

COST REIMBURSEMENT AGREEMENT BETWEEN COUNTY AND PROVIDER

The Cost Reimbursement Agreement ("Agreement") is entered into as of March 19, 2019 ("Effective Date"), by and between County of El Dorado, a political subdivision of the State of California ("County") and REC Solar Commercial Corporation, a Delaware corporation, duly qualified to conduct business in the State of California. ("Provider"). County and Provider are each referred to individually as a "Party" and together as the "Parties." Capitalized terms used but not defined herein shall have the meanings set forth in the PPA (defined below).

RECITALS

A. County issued a Request for Proposals for Power Purchase Agreement for Solar Photovoltaic Systems dated October 17, 2018 (the "RFP").

B. The RFP requires that the successful Respondent reimburse County for certain costs incurred, including: (1) the costs of consultant services ("Development Costs"); and (2) costs of certain Site improvement work costs ("Site Improvement Costs").

C. After County's receipt of all proposals in response to the RFP, Provider was determined to be the successful respondent in connection with the RFP.

D. This Agreement sets forth the terms and provisions under which Provider shall reimburse County for its Development Costs, and Site Improvement Costs (collectively referred to herein as the "Incurred Costs").

NOW, THEREFORE, in consideration of the covenants hereinafter contained and the foregoing recitals, which constitute a part of this Agreement, the Parties agree as follows:

AGREEMENT

1. Scope. The Parties intend to negotiate and enter into two solar power purchase agreements (each, a "PPA") for the projects specified in Exhibit A, which is attached hereto and made part of this Agreement (together, the "Project"). Provider shall reimburse and pay County the Incurred Costs in accordance with the terms and provisions of this Agreement.
2. Incurred Costs. The Incurred Costs, which consist of Development Costs, Site Improvement Costs and Interconnection Cost are described and calculated as follows:
 - a. Development Costs. The Development Costs are the amount payable by County to its third party engineers ("Engineers") and energy advisor ("Energy Advisor") in consideration for consultant services provided by the Engineers and Energy Advisor to County, including, but not limited to: analyzing and designing aspects of the Project, preparing the RFP and reviewing responses, facilitating the negotiation of the PPAs, and overseeing the performance and completion of the Project. The

Development Costs payable by Provider to County shall be equal to Three Hundred Ten Thousand Dollars (\$310,000).

- b. Site Improvement Costs. The Site Improvement Costs are intended to approximate the amount payable by County to its contractor (“Contractor”) in consideration for completing Site work that prepared the Site for the Project, including the installation of conduit to allow for the Distribution Utility to provide service to the Site. The Site Improvement Costs payable by Provider to County shall not exceed One Hundred Fifty Thousand Dollars (\$150,000) (“Maximum Site Improvement Costs”). County shall be responsible for any amount charged by Contractor in excess of the Maximum Site Improvement Costs.
- c. Interconnection Costs. The Interconnection Costs are intended to approximate the amount payable by County to the Distribution Utility for the engineering advance on the RES-BCT Solar Facility. The Interconnection Cost payable by Provider to County shall not exceed Twenty Thousand Dollars (\$20,000) (“Maximum Interconnection Cost”).

3. Payment Schedule. Provider shall pay County as follows:

- a. Twenty-five percent (25%) of the Development Costs within one-hundred ten (110) days of the Effective Date of this Agreement (the “Conditions Precedent Milestone”); and
- b. Fifty percent (50%) of the Development Costs within fifteen (15) days of the date on which County issues Provider a Notice to Proceed to Construction with respect to all Projects (the “NTP Milestone”).
- c. Twenty-five percent (25%) of the Development Costs within fifteen (15) days of the Commercial Operation Date of the final Project to be constructed (the “COD Milestone”).
- d. One hundred percent (100%) of the Site Improvement Costs not previously reimbursed under this Agreement within forty-five (45) days of the date on which County presents Provider with reasonably detailed invoices from County’s Contractor, provided that in no case will Provider be required to pay any Site Improvement Costs in excess of the Maximum Site Improvement Costs.
- e. One hundred percent (100%) of the Interconnection Cost not previously reimbursed under this Agreement within forty-five (45) days of the date on which County presents Provider with reasonably detailed invoices from Distribution Utility, provided that in no case will Provider be required to pay any Interconnection Costs in excess of the Maximum Interconnection Costs.

4. Miscellaneous.

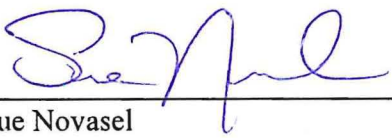
- a. Term. This Agreement shall be effective as of the Effective Date and shall remain in effect until each Party has fulfilled all of its obligations to the other hereunder.
- b. Limitation of Liability. NEITHER PARTY, NOR ANY OF ITS DIRECTORS, OFFICERS, SHAREHOLDERS, GOVERNING BOARD OF MEMBERS THEREOF, AGENTS, EMPLOYEES SHALL BE LIABLE FOR INDIRECT, SPECIAL, EXEMPLARY, OR CONSEQUENTIAL DAMAGES OR ANY NATURE ARISING OUT OF ANY ACT OR OMISSION HEREUNDER. A Party's aggregate liability arising out of or in connection with this Agreement shall be limited to an amount equal to the sum of the Maximum Development Costs and Maximum Site Improvement Costs.
- c. Dispute Resolution. Any Dispute between the Parties arising from or connected to this Agreement shall be handled in accordance with Section 15 of the PPA.
- d. Governing Law; Choice of Forum. The provisions of Section 22.I of the PPA shall apply and is hereby incorporated by reference.
- e. No Partnership. The provisions of Section 22.K of the PPA shall apply and is hereby incorporated by reference.
- f. Full Agreement; Modification. This Agreement, together with Exhibit A, completely and exclusively states the agreement of the Parties regarding its subject matter and supersedes all prior proposals, agreements, or other communications between the Parties, oral or written, regarding its subject matter. This Agreement may be modified only by a writing signed by both Parties.
- g. Execution in Counterparts. This Agreement may be executed in counterparts such that the signatures may appear on separate signature pages. A copy, or an original, with all signatures appended together, shall be deemed a fully executed Agreement.
- h. Severability. If any provision of this Agreement shall be held invalid or unenforceable by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
- i. Binding Effect; Assignment. Provider, by execution of this Agreement, acknowledges that Provider has read this Agreement, including Exhibit A and attachments thereto, and understands them and agrees to be bound by their terms and conditions. Neither Party may assign this Agreement except to a permitted assignee of, and with, the PPA. Assignment of this Agreement, or any rights, duties or obligations thereunder, without the express written consent of County shall be void.

- j. Notices. All notices under this Agreement shall be in accordance with the provisions regarding notices set forth in Section 22.B of the PPA, which Section is hereby incorporated by reference.
- k. County Contract Administrator. The County officer or employee with responsibility for administering this Agreement is Russ Fackrell, or any successor designated in writing by County.

Each person executing this Agreement on behalf of a Party represents that he/she is authorized to execute on behalf of and to bind the Party to this Agreement.

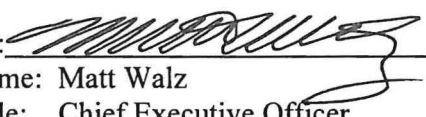
COUNTY:

County of El Dorado

By: 
Name: Sue Novasel
Title: Chair, Board of Supervisors


PROVIDER:

REC Solar Commercial Corporation

By: 
Name: Matt Walz
Title: Chief Executive Officer

ATTEST:

James S. Mitrison
Clerk of the Board of Supervisors

By: 
Deputy Clerk

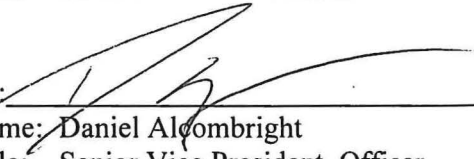
By: 
Name: Daniel Alcombright
Title: Senior Vice President, Officer

Exhibit A

Meter		kW
Public Safety Facility NEM2.0	200 Industrial Drive Placerville CA	526.14
Public Safety Facility RES-BCT	200 Industrial Drive Placerville CA	1,878.12
<u>Portfolio Total</u>		<u>2,404.26</u>