

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of IGS Solar, LLC For
Declaratory Statement Regarding Leasing
of Residential Solar Equipment

Docket No. 20190040-EQ

Filed: February 8, 2019

**AMENDED PETITION FOR DECLARATORY STATEMENT
BY IGS SOLAR, LLC**

Pursuant to Section 120.565, Florida Statutes, and Rule 28-105.002, Florida Administrative Code, IGS Solar, LLC (“IGS Solar”) petitions the Florida Public Service Commission (“Commission”) for a declaratory statement that: (1) IGS Solar’s residential solar equipment lease does not constitute a sale of electricity; (2) offering its solar equipment lease to consumers in Florida will not cause IGS Solar to be deemed a public utility under Florida law; (3) the residential solar equipment lease described in this petition will not subject IGS Solar or IGS Solar’s customer-lessees to regulation by this Commission, and (4) IGS Solar’s customer-lessees will be entitled to interconnection with electric utilities as net metering customers.

IGS Solar’s proposed residential solar equipment lease, a draft copy of which is attached hereto as Exhibit A, comprises a standard equipment lease agreement for the lease of solar generating equipment to residential customer-lessees and includes IGS Solar’s maintenance and warranty service to repair or replace malfunctioning equipment, as well as guarantee that equipment will perform to the manufacturer’s specifications.¹

¹ IGS Solar offers its draft lease for the limited purpose of Commission review to verify the facts set forth in its Petition. Despite the Commission’s statement in Order No. PSC-2018-0251-DS-EQ that “[d]eclaratory statements for each individual company that has an identical fact pattern to Sunrun’s Petition are not necessary,” and its subsequent statement in Order No. 2018-0413-DS-EQ that “approving Vivint’s draft lease [of solar generating equipment] does not fall within our jurisdiction and review of the lease is not necessary for our determination,” the Commission’s determination to review Sunrun’s solar equipment lease before ruling on Sunrun’s Petition for Declaratory statement continues to trouble institutional lenders. Accordingly, IGS Solar seeks a declaratory statement regarding the applicability of certain rules and orders to its particular circumstances in order to secure financing from outside

In support of its petition, IGS Solar states:

1. The name and address of the agency affected by this Petition are:

Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850

2. The name and address of Petitioner are:

IGS Solar, LLC
6100 Emerald Parkway
Dublin, OH 43016

All notices, pleadings, documents and communications filed in this docket are to be directed to:

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with copy to:

IGS Solar, LLC
Margeaux Kimbrough
6100 Emerald Parkway
Dublin, OH 43016
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investors and assure that its customer-lessees are entitled to interconnect with electric utilities as net metering customers.

I. DESCRIPTION OF IGS SOLAR AND SUMMARY OF ITS FLORIDA RESIDENTIAL SOLAR EQUIPMENT LEASE OFFERING

3. IGS Solar is one of the nation's larger commercial solar energy service companies, providing residential solar energy service to over 6000 customers in five states. IGS Solar now seeks to offer a residential equipment lease program to Florida residential customers. IGS Solar and its affiliates have over 800 employees throughout the United States.

4. IGS Solar is aware of this Commission's recent decisions in Order No. PSC-2018-0251-DS-EQ, Docket No. 20170273-EQ (May 17, 2018) (*Petition by Sunrun Inc. for declaratory statement concerning leasing of solar equipment*) ("*Sunrun*"), and Order No. PSC-2018-0413-DS-EQ, Docket No. 20180124-EQ (August 21, 2018) (*Petition by Vivint for declaratory statement concerning leasing of solar equipment, by Vivint Solar Developer, LLC*) ("*Vivint*"), and notes that such decisions are limited to the facts described in the Sunrun and Vivint petitions. IGS Solar seeks this declaratory statement to remove questions or doubts concerning the applicability of the statutes, rules, and orders identified herein to IGS Solar's particular set of circumstances, including its ability to procure financing for long-term leases of solar generating equipment; its ability to assure to its customer-lessees of the validity of the lease; the ability of its customer-lessees to interconnect with the utility on a net-metering basis; and its ability to ensure timely installation, interconnection, and commencement of system operation for its customer-lessees.

5. IGS Solar's proposed Florida residential solar equipment lease, which will conform to Florida law and be consistent with prior Commission precedent regarding permissible leases of electric generating equipment by non-utilities, including leases of solar equipment, will consist of a 25-year lease of solar panels intended to provide the owner of a single residence with the means to potentially generate enough solar electricity to provide all or part of the electric needs for that

residence. IGS Solar's residential solar equipment lease will include the following non-exhaustive material terms or conditions:

- a. Lease payments will be fixed throughout the term of the 25-year lease, which may be subject to an annual escalator as specified in the lease. These payments, based on a negotiated rate of return on IGS Solar's investment, will be independent of electric generation, production rates, or any other operational variable of the leased equipment.
- b. IGS Solar will warrant that the equipment as installed by IGS will operate in compliance with the manufacturer's specifications.
- c. In the event IGS Solar's leased equipment fails to perform within the manufacturer's specifications, IGS Solar will repair or replace equipment to restore system operation.
- d. IGS Solar will hold legal title to the leased equipment and will receive the benefit of Investment Tax Credits, depreciation, and any other benefits associated with the investment.
- e. IGS Solar will have no control over the customer's use of the equipment other than as the beneficiary of covenants set forth in the lease, including the customer-lessee's obligation to bear the costs and expenses associated with maintenance, repair, replacement and operation of the leased equipment.
- f. At the lease expiration, the customer-lessee may purchase the leased solar equipment at fair market value, renew the lease on an annual basis, or request removal of the equipment. The customer-lessee also has a contractual right to purchase the system at any time on or after the five-year anniversary of the interconnection date.

- g. IGS Solar will provide customary workmanship warranties to protect the customer-lessee's premises from damage during the installation process. The customer-lessee will bear the cost for ongoing system maintenance through the specified monthly lease payments.
- h. Equipment operational warranties and maintenance services are triggered by damage to or malfunction of the system or its components, or by the equipment's failure to operate within the manufacturer's specifications.
- i. The customer-lessee also will be responsible for the cost of non-warranty maintenance, repair, and replacement, including, for example, damage due to windstorm, vandalism, accidents or negligence.
- j. Once the system is installed and interconnected, the costs and expenses of maintaining the equipment and the operational burden of assuring adequate solar exposure conditions are all borne by the customer-lessee except to the extent assumed by IGS Solar through the maintenance provisions of the lease.
- k. The customer-lessee will be responsible for the cost of applicable property taxes and insurance.
- l. Lease terms and conditions will be compliant with applicable IRS and accounting standards.

II. DECLARATORY STATEMENT REQUESTED

6. Section 120.565, Florida Statutes, states:

(1) Any substantially affected person may seek a declaratory statement regarding an agency's opinion as to the applicability of a statutory provision, or of any rule or order of the agency, as it applies to the petitioner's particular set of circumstances.

(2) The petition seeking a declaratory statement shall state with particularity the petitioner's set of circumstances and shall specify the statutory provision, rule or order that the petitioner believes may apply to the set of circumstances.

The declaratory statement procedure can assist persons to plan their future conduct and "avoid costly administrative litigation by selecting the proper course of action in advance." *Chiles v. Dep't of State, Div. of Elections*, 711 So.2d 151, 154 (Fla. 1st DCA 1988); *Adventist Health System/Sunbelt, Inc. v. Agency for Health Care Admin.*, 955 So.2d 1173 (Fla. 1st DCA 2007). IGS Solar will offer and market its residential solar equipment lease in Florida contingent upon the Commission granting, in the affirmative, this request for a declaratory statement. IGS Solar thus is a "substantially affected person" and has standing to bring this petition.

7. IGS Solar respectfully requests that the Commission make the following affirmative declarations:

- a. IGS Solar's proposed residential solar equipment lease, as described above and shown in the draft lease in Exhibit "A," will not be deemed to constitute the sale of electricity;
- b. IGS Solar will not be deemed to be a public utility under Florida law by virtue of leasing its residential solar equipment to residential customer-lessees in Florida;
- c. Florida customer-lessees who enter into IGS Solar's proposed residential solar equipment lease will not be subject to the jurisdiction of or regulation by the Commission;
- d. IGS Solar's warranty or guarantee that it will repair or replace equipment to restore system operation if leased equipment fails to perform within the manufacturer's specifications is lawful and will not deem the lease to be construed as a retail sale of electricity.

- e. IGS Solar’s customer-lessees under the proposed lease will be entitled to interconnection with electric utilities as net metering customers.

III. APPLICABLE STATUTES, RULES AND COMMISSION ORDERS

8. The statutory provisions and Commission rules or orders applicable to the narrow jurisdictional question raised in this petition are:

- a. Section 366.02, Florida Statutes;
- b. Order No. 17009, Docket No. 860725-EU (Dec. 22, 1986) (“*Monsanto*”) *Declaratory Statement Order, In re: Petition of Monsanto Company for a declaratory statement concerning the lease financing of a cogeneration facility;*
- c. Order No. PSC-2018-0251-DS-EQ, Docket No. 20170237-EQ, May 17, 2018 (“*Sunrun*”) *Declaratory Statement Order; In re: Petition of Sunrun, Inc. for declaratory statement concerning the leasing of solar equipment;*
- d. Order No. PSC-2018-0413-DS-EQ, Docket No. 20180124-EQ, August 21, 2018 (“*Vivint*”) *Declaratory Statement Order; In re: Petition for declaratory statement concerning leasing of solar equipment, by Vivint Solar Developer, LLC.*
- e. Rule 25-6.065, F.A.C. - *Interconnection and Net Metering of Customer-Owned Renewable Generation Definition.*

IV. ANALYSIS

A. The Florida Legislature has defined a jurisdictional public utility.

9. In Section 366.02(1), Florida Statutes, the Legislature defines a Commission-jurisdictional public utility as “every person, corporation, partnership, association, or other legal entity and their lessees, trustees, or receivers *supplying electricity* or gas . . . to or for the public

within this state.” (emphasis added) Thus, in order to be deemed a public utility subject to regulation by this Commission, IGS Solar must *supply electricity* to customer-lessees, and its residential solar equipment lease must constitute a sale of electricity.

B. The Florida PSC has held that an equipment lease is not a sale of electricity.

10. In *Monsanto*, the Commission held that no sale of electricity occurred and therefore, Commission jurisdiction did not attach, when a non-utility cogenerator (Monsanto) entered into a lease financing arrangement for the financing and construction of its electricity-producing cogeneration facility, where Monsanto retained the risks (via its operational responsibility) of production associated with the facility. In 2013, this Commission reiterated its holding in *Monsanto* that an equipment lease does not constitute a jurisdictional sale of electricity, stating:

In *Monsanto*, the owner of the electrical generating equipment was not the same as the consumer, Monsanto, who leased the equipment. However, we determined that no sale to an unrelated entity would occur because Monsanto was leasing equipment that produced electricity rather than buying electricity that the equipment generated.

Order No. PSC-13-0652-DS-EQ, *Order Denying Petition for Declaratory Statement, In re: Petition for declaratory statement regarding co-ownership of electrical cogeneration facilities in Hendry County by Southeast Renewable Fuels, LLC*, Docket No. 130235-EQ (Dec. 11, 2013) at p. 6.

11. IGS Solar’s residential solar equipment lease is consistent with the Commission’s prior holdings and applicable law. IGS Solar will not supply electricity to its customer-lessees, and its lease will not constitute a sale of electricity. Like Monsanto, IGS Solar’s residential customer-lessees will lease residential solar equipment that they will use for its intended and designed purpose – to generate their own electricity.

12. Consistent with the lease in *Monsanto*, IGS Solar’s Florida residential solar equipment lease will require fixed payments, not tied to energy production, throughout the 20-year lease term, subject to, as noted above, an annual escalator to be specified in the lease. The amount of the payment is based on a negotiated rate of return on IGS Solar’s investment, and is independent of electric generation, production rates, or any other operational variable of the equipment. Like the lessor in *Monsanto*, IGS Solar will hold legal title to the equipment and receive Investment Tax Credits and depreciation benefits associated with the investment as well as the benefit of manufacturers’ equipment warranties. As the owner of the equipment, IGS Solar will have no contractual control over the customer-lessee’s use of the solar equipment, other than as the beneficiary of the customer-lessee’s contractual obligation to maintain conditions at the premises to ensure the equipment remains in good repair and can perform as intended, of covenants requiring the customer-lessee to maintain the equipment in good repair and to retain and compensate IGS Solar to provide such specific maintenance services.

13. As in *Monsanto*, *Sunrun*, and *Vivint*, IGS Solar’s customers will be “leasing equipment which produces electricity rather than buying electricity that the equipment generates.” *Monsanto*, Issue 2.

C. **The Florida PSC has held that a lease of solar generating equipment is not a sale of electricity.**

14. In *Sunrun* and *Vivint*, the Commission held that no sale of electricity will occur, and therefore Commission jurisdiction will not attach, when a residential customer enters into the long-term lease of residential solar generating equipment as described in those petitions for declaratory statement. The material terms of IGS Solar’s proposed solar equipment lease are substantially the same as, but not identical to, those in the Sunrun lease and Vivint lease. Sunrun, Vivint and IGS Solar leases are for a fixed term, with fixed lease payments that are independent

of electric generation, production rates, or any other operational variable of the leased equipment, lessors will hold legal title to the equipment, receive tax credits, and receive depreciation benefits; and in both cases, at the end of the lease lessees may purchase the equipment, renew the lease, or have the equipment removed. Sunrun, Vivint and IGS Solar each offer workmanship warranties and will maintain the equipment in good repair, and their customer-lessees will be responsible for the cost of non-warranty maintenance, repair and replacement. Neither will lessor have control over the customer-lessee's use of the equipment, and in both cases, customer-lessees bear the operational risk of non-warranty maintenance and assuring adequate solar exposure.

15. IGS Solar's warranty that the leased equipment will operate according to the manufacturer's specifications does not create a sale of electricity. IGS' customer-lessee will be the owner of the system's electrical output; IGS Solar has no right to any of the electrical output; and lease payments remain the same regardless of the system's electrical performance.

D. Rule 25-6.065, F.A.C. confirms that self-generation using leased equipment does not, by itself, constitute a sale of electricity.

16. The logic, policies and legal directives embodied in the *Monsanto*, *Sunrun* and *Vivint* decisions are directly reflected in the Commission's Rule 25-6.065, F.A.C., which confirms that self-generation using leased equipment that is operated and maintained by a third party does not constitute a sale of electricity:

The term "customer-owned renewable generation" does not preclude the customer of record from contracting for the purchase, lease, operation, or maintenance of an on-site renewable generation system with a third-party under terms and conditions that do not include the retail purchase of electricity from the third party.

17. Besides complying with Rule 25-6.065, the above-referenced terms and conditions of IGS Solar's residential solar equipment lease are entirely consistent with the lease-financing arrangement in *Monsanto* and solar equipment leases in *Sunrun* and *Vivint*, which the Commission

determined did not constitute sales of electricity, did not cause the lessors to be deemed a public utility, and did not subject either the lessors or their lessees to the Commission's regulation.²

V. CONCLUSION

As the Florida Supreme Court noted in *PW Ventures, Inc. v. Nichols*, 533 So. 2d 281, 284 (1988), “[t]he legislature determined that the protection of the public interest required only limiting competition in the sale of electric service, not a prohibition against self-generation. IGS Solar’s leasing arrangements assist consumers in self-generation, are not a sale of electricity, and are fully consistent with Florida law and policy as discussed above.

For the reasons described above, the terms and conditions of IGS Solar’s residential solar equipment lease confirms that it is not a retail sale of electricity; rather, it is a lease for an on-site renewable distributed generation system from a third-party customer-lessee. IGS Solar’s contractual warranty, consistent with Section 520.23, Florida Statutes that its leased equipment will perform at as specified by the manufacturer is standard in the industry, consistent with the warranty or guarantee received by a system purchaser, is not a sale of electricity and does not result in IGS Solar supplying electricity to its customer-lessees.

WHEREFORE, IGS Solar respectfully requests that the Commission make the following affirmative declarations:

1. IGS Solar’s proposed residential solar equipment lease, material provisions of which are described in numbered paragraph 5, above, will not be deemed to constitute the sale of electricity.

² Although not germane to the Commission’s jurisdiction, IGS Solar notes that its lease and guarantee also comply with the requirements of Sections 520.20 – 520.26, Florida Statutes, which govern solar equipment leases.

2. IGS Solar will not be deemed to be a public utility under Florida law by virtue of leasing its residential solar equipment to residential customer-lessees in Florida.
3. Florida customer-lessees who enter into IGS Solar's proposed residential solar equipment lease will not be subject to the jurisdiction of, or regulation by, the Commission.
4. IGS Solar's customer-lessees who enter into the proposed lease will be entitled to electrically interconnect with electric utilities and be deemed net metering customers under Rule 25-6.065, Florida Administrative Code.

Respectfully submitted on February 8, 2019.

BY:

/s/ Marsha E. Rule

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Attorneys for IGS Solar, LLC

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was furnished to the following by electronic mail on February 8, 2019:

Keith Hetrick
General Counsel
Florida Public Service Commission
Office of the General Counsel
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399
Email: khetrick@psc.state.fl.us

/s/ Marsha E. Rule

Welcome to the Bright Future of Energy®!

This Lease outlines your rights and responsibilities as well as those of IGS Solar.



Customer Information:

Name

I am the Property Owner

Address

Transaction Date

Customer Account Number

IGS Solar Billing Inquiries:

888.974.0114

solarsupport@IGS.com

6100 Emerald Parkway

Dublin, OH 43016

YOUR NEW SOLAR PANEL SYSTEM INCLUDES:

Additional Monitoring	\$0	Installation	\$0
Additional Maintenance	\$0	System & Damage Limited Warranty	25 Years
Additional Design, Permitting, Application	\$0	Roof Penetrations Limited Warranty	5 Years
Additional Solar System Insurance	\$0	Lien on Your Property	None

Lease Options:

DURING TERM, SELL YOUR PROPERTY AND:

- Transfer this Lease to another homeowner (Section 13(A)(i))
- Prepay your future Lease Payments at a discounted rate — IGS Solar will continue to perform all of the operating, maintenance, and monitoring (Section 13(A)(ii))
- Purchase the system on your 5-year anniversary or anytime thereafter (Section 12)

AFTER TERM ENDS:

- Purchase the system at the greater of the minimum purchase price or Fair Market Value (Section 12)
- Renew this Lease (Section 14)

Terms & Conditions:

1 Introduction.

This Lease, any Exhibits, and any Addenda (collectively, this "Lease") is the agreement between you (the "Customer" or "you" or "your") and IGS Solar, LLC ("IGS Solar" or "IGS" or "we" or "our") covering the lease of the solar panel system (the "System") that will be installed at the address listed on the first page of this Lease (the "Property"). All obligations under this Lease, unless otherwise specified, will begin on the Transaction Date listed on the first page of this Lease.

2 Term.

IGS will lease the System to you for 25 years (the "Term") beginning on the 1st of the month immediately following the date the System obtains permission to operate from your electric utility (the "Interconnection Date"), with each successive 12-month period of the Term being a "Contract Year".

3 Payments; Invoices.

A. PAYMENTS.

During the Term, you will pay IGS for the use of the System at the rate set forth in the table in Exhibit 2-A.

B. INVOICES.

- i. Invoices for Monthly Lease Payments will be emailed to you no later than 10 days after the end of a calendar month.
- ii. IGS will send an electronic invoice each month to the email address you provided. You can authorize us to use your debit or credit card to pay the invoice on a recurring basis by completing our Payment Authorization Form. If you schedule automatic payments, you will be responsible to ensure that there are adequate funds available.

C. AUTOMATIC CHARGES; LATE PAYMENTS.

You will pay a returned-check fee, which will not exceed the maximum allowed by law, for any check or withdrawal that is returned or refused by your bank, and the lesser of (i) a late payment fee equal to 1.5% per month on all past-due amounts, or (ii) the maximum percentage allowed by law.

D. TAXES.

In addition to your Lease Payment, you may be required to pay additional amounts, including, but not limited to sales tax, excise tax, property tax, and other charges. If taxes applicable to this Lease change, you will pay the updated charged amounts. If, at the end of the Term of this Lease, you choose to purchase the System, you will pay any applicable tax on the purchase price.

4 IGS & Customer Obligations.

A. IGS SOLAR OBLIGATIONS. IGS will perform the following obligations at its sole cost and expense:

- i. IGS will construct, or cause the construction of the System.
- ii. IGS will provide you with a revenue-grade meter to accurately measure the amount of electricity the System generates.

- iii. IGS will insure the System against damage and loss unless the damage or loss is caused by your gross negligence, or you intentionally damage the System.
- iv. IGS will arrange for repair of the System.
- v. IGS will not put a lien on your Property. IGS may file informational Uniform Commercial Code forms or similar statements with the appropriate secretary of state and/or county recorder's office to give notice of IGS' ownership of the System.

B. LIMITS ON IGS' OBLIGATION TO DELIVER ELECTRICITY:

- i. IGS is not a utility or public service company and does not assume any obligations of a utility or public service company to supply your energy requirements. Nothing in this Lease will be construed as a dedication of the System to public use. The system will not provide power to the customer in the event that the home is disconnected from the Utility power grid.
- ii. During the Term, you may require more electricity than the System generates. You will be solely responsible for maintaining access to, obtaining, and paying for that electricity from your utility.
- iii. IGS will not pay for electrical panel upgrades or correction of structural integrity problems. IGS is not responsible for upgrades to your Property before or after installation of the System.

C. CUSTOMER OBLIGATIONS.

- i. You will not allow shade to interfere with the System's performance, and you will keep shrubs, trees, and other foliage trimmed.
- ii. You will not clean or make any modifications, improvements, revisions, or additions to the System.
- iii. You will promptly notify IGS if you suspect the System is damaged, appears unsafe, or if any part of the System is stolen.
- iv. You will sign and return all documents IGS sends to you for your signature within 7 days of receipt.
- v. You will permit IGS or its contractor(s) to install and maintain a communications gateway for monitoring the System. If the gateway cannot be accessed through a cellular connection, you will provide at your cost and maintain a broadband internet connection for the Term of this Lease or until a cellular connection can be made.
- vi. You will obtain all applicable approvals and authorizations for the System required by your homeowners' association, community organization, and any other person with an interest in your Property, and you will advise IGS of those requirements that will affect the System, its installation, or operation.
- vii. You will not use the System to heat a swimming pool or hot tub.
- viii. You will provide copies of your utility bills as we reasonably request, and you authorize us to obtain your electrical usage history from your utility. We will treat those bills and usage history as confidential.
- ix. You represent and warrant to IGS that you are the owner of the Property and that you are at least 18 years of age.

D. HOME RENOVATIONS OR REPAIRS.

You must notify IGS 30 days before making repairs or improvements to your Property that could interfere with the System. You will not materially alter your roof where the System is installed. You will continue to pay all Lease Payments during any downtime.

E. ACCESS TO THE SYSTEM

- i. You grant to IGS and its contractors the right to access all of the Property as reasonably necessary for:
 1. Installing, operating, maintaining, repairing, removing, and replacing the System and making any additions to the System and installing complementary technologies on or about the location of the System;
 2. Using and maintaining electric lines, inverters, and meters necessary to interconnect the System to your Property's electric system and to the utility's electric distribution system; and
 3. Taking any other action reasonably necessary in connection with installing, operating, maintaining, repairing, removing, and replacing the System, and enforcing any remedies of IGS under this Lease.
- ii. Our right to access will continue for 90 days after this Lease expires to provide IGS with time to remove the System at the end of the Lease if IGS chooses to do so. IGS will have access rights at all times and you will not interfere with or permit any third party to interfere with such rights or access.
- iii. IGS will attempt to provide you with reasonable notice of our need to access the Property.

F. INDEMNITY.

You will indemnify, defend, and hold harmless IGS, its employees, officers, directors, agents, financing partners, successors, and assigns, from all claims, actions, and demands, and all related costs, expenses, damages, liabilities, penalties, losses, obligations, and liens of every kind arising out of or resulting from your gross negligence or willful misconduct; provided, that nothing will require you to indemnify IGS against its own negligence or willful misconduct. The provisions of this Section 4(F) will survive the termination or expiration of this Lease.

G. CUSTOMER WAIVERS.

Your obligation to pay Lease Payments and all other amounts you owe under this Lease will be absolute and will not be subject to any abatement, defense, counterclaim, setoff, recoupment, or reduction for any reason whatsoever. All amounts owed by you under this Lease will be payable in all events, including by your heirs and estate. You waive all rights you may have to revoke acceptance of the System or to grant a security interest in the System, and except as set forth in the following parts of this Lease, you waive all rights to reject or cancel this Lease: Section 26 of this Lease, the Notice of Right to Cancel on the Signature Page, and Exhibit 1 to this Lease.

5 Conditions to be Met Before Installation of the System.

A. THE FOLLOWING ITEMS MUST BE COMPLETE BEFORE INSTALLATION:

- i. IGS will complete an engineering site audit, the final System design, and real estate due diligence to confirm the suitability of the Property, including any required changes or improvements that must be done by you, for the construction, installation, and operation of the System;

- ii. IGS will obtain all necessary governmental zoning, land use, and building permits (this does not include approvals or authorizations mentioned in Section 5(A)(v));
- iii. IGS will claim any ownership rebates, tax credits, renewable energy credits, and other environmental attributes, if any;
- iv. You will complete and return all documents related to the items mentioned in Section 5(A)(iii), as reasonably requested by IGS.

B. IGS SOLAR MAY TERMINATE THIS LEASE WITHOUT LIABILITY if, in its reasonable judgment, any of the conditions above are not satisfied, or for any other reasons that are beyond IGS' reasonable control.

6 Amendment.

Material changes to this Lease may only be made in a written amendment to this Lease signed by you and IGS. You authorize IGS to make corrections to any utility paperwork in order to conform to this Lease, including any amendments to this Lease.

7 Warranty Disclaimers.

THE SYSTEM IS WARRANTED SOLELY UNDER THE LIMITED WARRANTY ATTACHED AS EXHIBIT 2, AND IGS MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, WITH RESPECT TO THIS LEASE OR THE SYSTEM, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR ANY PURPOSE, OR ANY WARRANTIES REGARDING CONDITION, DESIGN, CAPACITY, PERFORMANCE, SUITABILITY, OR INSTALLATION.

8 Assignment, Sale, and other Transfers.

IGS may assign, sell, or otherwise transfer the System and this Lease, or any part, without your consent; however, your rights will not be affected.

9 Ownership of the System.

The System is personal property comprised of removable equipment and will not be considered a fixture or in any way a part of your Property. IGS owns the System, including all data generated from the System, for all purposes. You will keep the System free and clear of, and indemnify and defend IGS against, all claims, levies, liens, and other encumbrances on the System, except for any created by IGS.

10 Ownership of Electricity Generated by the System.

You will own the electricity generated by the System.

11 Ownership of Tax Credits and other Incentives.

Except for the electricity generated by the System, IGS will own everything produced by or otherwise related to the System, including but not limited to all tax credits, incentives, renewable energy credits, green tags, carbon offset credits, utility rebates, allowances, benefits, grants, and environmental attributes (collectively, "Benefits"). Throughout the Term, IGS will have the exclusive right to use, trade, and/or sell all such Benefits. You will not enter into any agreement with your utility that would entitle your utility to claim any Benefits. Subject to applicable law, you will reasonably cooperate with IGS so that IGS may claim all Benefits, including entering into net metering

agreements, interconnection agreements, and filing renewable energy/ carbon offset credit registrations and/or applications for rebates from the federal, state, and/or local government, or a local utility, and giving those Benefits to IGS.

12 Purchasing the System.

As long as you are not in default of this Lease, you may purchase the System at any time on or after the 5-year anniversary of the Interconnection Date. To purchase the System, you must deliver notice to IGS of your intent to purchase and pay the greater of:

A. THE MINIMUM PURCHASE PRICE (“MINIMUM PURCHASE PRICE”);

The Minimum Purchase Price will be equal to the present value of the forecasted Lease Payments over the Term then remaining, discounted at a rate of 5%.

or

B. THE FAIR MARKET VALUE OF THE SYSTEM (“FMV”).

The FMV will be calculated by an independent appraiser who is selected by agreement between you and IGS.

If you purchase the System, IGS will transfer to you any remaining manufacturers’ warranties and will provide you with a bill of sale for the System. As of the date of the bill of sale, you will be responsible for all System maintenance, removal, repairs, monitoring, and all software required for the System, and the Limited Warranty attached as Exhibit 2 will be rendered null and void.

13 Selling Your Property.

A. IF YOU SELL YOUR PROPERTY, YOU MAY DO ANY ONE OF THE FOLLOWING:

- i. Transfer this Lease and the Lease Payments obligation to the new owner if IGS consents to the transfer;
- ii. Prepay this Lease by paying IGS the Lease Payments over the Term then remaining as described in Section 12(A). IGS will remain the owner of the System, and the new home owner will not owe any Lease Payments but must comply with all other provisions in this Lease; or
- iii. If the sale occurs after the 5-year anniversary of the Interconnection Date, purchase the System for the amount as set forth in Section 12.

B. YOU WILL GIVE IGS SOLAR AT LEAST 30 DAYS NOTICE IF YOU INTEND FOR SOMEONE TO ASSUME YOUR LEASE OBLIGATIONS.

You will provide IGS the prospective Property buyer’s contact information. IGS will then determine if the buyer meets IGS’ credit requirements. If the buyer meets IGS’ credit requirements, you and your approved buyer will execute a written assignment of this Lease in a form approved by IGS. You will execute all documents necessary to assign the Lease. Under an assignment approved by IGS, your assignee will have all of your rights under this Lease and the Limited Warranty.

C. IF YOU, YOUR ESTATE, OR HEIRS SELL THE PROPERTY and cannot comply with any of the options listed above, you will be in default under this Lease.

D. EXCEPT AS SET FORTH IN THIS SECTION 13, you will not assign, sell, pledge, or in any other way transfer your interest

in this Lease without IGS’ prior written consent, which will not be unreasonably withheld.

14 Renewal.

Upon expiration of the Term, if you are not in default under this Lease, and you do not elect to purchase the System, you may renew this Lease according to the terms set forth in the renewal forms that will be mailed to you at least 90 days before the expiration of the Term. You will then have three options:

- A. **ELECT TO RENEW** by signing and returning the applicable forms at least 30 days before the expiration of the Term;
- B. **ELECT NOT TO RENEW** by signing and returning the applicable forms at least 30 days before the expiration of the Lease, in which case this Lease will expire on the termination date; or
- C. **IF YOU DO NOT RETURN THE FORMS**, this Lease will automatically renew for additional terms of one year each, with the Lease Payments at the same amount as Contract Year 25 until:
 - i. you give IGS notice at least 30 days before a renewal term that you do not wish to renew; or
 - ii. we send you a notice cancelling the automatic renewal.

15 System Removal; Transfer; Return.

Upon expiration or termination of this Lease, if you have not renewed this Lease or purchased the System, IGS may choose to remove the System and contact you to schedule a convenient time to have the System removed from your Property at no cost to you. If IGS chooses not to remove the System, we will notify you in writing, and the System will be automatically conveyed to you AS-IS, WHERE IS, and you will become solely responsible for payment of all taxes, fees, and charges, if any, imposed in connection with the transfer of ownership of the System.

16 Loss or Damage.

Unless you are negligent or intentionally damage the System, IGS will bear all of the risk of loss, damage, or theft of the System. If there is a loss affecting the System, you will continue to pay on time all Lease Payments and other amounts you owe under this Lease and cooperate with IGS to have the System repaired or replaced.

17 Limitation of Liability.

IGS SOLAR’S LIABILITY TO YOU UNDER THIS LEASE WILL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. IN NO EVENT WILL IGS SOLAR BE LIABLE TO YOU FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL, OR INDIRECT DAMAGES. EXCEPT FOR YOUR OBLIGATIONS UNDER SECTION 4(F), YOUR LIABILITY TO IGS SOLAR WILL NOT EXCEED THE MAXIMUM AMOUNT THAT COULD BE PAYABLE BY YOU UNDER SECTION 19.

18 Default.

You will be in default under this Lease if any of the following occur:

- A. **YOU FAIL TO MAKE ANY PAYMENT** when it is due;
- B. **YOU FAIL TO PERFORM ANY MATERIAL OBLIGATION** under this Lease, and you do not fully correct your failure within 14 days after IGS delivers written notice to you;

- C. YOU ALTER THE SYSTEM IN ANY WAY** without first obtaining written consent from us;
- D. YOU PROVIDE FALSE OR MISLEADING INFORMATION TO US;**
- E. YOU ASSIGN, TRANSFER, ENCUMBER, SUBLET, OR SELL THIS LEASE** or any part of the System without first obtaining written consent from us; or
- F. YOU BECOME A DEBTOR IN A BANKRUPTCY PROCEEDING, YOUR PROPERTY BECOMES SUBJECT TO A FORECLOSURE PROCEEDING,** or you become incapable of performing the obligations you have undertaken in this Lease; or
- G. YOU BREACH A REPRESENTATION OR WARRANTY MADE BY YOU IN THIS LEASE.**

19 Remedies in Case of Default.

If you are in default under this Lease, IGS may do any one or more of the following:

- A. TAKE ANY REASONABLE ACTION TO CORRECT YOUR DEFAULT** or to prevent loss to IGS, with the amount paid by IGS being added to the amount you owe;
- B. TERMINATE THIS LEASE** and:
 - i. require you to make the System available to IGS for repossession, with the amount paid by IGS for repossession being added to all other amounts you owe; or
 - ii. recover from you a payment equal to the greater of the Minimum Purchase Price or the FMV, plus all taxes, late charges, and all other amounts you owe;
- C. RECOVER DAMAGES FOR YOUR BREACH,** including but not limited to Lease Payments, late charges, and repayment or recapture of rebates, grants, credits, and other governmental payments or tax benefits caused by your default;
- D. ENGAGE A COLLECTIONS AGENCY** to collect payments from you and submit correct information regarding your default to credit reporting agencies; and
- E. USE ANY OTHER REMEDY AVAILABLE TO IGS SOLAR IN THIS LEASE OR UNDER LAW.**

By choosing any one or more of these remedies, IGS does not give up its right to use any other remedy or to use that same remedy in a subsequent default.

20 Credit Authorization.

Regarding your credit check in connection with the execution of this Lease, you hereby authorize IGS to:

- A. OBTAIN YOUR CREDIT SCORE** from nationally recognized credit reporting agencies, and
- B. DISCLOSE THIS AND OTHER INFORMATION TO IGS AFFILIATES AND ACTUAL OR PROSPECTIVE LENDERS, FINANCING PARTIES, INVESTORS, AND INSURERS.**

21 Publicity.

IGS may publicly use or display any images of the System. IGS may use photographs of the System on its website or to show to other customers, investors. Your personal information will not be publicized.

22 Waivers.

No failure to enforce any provision of this Lease will be deemed a waiver of any right to do so, and no express waiver of any default will operate as a waiver of any other default or of the same default on future occasion.

23 Choice of Law, Jurisdiction, Venue, Jury Trials, and Class Action Waiver.

This Lease will be governed by the applicable laws of the state where the Property is located, without regard to its rules for conflicts of law. All legal actions involving all disputes arising under this Lease will be brought exclusively in a court of the state or federal court in the county in which the Property is located. You and IGS waive all of the rights to a trial by jury in any legal action related to this Lease. You will not join or consolidate claims in court as a representative or member of a class or in a private attorney general capacity.

24 Notices.

To be effective all notices under this Lease must be in writing and delivered to you by personal delivery, electronic mail, overnight courier, or certified or registered mail to the address listed for you on the first page of this Lease.

25 Entire Agreement; Changes.

This Lease contains the entire agreement between you and IGS regarding the subjects in this Lease. There are no other agreements, written or oral, between you and IGS regarding this Lease or the System. Any changes to this Lease must be in a written amendment and signed by both you and IGS. If any portion of this Lease is determined to be unenforceable by any court having jurisdiction, no other terms will be affected, and the court will modify the unenforceable provision to the minimum extent necessary so as to render it enforceable.

26 Additional Rights to Cancel.

IN ADDITION TO ANY RIGHTS YOU MAY HAVE TO CANCEL THIS LEASE, YOU MAY CANCEL THIS LEASE AT NO COST TO YOU AT ANY TIME BEFORE MIDNIGHT OF THE SEVENTH BUSINESS DAY AFTER THE DATE YOU SIGN THIS CONTRACT.

Signature Page

Notice of Right to Cancel:

YOU MAY CANCEL THIS LEASE AT ANY TIME BEFORE MIDNIGHT OF THE SEVENTH BUSINESS DAY AFTER THE DATE YOU SIGN THIS CONTRACT. SEE EXHIBIT 1, THE ATTACHED NOTICE OF CANCELLATION FORM, FOR AN EXPLANATION OF THIS RIGHT.

I have read this Lease and the Exhibits in their entirety.

DO NOT SIGN THIS CONTRACT IF THERE ARE ANY BLANK SPACES

I am the property owner of:

Utility rates will change over time; therefore by leasing this equipment we cannot guarantee savings compared to your utility for any particular month or for the entire term of this lease.

Customer/Property Owner:

Signature _____

Name _____

Date _____

IGS Solar:

Signature _____ 

Name **Mike Gatt** _____

Date _____

Exhibit 1: Notice of Cancellation – Customer Copy 1

DATE OF TRANSACTION:

You may cancel this transaction, without any penalty or obligation, within 7 business days from the above Date of Transaction.

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 10 business days following receipt by the seller of your cancellation notice, 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 of 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 IGS Solar, LLC at 6100 Emerald Parkway, Dublin, Ohio 43016 or email solarsupport@IGS.com not later than midnight of the 7th business day after the date of this transaction.

I, _____ hereby cancel this transaction.

X_____

Date_____

Exhibit 1: Notice of Cancellation – Customer Copy 2

DATE OF TRANSACTION:

You may cancel this transaction, without any penalty or obligation, within 7 business days from the above Date of Transaction.

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 10 business days following receipt by the seller of your cancellation notice, 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 of 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 IGS Solar, LLC at 6100 Emerald Parkway, Dublin, Ohio 43016 or email solarsupport@IGS.com not later than midnight of the 7th business day after the date of this transaction.

I, _____ hereby cancel this transaction.

X_____

Date_____

Exhibit 1: Notice of Cancellation – IGS Solar Copy

DATE OF TRANSACTION:

You may cancel this transaction, without any penalty or obligation, within 7 business days from the above Date of Transaction.

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 10 business days following receipt by the seller of your cancellation notice, 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 of 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 IGS Solar, LLC at 6100 Emerald Parkway, Dublin, Ohio 43016 or email solarsupport@IGS.com not later than midnight of the 7th business day after the date of this transaction.

I, _____ hereby cancel this transaction.

X_____

Date_____

Exhibit 2: Limited Warranty

1 Introduction.

As part of the Lease, IGS Solar provides this Limited Warranty for the System on your Property. This Limited Warranty will take effect when the System installation begins at your Property. This Limited Warranty will not apply if you purchase the System.

2 Limited Warranties.

A. SYSTEM WARRANTY

The System will be professionally installed. During the Term, under normal use and service conditions, the System will be free from defects in workmanship and breakdown of materials or components.

B. ROOF WARRANTY

All of the System's roof penetrations will be watertight for 5 years.

C. DAMAGE WARRANTY

IGS will repair or pay you for any damage to your home, your belongings, or your Property caused by IGS or its contractors during installation of the System. After the installation, IGS will not cover damage to your property as a result of the solar system being located on your property (For example, snow sliding off your roof and damaging your personal property).

3 System Performance

A. OPERATION

During the Term, the System will operate within each manufacturer's specifications, and if it does not, IGS will restore System operation.

B. MONITORING

During the Term, we will monitor your System at no additional cost to you. If the System is not operating within normal ranges, IGS' monitoring system will alert us and we will remedy any material issues that are covered under this Limited Warranty.

You will permit IGS or its contractor(s) to install, maintain, and replace a communications gateway and other devices for monitoring the System.

4 Claims & Transfers

To make a claim under this Limited Warranty, you must provide a detailed description of the problem by:

- i. Emailing Solarsupport@IGS.com; or
- ii. Writing a letter and sending it via overnight mail to 6100 Emerald Parkway, Dublin, OH 43016 - ATTN: IGS Residential Solar;
- iii. Calling 888-974-0114.

The contact information above may be updated periodically. IGS will send you a notice if any of the contact information changes.

Any notices under this Limited Warranty from IGS will be sent to you at the Property address on the first page of the Lease or any subsequent address you provide IGS.

5 Exclusions And Disclaimers

The limited warranties provided in this Exhibit do not apply to any repair, replacement, or correction required caused by any of the following:

- A. **SOMEONE OTHER THAN IGS' CONTRACTORS** installing, removing, re-installing, or repairing the System;
- B. **DESTRUCTION OR DAMAGE TO THE SYSTEM OR ITS ABILITY TO SAFELY GENERATE ELECTRICITY** if caused by you;
- C. **A BREACH OF ANY OF YOUR OBLIGATIONS UNDER THE LEASE;**
- D. **YOUR BREACH OF THIS LIMITED WARRANTY,** including but not limited to your failure to provide access or assistance to us or our contractors in diagnosing or repairing a problem within a two-week period;
- E. **ANY FORCE MAJEURE EVENT** (as defined in Section 7 of this Limited Warranty);
- F. **SHADING FROM FOLIAGE** that is new growth or is not kept trimmed to its appearance on the date the System was installed;
- G. **ANY SYSTEM FAILURE NOT CAUSED BY A SYSTEM DEFECT;** and

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 amount of electricity generation from the System except as set forth in Section 3(B) of this Limited Warranty.

6 System Repair, Removal, Return.

A. REPAIR OR REMOVAL.

If the System needs any repairs that are not the responsibility of IGS under this Limited Warranty, or the System needs to be removed and reinstalled to facilitate re-roofing or other remodeling of your Property, you will have a qualified service provider approved by IGS perform such repairs, removal, and reinstallation, all at your expense. During this time, you will continue to be responsible for all Lease payments.

B. RETURN.

If you do not purchase the System, and IGS removes the System at the end of the Term, then IGS will arrange to remove the system, waterproof the penetrations made to secure the system, and return the roof as close as is reasonably possible to its condition before the System was installed, except for ordinary wear and tear and color variances due to manufacturing changes and exposure to the elements. You will

reasonably cooperate with IGS and its contractors in removing the System, including providing necessary space, access, and storage, and we will reasonably cooperate with you to schedule removal in a time and manner that minimizes inconvenience to you.

7 Force Majeure.

IGS will not be responsible for any delay or failure to perform any obligations under this Limited Warranty if the delay or failure is caused by a Force Majeure Event, so long as: (a) IGS gives you notice describing the Force Majeure Event within a reasonable time after the Force Majeure Event; and (b) the delay or failure to perform is of no greater scope and of no longer duration than reasonably required.

“Force Majeure Event” means any event, condition, or circumstance beyond the control of and not caused by IGS or IGS’ negligence which includes, but is not limited to the following: (i) physical events such as acts of God, landslides, lightning, earthquakes, fires, storms, hurricanes, floods, washouts, or explosions; (ii) acts of others such as strikes, lockouts, riots, wars, or acts of terror; (iii) governmental actions, laws, statutes, regulations, or policy having the effect of law promulgated by a governmental authority having jurisdiction; and (iv) unavailability of electricity from the utility grid, equipment, supplies, products, power or voltage surge.

8 Limitations On Liability.

A. NO CONSEQUENTIAL DAMAGES

YOU MAY ONLY RECOVER DIRECT DAMAGES FOR ANY BREACH BY IGS SOLAR OF ITS OBLIGATIONS UNDER THIS LIMITED WARRANTY, AND IGS SOLAR WILL NEVER BE LIABLE TO YOU (OR TO ANY TRANSFEREE OR OTHER SUCCESSOR TO YOUR RIGHTS) 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

WARRANTIES IMPLIED BY LAW, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY, WILL NOT EXTEND PAST THE EXPIRATION OF THE 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

Regardless of any other provision in this Limited Warranty, IGS’ total liability under this Limited Warranty will never be more than:

- i. The sum of all Lease Payments over the Term for System Replacement; or
- ii. \$2,000,000 for damages to your home, belongings, and Property.

DISTRIBUTED ENERGY GENERATION SYSTEM LEASE DISCLOSURE FORM

Pursuant to Chapter 520, Part II, Florida Statutes, this disclosure is designed to help you understand the terms and costs of your lease of a distributed energy generation system (“System”). It is not a substitute for the lease (“Lease”) and other documents associated with this transaction. All information presented below is subject to the terms of your Lease.

Read all documents carefully so you fully understand the transaction.

LESSOR		INSTALLER	
Name:		Name:	
Address:		Address:	
Phone Number:		Phone Number:	
Email:		Email:	
License # (if applicable):		State Contractor License #:	
WARRANTY/MAINTENANCE PROVIDER (If different from Installer)			
Name:		Address:	
Phone Number:		Email:	
State Contractor License #:			
LESSEE			
Name:		Mailing Address:	
		System Location:	
Phone Number:		Email:	
<p>*NOTE: YOU ARE ENTERING INTO AN AGREEMENT TO LEASE A DISTRIBUTED ENERGY GENERATION SYSTEM. YOU WILL LEASE (NOT OWN) THE SYSTEM INSTALLED ON YOUR PROPERTY.</p> <p>YOU ARE RESPONSIBLE FOR PROPERTY TAXES ON PROPERTY YOU OWN. CONSULT A TAX PROFESSIONAL TO UNDERSTAND ANY TAX LIABILITY OR ELIGIBILITY FOR ANY TAX CREDITS THAT MAY RESULT FROM THE PURCHASE OF YOUR DISTRIBUTED ENERGY SYSTEM.</p>			

Description System:

A residential rooftop solar photovoltaic system, comprised of modules, racking, inverters, and other equipment

System Size:

Materials/Equipment:

solar modules:

inverters:

racking:

monitoring equipment:

additional equipment:

Total Cost (A)	Amount & Term (B)	Total Estimated Lease Payments (C)
<p>Total cost to be paid, including any interest, installation fees, document preparation fees, service fees or other () fees: \$_____</p> <p>State or federal tax incentive(s) or rebate(s) relied upon by lessor in determining the price of the System: _____ _____</p> <p>Value of Incentive/Rebates Included: \$_____</p> <p>*NOTE: You may not be eligible for all incentives available in your area. Consult your tax professional or legal professional for further information.</p>	<p>The initial term of Lease: <input type="checkbox"/> _____ Years <input type="checkbox"/> _____ Months</p> <p>Your monthly payment during the term of your Lease: \$_____</p> <p>Number of Lease payments: _____</p>	<p>Total of all your monthly payments and estimated taxes over the course of Lease: \$_____</p> <p>Your estimated total Lease payments over the initial term of the Lease excluding taxes are: \$_____</p>

Other Possible Charges (D)

Other charges you may have to pay under your Lease:

Late Charge:

- If a payment is more than _____ days late, you will be charged \$_____ **OR**
- Late payments accrue interest at _____% monthly not to exceed the maximum allowable by law.

Estimated System Removal Fee: \$_____ **Maintenance Fee:** \$_____

UCC Notice Removal and Re-filing Fee:

If you refinance your mortgage, you may have to pay \$_____

Returned Checks:

If any check or withdrawal right is returned or refused by your bank, you may be charged \$_____ (or a lower amount if required by law)

Non-Connection to Internet:

If you do not maintain a high-speed internet connection, you will be charged a monthly fee of \$_____ and/or your monthly payments may be based upon estimates. Non-connection may affect any guarantee. **See Section O.**

Automated Clearing House (ACH) Fee: \$_____

Payment Schedule (E)	When Payments are Due (F)	Installation Timing (G)
Amount you owe at Lease signing: \$_____	After your System is connected, you will receive an invoice that identifies the date your first monthly payment on your Lease is due. You will receive: <input type="checkbox"/> Electronic Invoices (sent to your email address above) <input type="checkbox"/> Paper Invoices (sent to your mailing address above)	Approximate start date: _____ days from the date the agreement is signed, assuming timely issuance of permits required to begin construction.
Amount you owe at the commencement of installation: \$_____		
Amount you owe at the completion of installation: \$_____		
You will make a final payment to Lessor in the amount of \$_____ at the following time (e.g., interconnection):		

**Interconnection Approval
(H)**

YOU are or **LESSOR** is responsible for submitting a System interconnection application.

NOTE: It is important to understand the requirements of interconnection rules and/or policies for renewable energy systems which may vary based on location or utility jurisdiction. For further information regarding interconnection standards, please contact your local utility or public service commission.

Site & Design Assumptions for your Leased System (I)

- Estimated size of the System in kilowatts: _____(kWdc)
- Estimated gross annual electricity production in kilowatt-hours (kWh) from your leased System in the first year of the Lease: _____
- Estimated annual System production decrease due to natural aging of the System: _____%
- System location on your property: _____
- System **WILL** **WILL NOT** be connected to the electric grid
- At the time of installation, your local utility **DOES** **DOES NOT** credit you for excess energy your System generates. The rules applying to such credit are set by your jurisdiction.
- Make _____
- Model _____

***NOTE:** A lessor who provides a warranty or guarantee of the energy production output of the distributed energy generation system may provide a description of such warranty or guarantee in lieu of a description of the system design and components.

Security Filings (J)

Lessor **WILL** **WILL NOT** place a lien on your home as part of entering the Lease.

Lessor **WILL** **WILL NOT** file a fixture filing or a State Of Florida UCC Financing Statement Form (UCC-1) on the System. The UCC-1 is a public filing providing notice that Lessor owns the System, but is **not** a lien.

System Maintenance & Repairs (K)

“System maintenance” refers to the upkeep and services required or recommended to keep your System in proper operation. System maintenance **IS** **IS NOT** included for _____years by _____(e.g., Installer, Maintenance Provider).

“System repairs” refers to actions needed to fix your System if it is malfunctioning. System repairs **ARE** **ARE NOT** provided by the _____(e.g., Installer, Other).

Please review your Lease for additional information about any warranties on the System installation and equipment. Certain exclusions may apply. Note that equipment warranties for hardware are not required to include labor/workmanship.

Roof Warranty (L)

Your roof **IS** **IS NOT** warranted against leaks from the System installation for _____years by _____(e.g., Provider, Installer, Other).

Your roof **IS** **IS NOT** warranted against leaks caused by removal of the System for a period of _____years following System removal. Any portions of your roof impacted by the System **WILL** **WILL NOT** be substantially returned to their original condition upon the removal of the System (ordinary wear and tear excepted).

Transferring Your Lease and Selling Your Home (M)

If you sell your home, you **MAY** **MAY NOT** transfer the Lease to the purchaser(s) of your home. If transfer of ownership is permitted, the transfer will be subject to the following conditions:

- Credit check on the purchaser(s) by the Lessor
- Minimum FICO score requirement: _____
- Transfer fee of \$ _____
- Assumptions of Agreement by purchaser(s)
- Other _____

If you sell your home, you **ARE** **ARE NOT** permitted to transfer the System to a new home or property.

You may also have the option(s) to purchase the System or prepay some or all of the Lease Balance as part of or prior to a transfer, as long as you are not in default of the Lease. The purchase price will be the greater of (a) the minimum purchase price ("Minimum Purchase Price") or the fair market value ("FMV") of the System. The Minimum Purchase Price will be an amount equal to the will be equal to the present value of the forecasted lease payments over the Term then remaining, discounted at a rate of 5%. The FMV will be calculated by a mutually acceptable third-party independent appraiser.

You **ARE** **ARE NOT** permitted to make modification(s) to the System. If modification(s) of the System is permitted, such action will be subject to the following conditions:

- System guarantees or warranties **ARE** **ARE NOT** rendered void
- Provider is not responsible or liable for any loss or damage that may occur as a result of any modifications
- Other _____

Transfer of Obligations by Lessor (N)

Your Lease may be assigned, sold or transferred by Lessor without your consent to a third-party who will be bound to all the terms of the Lease. If such a transfer occurs, you will be notified if this will change the address or phone number to use for Lease questions, payments, maintenance or repair requests.

System Guarantee (O)

In terms of your full System, Lessor is providing you with a:

- System performance or electricity production guarantee*
- Other type of System guarantee*
- No System guarantee

You may have additional guarantees or warranties in addition to those that cover the entire System.

****Please provide description in the space provided under Section T.***

Utility and Electricity Usage/Savings Assumptions (P)

You **HAVE** **HAVE NOT** been provided with a savings estimate (“Estimate”) based on your Lease.

*If you **HAVE** been provided with an Estimate, Lessor provides the following:*

Lessor **IS** **IS NOT** guaranteeing these savings.

Your Estimate was calculated based on:

- Your estimated prior electricity use
- Your actual prior electricity use
- Your estimated future electricity use

Your Estimate assumes the following:

- Years of electricity production from the System: _____
- A current estimated **utility electricity rate** of _____ [cost per kilowatt-hour] during the first Lease year with estimated increases of _____ percent annually. Lessor based this estimate on the following source(s): _____
- Your utility will continue to credit you for excess energy your System generates at
- ESTIMATED FUTURE** **CURRENT** utility electricity rates

NOTE: It is important to understand that future electric utility rates are estimates only. Your future electric utility rates and actual savings may vary. For further information regarding rates, you may contact your local utility or the public regulation commission. Tax and other state and federal incentives are subject to change or termination by executive, legislative or regulatory action, which may impact savings estimates. Please read your Lease carefully for more details.

Renewable Energy Certificates (RECs) (Q)

Any renewable energy certificates or credits (RECs) from producing renewable solar energy with the System **WILL** **WILL NOT** be assigned to the Lessor. If Lessor is assigned the RECs, you will not own the RECs to sell, use or claim them, and Lessor may sell the RECs to a third party.

Cooling Off Period/Right to Cancel (R)

You have the right to terminate this Lease without penalty within _____ business days after the agreement is signed by both parties by notifying Lessor in writing at the above address.

NOTE: This section does not apply IF agreement is to lease a distributed energy generation system in a solar community in which the entire community has been marketed as a solar community and all of the homes in the community are intended to have a distributed energy generation system, or a solar community in which the developer has incorporated solar technology for purposes of meeting the Florida Building Code in s. 553.73, F.S.

Insurance Policies and Coverage (S)

- Lessor **will not** insure for any loss or damage to the System.
- Lessor **will** insure System for any loss or damage, except under the following circumstances:

NOTE: Lessee is responsible for obtaining insurance policies or coverage for any loss of or damage to the System not covered under the lessor's obligations as indicated above. Please consult an insurance professional to understand how to protect against the risk of loss or damage to the System. Lessor will procure and maintain personal property insurance on the System in an amount equal to the cost to replace the System.

Additional Disclosures or Terms (T)

Early Termination: If you terminate this Lease before the end of the term, you may be required to pay a repossession/disposition fee, the greater of the Minimum Purchase Price and the FMV, as well as taxes, late charges, penalties, interest, and recapture of rebates, grants, credits, or tax benefits.

Other Important Terms: See your Lease for additional information regarding early termination, purchase options, maintenance, responsibilities, warranties, and late and default charges.

Individual Completing this Form:

Name: _____ Signature: _____

Title: _____ Company: _____ Date: _____

For additional information, please carefully read Chapter 520, Part II, Florida Statutes.