly Lease Payments	\$359.02	\$30,617
Year 19:12 Monthly Lease Payments	\$369.44	\$27,840
Year 20:12 Monthly Lease Payments	\$380.15	\$24,798
Year 21:12 Monthly Lease Payments	\$391.17	\$21,476
Year 22:12 Monthly Lease Payments	\$402.52	\$17,856
Year 23:12 Monthly Lease Payments	\$414.19	\$13,919
Year 24:12 Monthly Lease Payments	\$426.20	\$9,644
Year 25:12 Monthly Lease Payments	\$438.56	\$5,012

*Estimated Prepayment assumes that a Prepayment is made at the first month of a contract year and that no payments are outstanding. The actual Prepayment will be based on the month that the Prepayment is made: if the Lease Term Start Date is January 1, the estimated Prepayment assumes that the Prepayment is also made on January 1 of the relevant contract year. If, for example, the Prepayment is made on June 1, the actual Prepayment will be calculated based on outstanding and remaining payments at that time. A Prepayment quote can be obtained by calling Us at (800) 786-7693 or emailing SunPowerFinancing@sunpower.com.

Federal Consumer Leasing Act Disclosures

Amount Due at Lease Signing or Delivery	Monthly Payments	Other Charges	Total of Payments
The Solar Incentive Amount (if applicable) \$0.00	<p>Your first monthly payment of \$220.83 is due on the one-month anniversary of the Lease Term Start Date¹. If the Lease Terms Start Date occurs after the 28th of the month, your first monthly payment will occur on the 1st of the second following month. For example, if the Lease Term Start Date is January 30, your first monthly payment will occur on March 1. Your first monthly payment will be followed by:</p> <p>11 monthly payments of \$220.83 12 monthly payments of \$227.24 12 monthly payments of \$233.83 12 monthly payments of \$240.61 12 monthly payments of \$247.59 12 monthly payments of \$254.77 12 monthly payments of \$262.15 12 monthly payments of \$269.76 12 monthly payments of \$277.58 12 monthly payments of \$285.63 12 monthly payments of \$293.91 12 monthly payments of \$302.44 12 monthly payments of \$311.21 12 monthly payments of \$320.23 12 monthly payments of \$329.52 12 monthly payments of \$339.07 12 monthly payments of \$348.91 12 monthly payments of \$359.02 12 monthly payments of \$369.44 12 monthly payments of \$380.15 12 monthly payments of \$391.17 12 monthly payments of \$402.52 12 monthly payments of \$414.19 12 monthly payments of \$426.20 12 monthly payments of \$438.56</p> <p>each due on the same date of the month as the first monthly payment. The total of your monthly payments is \$95,358.19^e OR If the Lease will be prepaid in full, full prepayment of the Lease in the amount of \$0.00 is due on the date the first monthly payment is due as first described above.</p>	<p>(Not part of your monthly payment)</p> <p>(If you cancel your automatic withdrawal your \$7.50 ACH monthly benefit reflected in the Monthly Payments column will cease.)</p> <p>\$ _____</p> <p>\$ _____</p> <p>Total</p> <p>\$ _____</p>	<p>(The amount you will have paid by the end of the Lease)</p> <p>\$95,358.19^e</p>
Purchase Option at End of Lease Term. At the end of the Lease Term you will have the option to purchase the System for the Fair Market Value. The Fair Market Value will be determined by an independent appraiser hired by Us to estimate the value of a comparable in-service photovoltaic solar system in your state and utility service area. If the System is purchased prior to the fifth (5th) anniversary of the In-Service Date, the Fair Market Value will include the recapture of any federal tax credits. *e means an estimate inclusive of sales and use tax.			

¹ The Lease Term Start Date is defined in the Lease as the date upon which your utility approves interconnection of the System.

THE SYSTEM IS OWNED BY SUNPOWER CAPITAL, LLC

You acknowledge that you have received and read these disclosures prior to the receipt of the Lease:

Lessee's Signature: *Erik Schabel*

Name: Erik Schabel

Co-Lessee's Signature: *Deborah Schabel*

Name: Deborah Schabel

EXHIBIT C (Notice of Cancellation - LESSOR COPY)

NOTICE OF CANCELLATION

1/10/2023

(Date of Lease)

You may CANCEL this transaction, without any Penalty or Obligation, within SEVEN CALENDAR DAYS from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within TEN CALENDAR DAYS following receipt by the seller of your Notice of Cancellation, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days after the date of your Notice of Cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller 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, or send a telegram to:

SunPower Capital, LLC, at 8900 Amberglen Boulevard, Suite 325, Austin, TX 78729, USA

NOT LATER THAN MIDNIGHT OF

1/17/2023

I HEREBY CANCEL THIS TRANSACTION.

_____[Date].

Lessee's Signature:

Please print name: _____

EXHIBIT C (Notice of Cancellation – LESSEE/CUSTOMER COPY)

NOTICE OF CANCELLATION

1/10/2023

(Date of Lease)

You may CANCEL this transaction, without any Penalty or Obligation, within SEVEN CALENDAR DAYS from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within TEN CALENDAR DAYS following receipt by the seller of your Notice of Cancellation, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days after the date of your Notice of Cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller 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, or send a telegram to:

SunPower Capital, LLC, at 8900 Amberglen Boulevard, Suite 325, Austin, TX 78729, USA

NOT LATER THAN MIDNIGHT OF

1/17/2023

I HEREBY CANCEL THIS TRANSACTION.

_____[Date].

Lessee's Signature:

Please print name: _____

EXHIBIT E (ACH Authorization Agreement)**Optional Authorization Agreement for Pre-Authorized Payments**

I, Erik Schabel and Deborah Schabel ("Customer"), intend to enter into a lease agreement with SunPower Capital, LLC ("SunPower") to finance a solar system on my home. To facilitate the payments associated with this lease ("Lease") between SunPower and me, by signing below I hereby authorize SunPower to initiate debit and credit entries to the checking account indicated below. I also authorize the financial institution named below to enter such debits or credits to such account.

Bank Name: Bank of the West

Account Type: Checking

Routing No.: 121100782

Account No: *****

I understand that SunPower will process debit and credit entries to the above referenced account on or after the due date of each monthly payment in an amount equal to my most recent statement, except as expressly agreed to between SunPower and me.

I represent to SunPower that all persons whose signatures are required to withdraw funds from the above referenced account have executed this authorization agreement. I also hereby acknowledge that I have retained a copy of this authorization agreement for my records.

I hereby acknowledge that SunPower may process debit and credit entries for scheduled Lease rental payments or any other sum due and payable to SunPower or Customer pursuant to the referenced Lease between SunPower and me. I will receive advance notice of any debit that varies from the regularly scheduled Lease rental payment amount. I also acknowledge that SunPower may assign the Lease to a third-party financing source and that the assignee may then initiate debit and credit entries per this authorization.

If a payment is returned unpaid, SunPower may resubmit it up to the number of times permitted by law and bank rules. I understand that my bank may impose a fee for returned payments. SunPower may also cancel my authorization if a payment is returned unpaid. In order to avoid returned payments, I agree to provide SunPower immediately with updated information regarding the account identified above.

Customer hereby acknowledges that this agreement will not be terminated until the Lease is paid in full, or the Customer provides verbal (please contact SunPower at (800) 786-7693) or written notification to cancel this authorization agreement and has allowed SunPower a reasonable amount of time to act upon the request. The termination of this authorization agreement does not terminate the fully enforceable Lease or your obligation to make the required Lease rental payments.

Customer: *Erik Schabel*

Name: Erik Schabel

Date: 1/7/2023

Deborah Schabel

1/7/2023

EXHIBIT F (Fannie Mae B2-3-04)

The following explains why this Lease complies with Fannie Mae B2-3-04: Special Property Eligibility Considerations (Properties with Solar Panels)

We have designed our residential leasing program to comply with the requirements of Fannie Mae B2-3-04: Special Property Eligibility Considerations (Properties with Solar Panels) (the "Requirements").

In accordance with the Requirements, the Property may maintain access to an alternate source of electric power that meets your community's standards.

Furthermore, pursuant to the Requirements, the Monthly Payments owed under the Lease should not be included in your debt-to-income (DTI) ratio calculation because the Lease:

- provides delivery of a specific amount of energy at a fixed payment during a given period, and
- includes a production guarantee that compensates you on a prorated basis in the event the System fails to meet the energy output guaranteed under the Lease for a specified period, subject to such production guarantee's terms and conditions.

More specifically, in exchange for your prescribed 300 Monthly Payments specified in the Lease, the Lease provides a 25-year production guarantee that guarantees the System will generate a specified Production Guarantee of kilowatt-hours (kWh). If at the end of each successive anniversary of your Lease term, the actual annual kWh generated by the System is less than the bottom of the specified Production Guarantee of kWh, then you will be entitled to a refund in an amount equal to the difference between the bottom of the Production Guarantee of kWh and the actual annual kWh, multiplied by the rate per kWh specified in the Lease's production guarantee.

Our Acknowledgement. We hereby acknowledge the Security Instrument made by Property Owner to Lender, Lender's rights under the Security Instrument and Lender's perfected first priority lien on the Real Property. We hereby further acknowledge and agrees that We do not have a lien on the Real Property, and that We only have an interest in the System pursuant to the Lease.

We agree to comply with the current Fannie Mae selling guide and FHA requirement 24 CFR § 203.41, which only applies to the sale of the Real Property and not the System, which is the personal property of the Us.

Representation; Covenant. We represent and warrants that We are the owner of the System and that the System does not constitute a fixture on any portion of the Real Property or Residence covered by the lien of the Security Instrument.

If We remove all or any portion of the System upon termination of the Lease or at any other time or for any other reason, We will repair and restore the roof and other applicable parts of the Residence to a sound and watertight condition that is architecturally consistent with the rest of the Residence.

We will cover damage to the residence caused by faulty installation, malfunction, or other manufacturing defects whether or not covered by the Lease, and the Fixture Filing does not make the home ineligible for FHA insurance.

Furthermore, We will not impede any sale of the Real Property.

Subordination. Without limiting Our rights to the System under the Lease, Property Owner, We and Lender hereby agree, to the extent that We are deemed to have a lien on any portion of the Real Property that such lien shall be subject and subordinate in all respects to the Security Instrument.

Transfer after Foreclosure. If the interest of Property Owner in the Real Property shall be transferred to Lender or any transferee of Lender by reason of foreclosure, trustee's sale, deed in lieu of foreclosure or other proceeding for the enforcement of the Security Instrument (such transferee, its successors and assigns, including, but not limited to, Lender, shall hereinafter be referred to as "Purchaser"), Purchaser shall have the option to enter into a new Lease/agreement with the third party, under terms no less favorable than the prior owner or have the option to assume the existing Lease. If the Lender or subsequent purchaser elects to not assume the contract, then We will remove the System at no cost to the Lender or Purchaser.

Lender has the right to become the beneficiary of the borrower's Lease/agreement with the third party without charge

Transfer after Sale. If the interest of the Property Owner in the Real Property shall be transferred to a homebuyer in connection with the Property Owner's sale of the Real Property, then where permitted by the local utility, such homebuyer may either (a) purchase the System or (b) assume the Lease on the condition that the homebuyer either (i) complies with

Our then applicable credit requirements in accordance with terms and conditions of the Lease or (ii) qualifies for a mortgage to purchase the Real Property.

Insurance. We confirm and agree to maintain a general liability insurance policy that covers damage to the Residence caused by faulty installation, malfunction, or other manufacturing defects, whether or not covered by the warranty. We must not be named loss payee or named insured on the Property Owner's property insurance policy.

Further Actions. Property Owner covenants and agrees from time to time to do all acts and execute such instruments as it shall be requested to do by Lender or Us for the purposes of carrying out and effectuating this Lease and the intent hereof, and evidencing this Lease, whether by filing with any public office, or agency or otherwise.

Modification of Agreement. This Lease may not be modified orally or in any other manner except by an agreement in writing signed by the parties hereto or their respective successors in interest.

Successors and Assigns. This Lease shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and assigns.

Governing Law. This Lease shall be governed by and construed under the laws of the State in which the Real Property is located.

Counterparts. This Lease may be executed in counterparts, and all counterparts together shall be construed as one document.

EXHIBIT G (California Lease Disclosures)

Lease Disclosures For California Residents Only

THE CALIFORNIA PUBLIC UTILITIES CODE SECTION 2869 REQUIRES THAT WE PROVIDE CALIFORNIA RESIDENTS WITH THE FOLLOWING DISCLOSURES. THE ANSWERS TO THE FOLLOWING QUESTIONS ARE NOT INTENDED TO ANSWER ALL QUESTIONS YOU MAY HAVE ABOUT THE LEASE AND ONLY SUMMARIZE CERTAIN TERMS OF THE LEASE. PLEASE READ THE TERMS OF THE LEASE CAREFULLY, AS THE TERMS OF THE LEASE, AND NOT THIS DISCLOSURE, WILL LEGALLY BIND YOU AND GOVERN YOUR RELATIONSHIP WITH THE LESSOR. IN THE EVENT THIS DISCLOSURE IS INACCURATE OR INCONSISTENT WITH THE LEASE, THE TERMS OF THE LEASE ARE CONTROLLING.

1. **How much energy will the System deliver?** The Lessor estimates, but does not guarantee, that 246,832 to 272,810 kilowatt hours of electric energy will be delivered over the term of the Lease. SunPower Corporation, Systems has provided you a Production Guarantee and Limited Warranty that commences at the same time as the Lease. Please consult the Production Guarantee and Limited Warranty for details on guaranteed output.

2. **How does the pricing in the Lease work?** The pricing and monthly payments are described in the Federal Consumer Leasing Act Disclosures provided with the Lease. The Lessor estimates that the approximate price per kilowatt hour of electric energy supplied over the life of the Lease will be \$0.368 per kilowatt hour.

3. **Who maintains and operates the System?** As the lessee of the System, you are primarily obligated to notify the Lessor if the System isn't working properly. Lessor, as owner of the System, will be responsible for any necessary maintenance and operation of the System. Lessor will ensure that the System is protected against damage, theft, destruction, confiscation, requisition, inoperability or incapacity unless you damage or destroy the System intentionally or through your gross negligence, in which case you will be responsible.

4. **What happens if I sell my home?** If you sell your home you may either:

- (a) purchase the System and any unexpired warranties AS IS, WHERE IS for a purchase price equal to the Remaining Value Amount (as defined in the Lease); or
- (b) require the buyer as a condition of the sale of your home to apply to assume all of your obligations under this Lease, subject to Lessor's approval as described in the Lease. If you elect this option (b) and the buyer is approved, your remaining obligations under the Lease will cease.

If you sell your home and do not either purchase the System consistent with above option (a) or assign the Lease consistent with above option (b), then you will be in default under this Lease and Lessor will be entitled to do one or more of the following:

- (1) terminate this Lease and your rights to possess and use the System;
- (2) suspend Our performance under the Lease;
- (3) take any reasonable action to correct your default or prevent Our loss; any amount We pay will be owed by you and immediately due;
- (4) require you, at your expense, to return the System or make it available to Us in a reasonable manner;
- (5) proceed by appropriate legal action, to enforce performance of this Lease and recover damages for your breach;
- (6) turn off or take back the System by legal process or self-help, as long as We do not disturb the peace or violate the law;
- (7) recover the Early Termination Liability (as defined in the Lease) and all any reasonable amounts We pay to correct or cover your default, including costs and expenses incurred by Us relating to the System's return; and
- (8) pursue any other remedy available to Us in this Lease or by law.

5. **What happens at the end of the Lease?** At the end of the Lease, if you are not in default, you will have two options:

- (a) You may extend the Lease term. The rental rate for any extended term will be provided to you in writing by Lessor. If you wish to exercise this option, you have to notify the Lessor at least 60 days but not more than 180 days before the original Lease term expires. If you extend the Lease term, the System will remain in place until the extended Lease term has expired; or
- (b) Upon notice to Lessor, request that Lessor remove the System.