



Netsolar, LLC

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LEASE AGREEMENT GENERAL TERMS AND CONDITIONS

The General Terms and Conditions are as follows:

1. Solar-Electric System Components Included in Lease Agreement

The Solar-Electric system components that have been or will be provided to the Customer as part of this Agreement include, but are not limited to, any number of alternating current ("AC") and or direct current ("DC") PV panels or modules, corresponding electrical wiring, electrical and mechanical connections, switchgear and junction boxes, and distributed generation ("DG") interconnect device(s) (inverter(s)). The exact components required for each Customer vary and, therefore, are specifically engineered for the unique needs of the Customer; the components are in a "Commissioning Report" that was prepared at the time of installation. The stipulated equipment value of the Solar-Electric system components is subject to the exact components associated with a Customer's Solar-Electric system, and the then-applicable Residential Retail List Price for each component as defined by Netsolar, LLC on the Commission Date specified in the Commissioning Report of the System Design Document.

1.1. Change in Solar-Electric System Components

In the operation and maintenance of the Solar-Electric system components, it may be determined that certain components must be repaired, refurbished, or replaced. The change of components for the purposes of repairing, refurbishing, or replacing will not have an effect on the Terms and Conditions of this Agreement. Any replacement components will reflect in a revised Commissioning Report.

From time to time, Netsolar may determine that the number of components necessary should be increased or decreased to more closely match the Customer's demand. In this instance, the Commissioning Report will be updated. Customer's monthly lease payments will be adjusted accordingly (see section 7.1). Customer reserves the right to refuse any such change.

2. Solar-Electric system Services Included in Lease Agreement

2.1. Engineering, Procurement, and Construction

Netsolar Systems were installed by a contracted Managing Installer who engineered, procured necessary components and permissions, and construct a Solar-Electric system that met the approximate annual electrical usage requirements of the Customer. The Managing Installer obtained all necessary licenses, permits, and permissions for the system.

2.2. Operating and Maintenance

Netsolar's Managing Installer commissioned the Solar-Electric system upon final inspection. Once commissioned, Netsolar will monitor the operation of the Solar-Electric system. This is done on an as-needed basis with the Customer providing inverter kWh totals periodically to the Netsolar. This data will be utilized to analyze the condition and performance of the Solar-Electric system.

Netsolar will be the exclusive source to maintain the Solar-Electric system in operational condition. Customer will make the Contract Address accessible and the Solar-Electric system available to Netsolar for maintenance and inspection during the Term of this Agreement at any

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reasonable time. In the event that the Solar-Electric system components are beyond repair in the field, Netsolar will pay all costs for shipment to the designated repair center and shall be liable for any loss or damage during transportation. Netsolar will replace components with functioning equivalents during the period of repair. Upon repair, Netsolar has the option to (i) return the components to the Customer and shall be liable for any loss or damage during transportation, and (ii) retain the original components and update the Commissioning Report. Such maintenance will be provided without charge to Customer for malfunctions and failures due to manufacturing defects and normal wear and tear. Maintenance required for other malfunctions and failure or damage such as caused by abuse, accident, or improper operation is covered under Section 5.2.

Malfunction or failure of operation covered by this section will result in the reduction of Customer monthly payments as covered in Section 3. In no event will Netsolar be liable for any loss of profits, indirect, consequential or other damages resulting from any failure of the Solar-Electric system.

If Netsolar's performance of any obligation hereunder is delayed due to reasons beyond Netsolar's reasonable control, the time for performance of such obligation will be postponed for a period equal to the number of days of such delay. In no event will Netsolar be liable for any damages resulting from any delay in the delivery of any component or any delay in the performance of any maintenance.

The Customer will exercise due care in the use and operation of the Solar-Electric system and such use and operation shall be only according to written instructions provided by Netsolar. Customer will not use or operate the Solar-Electric system in any illegal manner or for any illegal purpose nor in violation of any law, ordinance or regulation. The Customer will not open the Solar-Electric system electronics enclosure housing, alter or repair or permit the alteration or repair of the Solar-Electric system, remove or relocate or permit the removal or relocation of the Solar-Electric system, or make any attachments thereto, without the prior written approval of Netsolar.

2.3. Reporting

Netsolar provide performance reports upon receipt of current inverter operating hours and cumulative kWh production. Instructions for reading inverter data are available on the Netsolar Website.

2.4. System Removal for Re-Roofing

Netsolar will remove the Solar-Electric system at the request of the Customer for roof repairs, and terminate the lease agreement. A request for Removal must be submitted at least 30 days prior to the service being performed. Unfortunately, it is no longer economic to offer to remove and replace a system. Customer however will be given the option to purchase the system at present fair value, and to re-install at their own cost.

2.5. Decommissioning

Upon termination of this Agreement, Netsolar will decommission the Solar-Electric system by recovering its components, with the exception of all flashing and lag-bolts feet, that will remain in place to preserve weather-tight and water-proof roof conditions. Once the decommissioning is complete, Netsolar is no longer responsible for the remaining hardware. If Customer wishes to remove, paint, or otherwise change such hardware,



Customer assumes all related risks and expenses. Netsolar is not responsible for damages or general wear and tear to the house or surrounding structures and fixtures that was not caused by the Solar-Electric system or the decommissioning thereof.

2.6. Changes in Service

Many changing considerations affect the availability, cost and quality of service, and customer demand for it. Accordingly, Netsolar must reserve the unrestricted right to change, rearrange, add or delete Services, the selections in those Services, and any other Service that Netsolar offers, at any time. Netsolar will endeavor to notify Customer of any change that is within its reasonable control and its effective date. In most cases, this notice will be about one month in advance. Subject to the terms in section 7.5.1, Customers always have the right to cancel their Service, in whole or in part. If Customer cancels Service because of a change in the Agreement by Netsolar that adversely affects the Customer, Netsolar will continue providing service until the end of the month at which point the Solar-Electric system will be removed at no cost to the Customer. However, if the Customer is uncooperative with the recovery of the Solar-Electric system, other charges will be billed to the Customer which may include fees described in section 7.5.3. If Customer does not cancel within 30 days of notification of Changes in Service, the continued receipt of Netsolar's Service will constitute acceptance of the revised Agreement terms. Customer may request a reduction in the Solar-Electric system size, as long as the total system size does not become less than 2KWp. This reduction will be provided to the Customer at a cost of 10 cents per Watt of reduction, and is subject to the terms in section 7.5.1. Customer monthly lease payments will be adjusted to reflect the new size of the Solar-Electric system.

3. Warranty and Performance Guarantee

3.1. Solar-Electric system Guarantees

Netsolar warrants that each item of equipment will be suitable for normal operation and use at the time of delivery. Netsolar guarantees that the Solar-Electric system will provide the customer with the ability to provide a portion of its energy annually, as spelled out in Section 3.2 below. Netsolar guarantees the Solar-Electric system's operation under two separate guarantees spelled out in sections 3.1.1 and 3.1.2.

3.1.1. System Failure Guarantee

If the Solar-Electric system malfunctions, or if a component of the Solar-Electric system fails, causing the Solar-Electric system to cease operating for a period of time, Netsolar will provide maintenance in accordance with Section 2.2 and Netsolar will extend the Term of the Agreement for the total number of days that the system was not in operation. A per diem amount will be subtracted from the monthly lease payments until the system is restored. The daily amount subtracted is equal to 1/365 of Customer's total annual lease payments.

3.1.2. System Capacity Guarantee

PV system performance declines over time. All Solar-Electric systems are guaranteed to perform at their Adjusted Capacity defined as the warranted Nameplate Capacity (in Wp) adjusted by PVWatts™ Testing Conditions ("PTC"), climatic conditions, and system degradation. If throughout the year the Solar-Electric system's energy delivery in kWh is lower than the estimate indicated on the System Design Document by more than 10%, Netsolar will provide credit toward Customer's future lease payments proportional to the decrease in capacity. Credits will be provided to Customer on the anniversary of each contract year.

3.1.3. General Solar-Electric system Performance

The Solar-Electric system generates electricity by converting sunlight into electricity, so the Solar-Electric system cannot be expected to generate electricity when the sun is not available, or if there are climatic conditions such as cloud or dust coverage that interfere with solar irradiance, or if local objects fall on top of, or shade the array. In addition, soil build up may also degrade the Solar-Electric system's ability to generate electricity.

The Solar-Electric system is typically interconnected with the local load serving entity, so Netsolar cannot guarantee Solar-Electric system operation when there is a grid failure. The anti-islanding features of the Solar-Electric system ensure the safety and wellbeing of line crews that may be repairing a portion of the grid that caused such grid failure. Netsolar cannot guarantee Solar-Electric system operation where damage or loss has been caused by Nature or a natural disaster. Netsolar will guarantee that maintenance will be provided as soon as possible to restore the Solar-Electric system to its original operating condition. The speed at which Netsolar restores such Solar-Electric system depends upon the size and scope of the natural disaster, and the resources available to the Netsolar to respond to the disaster. In the event of a natural disaster, Customer's monthly lease payments will be suspended until the Solar-Electric system is restored.

Netsolar cannot guarantee Solar-Electric system operation where theft, or deliberate damage, tampering or interference has occurred. Netsolar will work to restore the Solar-Electric system to operating condition as quickly as possible at no charge to the Customer, unless it is found that Customer has caused or has enlisted someone to cause deliberate damage, tampering, or interference of the Solar-Electric system, or is found to be involved in the theft of the Solar-Electric system in whole or in part. The liability of the Customer in such instances is detailed further in Section 5.2.

NETSOLAR CANNOT PROMISE UNINTERRUPTED OR ERRORFREE OPERATION OF THE SOLAR-ELECTRIC SYSTEM AND DOESN'T AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON ITS BEHALF.

3.2. Annual Solar-Electric system Output

Netsolar guarantees that the Solar-Electric system will function as designed. The Solar-Electric system's annual performance indicated on the System Design Document does not constitute a guarantee of performance, and is expected to account for the Solar-Electric system's operation within normal range of annual variation.

4. Ownership and Security Interest

4.1. Ownership

Customer acknowledges that Netsolar, or its assignee, is and shall remain the owner of the Solar-Electric system and all renewable energy attributes ("Attributes"), whether such attributes are environmental, distributed or capacity in nature. Attributes are defined as any public and/or utility-provided incentives or payments, and include but are not limited to Renewable Energy Credits ("RECs"), Performance-Based Incentives ("PBIs"), Capacity Based Incentives ("CBIs") and any other existing or future incentives that may arise.

Customer expressly acknowledges that Netsolar (or its assignee) is the owner of federal and state incentives accruing to the Solar-Electric system (for example, the Louisiana 1086 SETC and the U.S. Treasury 1603 ITC Cash Grant). Ownership accrues to Netsolar in all instances, unless (i) Customer had no rights in such renewable energy attributes due to the receipt of renewable energy incentives, (ii) a waiver is expressly granted in writing to the Customer by Netsolar, or (iii) title is conveyed to the



Customer by an attached separate agreement or addendum to this Agreement.

Customer will protect Netsolar's ownership rights against claims, liens and other encumbrances by Customer's creditors or other claimants against Customer. Customer will not remove, obliterate or obscure markings which identify Netsolar as owner of the Solar-Electric system. Notwithstanding the previous sentence, any RECs that Customer must assign to Load Serving Entity ("LSE") as a condition to receiving a PBI or CBI will remain property of Customer and Customer will assign them to LSE in exchange for such incentives using the form required by LSE.

4.2. Security Interest

Customer will execute and deliver to Netsolar documents and forms that are reasonably necessary or desirable to protect Netsolar's ownership and interest in the Solar-Electric system, including finance statements under the Uniform Commercial Code.

5. Insurance

5.1. Coverage and Notification to Netsolar

Netsolar Service carries insurance for Solar-Electric system during the term of this Agreement against the risks of loss, damage, or theft. Damages arising from manufacturing defects and normal wear and tear are covered under Section 3. Liability insurance, or other insurance requirements, imposed by either the LSE or the local municipality for the operation of the Solar-Electric system is the obligation of the Customer. Non-compliance with such obligations may result in early termination of this Agreement. In the event of any such damage or loss, Customer will promptly give Netsolar notice thereof within FIVE days.

5.2. Willful Damage and Gross Negligence by Customer

Customer shall bear responsibility for all failures, damage to or loss of components whether due to willful acts or gross negligence carried out by Customer. Customer will promptly give Netsolar notice thereof and Customer will elect one of the following options:

(i) Pay to Netsolar an amount equal to the stipulated Solar-Electric system Value as defined in the System Design Document or fraction thereof for the damaged or lost components. In such case, monthly lease payments and other obligations of the Customer shall continue until the payment is made. After payment is made, this Agreement will terminate as to the components involved; or

(ii) Request that Netsolar repair or replace the damaged or lost component, and pay to Netsolar the cost of such repair or replacement. In such case, monthly lease payments and other obligations of the Customer shall continue during the period of repair or until replacement. If Netsolar is unable to repair or replace the equipment then option (i) shall apply.

6. Limitation of Liability

UNLESS THE LAW FORBIDS IT IN ANY PARTICULAR CASE, PARTIES EACH AGREE TO LIMIT CLAIMS FOR DAMAGES OR OTHER MONETARY RELIEF AGAINST EACH OTHER TO DIRECT DAMAGES. THIS LIMITATION AND WAIVER WILL APPLY REGARDLESS OF THE THEORY OF LIABILITY, WHETHER FRAUD, MISREPRESENTATION, BREACH OF AGREEMENT, PERSONAL INJURY, PRODUCTS LIABILITY, OR ANY OTHER THEORY. THIS MEANS THAT NEITHER PARTY WILL SEEK ANY INDIRECT, SPECIAL, CONSEQUENTIAL, TREBLE, OR PUNITIVE DAMAGES FROM THE OTHER.

7. Lease Payments and Charges

In return for use of the Solar-Electric system and receiving associated Service, Customer promises to pay as follows:

7.1. Monthly Lease Payments

The monthly lease payment is defined in the System Design Document upon completion of the System Design. The nameplate capacity of the Solar-Electric system may change in size based on Customer's needs during the Term of this Agreement as stated in section 1.1. In the event that such changes are made, monthly lease payment will be adjusted accordingly. Customer agrees to pay applicable charges and any other applicable fees by the due date, as indicated on the monthly statement and service bill received. Customer acknowledges and agrees that monthly statements may be delivered via electronic mail or conventional post at Customer's request.

Customer acknowledges and agrees to pay monthly lease payments via automatic electronic payment system and has completed the Authorization Agreement for Pre-Authorized Payments Form provided for this purpose. Customer may elect for direct billing via a printed invoice as an alternative option; a fee of \$2.50 per month will be charged for such option. Unless other option is provided by Netsolar and exercised by Customer in writing, Customer will return the Solar-Electric system at the end of the Agreement Term and, if Customer fails to provide access to the Solar-Electric system for recovery, will pay an equivalent daily charge based on the applicable monthly lease payment for any time after the Termination Date until Netsolar recovers the Solar-Electric system.

Customer will pay monthly lease payments for the entire duration of the Agreement. Payments are due in full each month. Netsolar may, in its discretion, accept partial payments, which will be applied to the oldest outstanding statement. No "payment in full" notation or other restrictive endorsement written on Customer's payments will restrict Netsolar's ability to collect all amounts owing to it. Netsolar may terminate Customer's Agreement if Customer does not pay by due date.

7.2. Initial Payment

Customer will begin paying monthly lease payments at a date not earlier than the inspection of the Solar-Electric system by Load Serving Entity and successful interconnection.

7.3. Test and/or Repair Charge

If returned components appear broken due to misuse, a test and repair charge of up to \$25.00 for each component appearing to be broken may be charged for inspection, testing and minor repairs required to return the components to service. This charge will be payable in the month following the time of service. If the components cannot be repaired, the customer will be notified and will be responsible for the designated replacement cost of the components.

7.4. Temporary Removal and Relocation

Unfortunately, this option is now unavailable due to Louisiana's discontinuing support for solar energy companies in the State.

7.5. Late Fees, Penalties and Other Fees

If Netsolar does not receive Customer's payment by the due date on Customer's monthly statement, Netsolar may charge an administrative late fee of the lesser of (i) up to \$5.00; or (ii) the maximum amount permitted under and subject to applicable law per month or partial month until the delinquent amount is paid in full. This late fee is not an interest charge,



finance charge or other such charge or payment of a similar nature. Customer acknowledges that this fee is reasonably related to the actual expense Netsolar incurs due to late payment and may be subject to limitations set forth by law in Customer's state. If any bank or other financial institution refuses to honor any payment, draft or instrument submitted for payment to Customer's account, Netsolar may charge Customer a fee the lesser of (i) up to \$35.00; or (ii) the maximum amount permitted by applicable law. Customer acknowledges that this fee is not an interest charge, finance charge or other such charge or payment of a similar nature and it is reasonably related to the actual expense Netsolar incurs due to unsatisfied payment.

If Customer cancels Service or Netsolar terminates Service because of Customer's failure to pay or for some other breach on Customer's part, Netsolar has the right to retain the last month's lease payment provided without reimbursing Customer on a pro rata basis, unless the cancellation is covered under 2.1, 2.6, 7.7, or 16.3. Customer acknowledges that this fee is not an interest charge, finance charge or other such charge or payment of a similar nature and it is reasonably related to the actual expense Netsolar incurs due to recovery of the Solar-Electric system. This does not release the Customer from any other liability or obligations in conjunction with rents owed prior to cancellation or termination of the Agreement, late fees, returned payment fees, collection fees, test and/or repair charges, or replacement costs. All such fees and charges continue to be the responsibility of the Customer and owed to the Netsolar. To the extent permitted by law, Customer will pay Netsolar any costs and fees that it reasonably incurs to collect amounts Customer owes to Netsolar.

7.5.1. Early Removal Penalty

There are no penalties for termination of the lease or removal of the system.

7.5.2. Improper Use Penalty

Customer may use electricity generated by the solar system for any legal purpose on the property.

7.5.3. Early Termination Fee

If Customer terminates Agreement prior to the end of the Contract Term, Customer may be assessed an Early Termination Fee equal to the lesser of \$0.10 per Wp of installed Nameplate Capacity or the total remaining lease payments due to Netsolar.

7.6. Taxes, Fees and Surcharges

Customer agrees to pay all taxes, fees, and surcharges required of them and set by the government, whether local, state or federal. Netsolar may not always give advance notice of changes to these items.

7.7. Utility Charges

Customer acknowledges that the Solar-Electric system is not a primary source of electricity and that connection with the local load serving entity is required to guarantee reliable electricity service. In light of this, Customer will most likely be required to pay a minimum service fee to the electric utility. As well, electricity charges and other such charges may be assessed by the utility on the Customer for use of service and consumption of electricity. Customer agrees to pay these fees and charges to the utility and maintain electric utility service throughout the duration of the Agreement. Failure to do so may cause the Customer's electric service to be disrupted and will result in Netsolar recovering the Solar-Electric system, a loss of the balance of last monthly lease payment, and the possibility of other charges and fees being assessed on the Customer as described in 7.3; 7.5; and 7.5.1.

Customer further acknowledges that the load serving entity is subject to net-metering laws that may not remain in effect throughout the duration of the Agreement. This may have a material adverse affect on the Agreement and could cause the Customer to begin paying for excess electricity generated that may not be used by the Customer. Likewise, the banking of electricity generated by the Solar-Electric system and delivered to the utility may not always work out in the favor of the Customer.

There may be times that the utility's compensation for electricity generated by the Solar-Electric system may be less than the cost at which the Customer can generate its own electricity, or the utility may simply be granted the unused credit without compensation to the Customer at all. **NETSOLAR CANNOT BE HELD LIABLE FOR SUCH LOSSES INCURRED BY THE CUSTOMER.**

In the event of termination of net-metering laws or other changes which eliminate the value of the solar electric system, Customer and Netsolar may mutually agree to terminate this agreement whereupon Netsolar will decommission and remove the system.

7.8. Calculating Charges

The Customer's Bill reflects the fees and charges in effect under the Agreement. Once this has been done, Netsolar then attaches any fees, charges, or unpaid balances owed, for a total bill. Customers can dispute the bill, but only within 180 days of receiving it. **CUSTOMER MUST STILL PAY ANY DISPUTED CHARGES UNTIL THE DISPUTE IS RESOLVED.**

7.9. Billing Statements

Netsolar will send Customer an electronic statement 15 days prior to the date of their pre-authorized payment. Statements will show: (i) payments, credits, rents and any other charges to Customer's account; (ii) the amount Customer owes Netsolar; and (iii) the payment due date. The Customer Bill is Netsolar's notice to Customers of their fees, charges and other important information. Customers should read everything in their bills. If Customers think their statements are incorrect or if Customers need more information about them, contact Netsolar immediately. Netsolar will try to resolve any complaints Customers have as promptly as it can.

7.10. Payments

Payment is due in full as stated on Customer's bill. **IF NETSOLAR DOES NOT RECEIVE PAYMENT IN FULL WHEN DUE, NETSOLAR MAY, TO THE EXTENT PERMITTED BY THE LAW OF THE STATE OF THE BILLING ADDRESS NETSOLAR HAS ON FILE FOR CUSTOMER AT THE TIME, CHARGE A LATE FEE OF UP TO 1.5% PERCENT A MONTH, 18% ANNUALLY, OR A FLAT \$5 A MONTH, WHICHEVER IS GREATER, ON UNPAID BALANCES. NETSOLAR MAY, TO THE EXTENT PERMITTED BY THE LAW OF THE STATE OF THE BILLING ADDRESS NETSOLAR HAS ON FILE FOR CUSTOMER AT THE TIME CUSTOMER'S ACCOUNT IS FIRST SENT TO A COLLECTION AGENCY, ALSO CHARGE FOR ANY COLLECTION AGENCY FEES BILLED TO NETSOLAR FOR COLLECTING FROM CUSTOMER.**

8. Indemnity

Customer agrees to protect, indemnify and hold harmless Netsolar from and against all claims, damages and costs including legal expenses arising out of the Customer's use of this Solar-Electric system.

9. Termination

Except as explicitly permitted by this Agreement, Customer agrees to



maintain Agreement with Netsolar for the stipulated Term. Term extensions, due to periods of malfunction or failure, do not count towards the Term of this Agreement. ONCE COMPLETION DATE IS REACHED, UNLESS CUSTOMER NOTIFIES NETSOLAR THAT CUSTOMER WISHES TO CANCEL THE AGREEMENT, NETSOLAR MAY AUTOMATICALLY RENEW THE AGREEMENT AS A YEAR-TO-YEAR AGREEMENT, AS LONG AS NETSOLAR CONTINUES TO CARRY THE SERVICE OFFERING. MONTHLY LEASE PAYMENTS WILL BE ADJUSTED ACCORDING TO NETSOLAR'S CURRENT PRACTICES, TAKING INTO ACCOUNT THE CUSTOMER'S GEOGRAPHIC AND UTILITY LOCATION.

Customer understands that it will forfeit its last monthly payment if it terminates the Agreement, either voluntarily or by default or breach of this Agreement, prior to the completion date of the Term. Customer remains responsible for any unpaid fees or charges, and is liable for any damage or repairs necessary to either replace the components of the Solar-Electric system or bring them back to good working condition.

9.1. Default

If Customer fails to pay amounts owed to Netsolar when due, subject to any grace periods, or otherwise defaults, Netsolar has the right to terminate this Agreement forthwith by notice to the Customer. Upon such termination, (i) the balance of the total annual lease payments will be due and payable immediately and, (ii) Netsolar has the right, at its option, to take possession of and remove the Solar-Electric system from service immediately. Any other damages or amount chargeable to the Customer shall be immediately due upon such termination.

IN ADDITION TO FAILURE TO PAY AMOUNTS OWED, NETSOLAR CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR END THIS AGREEMENT OR ANY AGREEMENT WITH CUSTOMER FOR ANY GOOD CAUSE, including, but not limited to: (i) paying late more than once in any 12 months; (ii) harassing Netsolar's employees or agents; (iii) lying to Netsolar; (iv) providing credit information Netsolar can't verify; (v) interfering with Netsolar's operations; (vi) becoming insolvent or going bankrupt; (vii) defaulting on mortgage loan; (viii) failing to maintain electric utility service; (ix) using Solar-Electric system service in a way that adversely affects Netsolar's systems or other customers; (x) tampering with or allowing anyone to tamper with the Solar-Electric system; (xi) the need to remove a system for re-roofing or building repair; (xii) if utility or State tariffs or laws change such that the solar system has no economic benefit to the Customer; or (xiii) any action which jeopardizes Netsolar's ownership or ownership rights or ability to take possession of the Solar-Electric system.

Netsolar may also cancel this Agreement if Customer elects not to accept any changed terms described to Customer, as provided in Section 16.3. And Netsolar can limit Customer's services and guarantees under this agreement for any operational or governmental reason.

9.2. Cancellation

9.2.1. General Provisions

Once Customer approves the System Design and installation plan, Netsolar may charge a termination fee, as described in section 7.5.3, if Customer terminates the Agreement before the end of the Term without mitigating circumstances as explained in 2.1, 2.6, 7.7, or 16.3.

Customer may cancel this Agreement by notifying Netsolar under the notification provisions specified in Section 9.2.3 and Section 13. Customer may be charged fees as described in Section 7.5, 7.5.1, 7.5.2, and 7.5.3. Customer's notice is effective on the day Netsolar receives it at the address given in Section 13. Customer will still be responsible for payment of all outstanding balances accrued through that effective date. If the laws of the

state or the metering policies of the utility are changed or removed without compensating policy or customer benefit, Customer has the right to cancel the Agreement and receive a refund of the pro rata balance of its last month lease payment, minus any fees explained in 7.3 and 7.5. If Customer's actions have precipitated utility cancellation, Netsolar reserves the right to consider the termination a Customer default under Section 9.0.

9.2.2. Right to Cancel Provided By Law

In case of Customer cancellation, Customer must make available to Netsolar, at Customer residence, in substantially as good condition as when received, any goods delivered by Netsolar under this Agreement. If applicable, Customer may comply with Netsolar's instructions regarding the return of the goods. If Customer fails to make the goods available to the Netsolar, or agrees to return the goods to the Netsolar and fails to do so, then Customer remains liable for performance of all obligations under the Agreement.

To cancel this Agreement, mail or deliver a signed and dated copy of this cancellation notice or any other written notice to the address given in Section 13.

10. Assignment and Transfer

Netsolar may assign all or part of this Agreement or Customer's debts without notice, and Customer agrees to make all subsequent payments as instructed. This Agreement and the rights and obligations created hereunder shall not be reassigned by the Customer without the prior written consent of Netsolar. Netsolar considers Customer to be responsible for the Solar-Electric system. Customer is liable for keeping people and property clear of the components of the Solar-Electric system as they are electrical in nature and may cause severe bodily harm to individuals and or electrical damage to property.

The Solar-Electric system remains the responsibility and liability of the Customer until the Solar-Electric system is recovered by the Netsolar or an assignment has been approved by the Netsolar and transfer has been made to another Customer. Upon approval by Netsolar in its sole discretion, a Customer may transfer the Solar-Electric system to another Customer under the same Terms and Conditions of this Agreement so long as (i) the Solar-Electric system continues to remain at the Address identified in the Agreement, and (ii) the assuming Customer agrees to all of the terms and conditions of the Agreement.

11. Consent Regarding Credit

In order to establish an account with Netsolar, Netsolar might require Customer's creditworthiness verification, by checking with credit reporting agencies. If Customer is delinquent in any payment to Netsolar, Customer also authorizes Netsolar to report any late payment or nonpayment to credit reporting agencies. Due to the subjective nature of creditworthiness, Netsolar reserves the right to require prepayment for any Lease Agreement via cashier's check, money order or credit card, notwithstanding Customer's credit rating, past history or practice.

12. Dispute Resolution and Arbitration

In order to expedite and control the cost of disputes, Customer and Netsolar agree that any legal or equitable claim relating to this Agreement, any addendum, or Customer Lease Agreement (referred to as a "Claim") will be resolved as follows:

12.1. Informal Resolution

Customer and Netsolar will first try to resolve any Claim informally. Accordingly, neither Customer nor Netsolar may start a formal proceeding



for at least 60 days after either Customer or Netsolar notifies the other of a Claim in writing. Customer will send notice to the address described in Section 13 of this Agreement, and Netsolar will send its notice to Customer's billing address.

12.2. Formal Resolution

If Customer and Netsolar cannot resolve a Claim informally, any Claim that either Customer or Netsolar asserts will be resolved only by binding arbitration. THERE'S NO JURY IN ARBITRATION, AND REVIEW IS LIMITED, BUT AN ARBITRATOR CAN AWARD THE SAME DAMAGES AND RELIEF, AND MUST HONOR THE SAME LIMITATIONS IN THIS AGREEMENT, AS A COURT WOULD. IF AN APPLICABLE STATUTE PROVIDES FOR AN AWARD OF ATTORNEY'S FEES, AN ARBITRATOR CAN AWARD THEM, TOO. Customer and Netsolar also each agree, to the fullest extent permitted by law, that:

(i) The Federal Arbitration Act applies to this Agreement. Except for qualifying small claims court cases, any controversy or Claim arising out of or relating to this Agreement, or any prior Lease Agreement with Netsolar or any of Netsolar's affiliates or predecessors in interest, or any product or service provided under or in connection with this Agreement or such a prior Agreement, or any advertising for such products or services, will be settled by one or more neutral arbitrators before the American Arbitration Association ("AAA") or Better Business Bureau ("BBB"). Customer can also bring any issues the Customer may have to the attention of federal, state, or local government agencies and they can, if the law allows, seek relief against Netsolar on Customer's behalf.

(ii) For claims over \$10,000, the AAA's Supplementary Procedures for Consumer-Related Disputes Rules will apply. For claims of \$10,000 or less, the complaining party can choose either the AAA's Supplementary Procedures for Consumer-Related Disputes Rules, an individual action in small claims court, or the BBB's rules for binding arbitration. Both Customer and Netsolar may be required to exchange relevant evidence in advance.

(iii) Customer can obtain procedures, rules, and fee information from the AAA (www.adr.org), the BBB (www.bbb.org), or from Netsolar.

12.3. Special Rules.

In the arbitration proceeding, the arbitrator has no authority to make errors of law, and any award may be challenged if the arbitrator does so. Otherwise, the arbitrator's decision is final and binding on all parties and may be enforced in any federal or state court that has jurisdiction. Neither Customer nor Netsolar shall be entitled to join or consolidate claims in arbitration by or against other individuals or entities, or arbitrate any claim as a representative member of a class or in a private attorney general capacity.

If, however, the law of Customer's state would find this agreement to dispense with class arbitration procedures unenforceable, then the agreement to arbitrate will not apply. If for any reason a claim proceeds in court rather than through arbitration, Customer and Netsolar each waive any trial by jury.

13. Notices

Notices to Customer will be deemed given when personally delivered, addressed to Customer at Customer's last known address and deposited in the U.S. Mail (which may include inclusion in Customer's billing statement), or sent via Internet to the e-mail address Customer provided Netsolar or delivered when a voice message is left at the telephone number on Customer's account. Customer's notices to Netsolar will be deemed given when Netsolar receives them at the following mailing address:

Netsolar, LLC
PO Box 48
Temple, NH 03084

Customer agrees to provide true, accurate, current and complete contact information (Customer's name, mailing address, residence address, email address, and telephone number), and maintain and promptly update Customer's contact information to keep it true, accurate and complete.

14. Privacy

Netsolar collects Personally Identifiable and Billing Information about its Customers ("Personal Data"). The use and disclosure of this Personal Data is governed by Netsolar's Privacy Policy and, to the extent not inconsistent with the Privacy Policy, by this Agreement. Except as provided in this Agreement, Netsolar will not intentionally share personal information about Customer without Customer's permission. Netsolar may use and share information about Customer: (i) so Netsolar can provide goods or services; (b) so others can provide goods or services to Netsolar, or to Customer on Netsolar's behalf; (c) so Netsolar or Netsolar's affiliates can communicate with Customer about goods or services related to the ones Customer already receives (although Customer can request that Netsolar discontinue communicating goods and services at any time if Customer does not want Netsolar to do this); (d) to protect ourselves; or (e) as required by law, legal process, or exigent circumstances.

In addition, Customer has authorized Netsolar to investigate Customer's credit history at any time and to share credit information about Customer with credit reporting agencies. If Customer asks, Netsolar will tell Customer the name and address of any credit agency that gives Netsolar a credit report about Customer. For training or quality assurance, Netsolar may also monitor or record its calls with Customer.

15. Online Access

Netsolar does not provide online access at this time.

16. General

16.1. Headings

The headings and titles to the section and paragraphs of this Agreement are inserted for convenience only and will not be deemed a part hereof or affecting the construction or interpretation of any provisions hereof.

16.2. Controlling Law

All questions concerning the validity, operation, interpretation and construction of this Agreement will be governed by and determined in accordance with the laws of the State of Louisiana.

16.3. Changes in Agreement Terms

Netsolar reserves the right to change the Terms and Conditions on which it leases. If Netsolar makes any such changes, Netsolar will post a copy of the new Lease Agreement on its web site <http://Netsolar.us> Customer has the right to cancel the Lease Agreement, in whole or in part, and Customer may do so, if Customer does not accept any such changed terms or conditions. If Customer notifies Netsolar that Customer does not accept changed Terms and Conditions, then Netsolar may cancel Customer's Lease Agreement as provided in Section 9.1., as Netsolar cannot apply different agreement terms for different customers.

Customer's Lease Agreement is also subject to Netsolar's business policies, practices, and procedures, which Netsolar can change without



notice. If Customer chooses to continue with the Lease Agreement at that point, Customer is accepting the changes.

16.4. Severability

In the event that any one or more provisions contained in this Agreement should, for any reason, be held to be unenforceable in any respect under the laws of the state of Louisiana, or the United States, unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such unenforceable provision had not been contained herein.

16.5. Previous Agreements

This Agreement supersedes all prior and contemporaneous agreements and representations made with respect to the same subject matter, and is the entire Agreement between the parties.

16.6. Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original copy hereof.

16.7. Further Assurances

The parties agree to perform all acts and execute all supplementary instruments or documents which may be necessary or desirable to carry out the provisions of this Agreement.

[End of Agreement]