POWER PURCHASE AGREEMENT

THIS **POWER PURCHASE AGREEMENT** (the "Agreement"), dated as of _________ __, 2010, by and among [Company], with offices at [Company Address] ("Company"), the Union County Improvement Authority, with offices at 10 Cherry Street, Elizabeth, New Jersey 07202 ("Authority"), and each of the local government units in the County of Union, New Jersey ("County") that has agreed to be a party as evidenced by its execution of Schedule A hereto (including the County, collectively referred to as "Local Units" and individually as a "Local Unit").

WITNESSETH

WHEREAS, the Authority developed a program (the "Renewable Energy Program") for the procurement, financing, design, permitting, acquisition, construction, installation, operation and maintenance of renewable energy projects, including solar panels, and any related electrical modifications or other work required in connection therewith for and on behalf of the Local Units at the Local Unit's facilities ("Renewable Energy Projects");

WHEREAS, it may be necessary in connection with the Renewable Energy Projects to make certain capital improvements to the Local Unit Facilities, including without limitation, improvements to or replacement of roofing systems ("Capital Improvement Projects");

WHEREAS, in furtherance of the Renewable Energy Program, on August 31, 2010 the Authority issued a request for solar developer proposals (the "RFP") in accordance with and pursuant to a competitive contracting process under: (i) in the case of municipalities and the County, N.J.S.A. 40A:11-4.1(k) (Local Public Contracts Law), and in the case of boards of education, N.J.S.A. 18A:18A-4.1(k) (Public Schools Contracts Law); (ii) New Jersey Department of Community Affairs, Division of Local Government Services ("DLGS"), Local Finance Notice 2008-20, dated December 3, 2008, entitled "Contracting for Renewable Energy Services, P.L. 2008, c. 83"; (iii) the protocol for measuring energy savings in PPA agreements, entitled "Public Entity Energy Efficiency and Renewable Energy Cost Savings Guidelines", dated February 20, 2009, as approved by an Order of the State of New Jersey, Board of Public Utilities ("BPU"), dated February 27, 2009, in "In the Matter of a Comprehensive Energy Efficiency and Renewable Energy Resource Analysis for the 2009-2012: Guidelines for Calculating Energy Savings", Docket No. EO09020128; and (iv) DLGS Local Finance Notice 2009-10, dated June 12, 2009, entitled "Contracting for Renewable Energy Services: Update on Power Purchase Agreements" ((i) through (iv), as amended and supplemented, are collectively the "State Procurement Laws");

WHEREAS, the Company is engaged in the business of financing, designing, permitting, acquiring, constructing, installing, operating and maintaining Renewable Energy Projects and submitted a proposal (the "Company Proposal") in response to the RFP;

WHEREAS, the Authority accepted the Company Proposal, and pursuant to Authority resolution adopted [November 10,] 2010, entitled "RESOLUTION DETERMINING THE COMPANY TO THE SOLAR DEVELOPER REQUEST FOR PROPOSALS AND CERTAIN OTHER MATTERS IN CONNECTION WITH THE AUTHORITY'S RENEWABLE ENERGY PROGRAM", the Authority procured the services of the Company to, at the Company's cost and expense, design, permit, acquire, construct, install, operate and maintain the Renewable Energy Projects and, if required, Capital Improvement Projects, at the designated Local Unit facilities; and

WHEREAS, the Authority, each Local Unit and the Company are entering into (i) Site License Agreements, dated the date hereof (the "License Agreement") that, among other things, provide the Company a right and license to access each Local Unit's facilities to develop Renewable Energy Projects thereon, as more fully described therein, and (ii) this Power Purchase Agreement pursuant to which the Company will design, permit, acquire, construct, install, operate and maintain the Renewable Energy Projects (and if required, Capital Improvement Projects), and to provide for the sale and purchase of energy generated therefrom;

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

Article 1
Definitions

1.1. Definitions. As used in this Agreement, the following terms shall have the meanings set out or referred to herein and below, unless the context requires otherwise:

"Agreement" means this Agreement, including all Schedules and Exhibits, and to the extent not inconsistent herewith, the RFP and the Company Proposal, as any of them may be amended or supplemented from time to time.

"Amended Agreement" shall have the meaning set forth in Section 2.5(c).

"Applicable Law" means all applicable provisions of any constitution, statute, law, ordinance, code, rule, regulation, decision, order, decree, judgment, release, license, permit, stipulation or other official pronouncement enacted, promulgated or issued by any Governmental Authority.

"Business Day" means any day that banks are open for business in the County.

"CIP Acceptance Certificate" shall have the meaning in Section 3.3(c).

"Commencement Date" shall have the meaning set forth in Section 2.1(a).

"Commercial Operation Date" shall have the meaning set forth in Section 3.3(c).

"Commercially Reasonable Efforts" means the efforts that a prudent person desiring to achieve a result would use in similar circumstances to achieve that result as expeditiously as practicable; provided, however, that a person required to use Commercially Reasonable Efforts will not be required to undertake extraordinary or unreasonable measures.

"Company" means the [Company].

"Company Default" shall have the meaning set forth in Section 10.1.

"Company Indemnified Party" shall have the meaning set forth in Section 14.2.

"Completion Notice" has the meaning set forth in Section 3.3(b).

"Completion Date" shall mean December 9, 2011.

"Contract Price" has the meaning set forth in Section 6.1.

"Contract Year" means each twelve-month period during the PPA Delivery Term which shall begin on the Commercial Operation Date and on each annual anniversary thereof. In the event that the Termination Date does not fall on the last day of any such twelve-month period, the final Contract Year shall be a period of less that twelve months beginning on the last annual anniversary of the Commercial Operation Date that occurs within the PPA Delivery Term and ending on the Termination Date.

"Delivery Points" shall have the meaning set forth in Section 5.2.

"Dispute" shall have the meaning set forth in Section 15.8(a).

"Early Termination Date" shall have the meaning set forth in Section 2.5(b).

"Early Termination Purchase Price" means the fee payable by a Local Unit to the Company under the circumstances described in Section 2.5(b) in the amount set forth in Exhibit B.

"Energy Payment" has the meaning set forth in Section 6.2.

"Effective Date" means the date first set forth above.

"Environmental Attributes" means any and all fuel, emissions, air quality (including carbon, SOx and NOx) and other environmental characteristics, credits, benefits, reductions, offsets, allowances, certificates, renewable energy credits or certificates, green tags and attributes resulting from the generation of each Renewable Energy Project or the avoidance of the emission of any gas, chemical or other substance to the air, soil or water attributable to such generation or arising out of any Applicable Law (whether now existing or enacted in the future and including

any benefit under the Federal Clean Air Act of 1991), including any such Applicable Law relating to oxides of nitrogen, sulfur or carbon, with particulate matter, and soot or mercury, in each case that are attributable to the Solar Energy produced by the Renewable Energy Project during the Term.

"Environmental Laws" means all Applicable Laws relating to pollution, protection, preservation or restoration of human health, the environment or natural resources, including laws relating to releases or threatened releases of hazardous substances or hazardous waste, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of hazardous substances or hazardous waste, including, but not limited to, the Clean Water Act, the Clean Air Act, the Resource Conservation and Recovery Act, and the Comprehensive Environmental Response Compensation and Liability Act, in each case as amended, and their state and local counterparts and all regulations thereunder.

"Expected Output" shall have the meaning set forth in Section 5.3(a).

"Extended Term" shall have the meaning set forth in Section 2.1(b).

"Force Majeure Event" shall have the meaning set forth in Section 12.1.

"Governmental Authority" means any federal, state or local legislative, executive, judicial, quasi-judicial or other public authority, agency, department, bureau, division, unit, court, tribunal, or other public body, person or entity having jurisdiction over a Party, the Renewable Energy Project or this Agreement.

"Installation Work" means the acquisition, construction and installation of the System and the start-up, testing and acceptance (but not the operation and maintenance) thereof, all performed by or for Company at the Local Unit Facilities, as described in Section 3.1.

"Initial Term" shall have the meaning set forth in Section 2.1(a).

"Initiating Party" shall have the meaning set forth in Section 15.8(a).

"License Agreement" shall have the meaning set forth in the Recitals.

"Licensed Area" shall have the meaning set forth in Section 3.1(a).

"Liens" shall have the meaning set forth in Section 7.1(d).

"Local Unit Default" shall have the meaning set forth in Section 10.1.

"Local Unit Facilities" means the facilities of each Local Unit upon or at which a Renewable Energy Project is installed. Subject to any substitution following the execution of this Agreement, the Local Unit Facilities shall be set forth in Exhibit A hereto.

"Local Unit Indemnified Party" shall have the meaning set forth in Section 14.1.

"Lost Savings" shall have the meaning set forth in Section 5.3(c).

"Maintenance Outage" shall have the meaning set forth in Section 4.5.

"Meters" shall have the meaning set forth in Section 4.6.

"Minimum Guaranteed Output" shall have the meaning set forth in Section 5.3(b).

"Operating Representative" shall have the meaning set forth in Section 4.10.

"Party" means each party hereto, including the Company, the Authority and each Local Unit.

"Permit" means any license, approval, order, permit or similar document or action issued or taken by any Governmental Authority.

"Person" means any individual, corporation, partnership, company, joint venture, association, trust, unincorporated organization or Governmental Authority.

"Planned Outage" means the planned removal of a Renewable Energy Project from service that is scheduled in accordance with Section 4.4.

"PPA Delivery Term" shall have the meaning set forth in Section 2.1(a).

"PPA Price" shall have the meaning set forth in Exhibit B.

"Products" means the Solar Energy produced by each Renewable Energy Project during the PPA Delivery Term.

"Prudent Industry Practice" means any of the practices, methods, standards and acts (including practices, methods, standards and acts engaged in or adopted by a significant portion of the electric power generation industry in the United States during the applicable period) which, in the exercise of reasonable judgment in light of the facts known at the time, could be expected to accomplish the desired result consistent with reliability, economy, safety, and expedition. Prudent Industry Practice is not intended to be limited to any particular set of optimum practices, methods, standards or acts to the exclusion of all others, but rather is intended to include practices, methods, or acts generally accepted in the United States, having due regard for, among other things, manufacturers' recommendations and warranties, contractual obligations, Applicable Law and requirements or guidance of Governmental Authorities and the North American Electric Reliability Council.

"Purchase Price" shall have the meaning set forth in Section 2.4(c).

“Rejection Notice” has the meaning set forth in Section 3.3(b).

“Removal” has the meaning set forth in Section 2.4.

“Renewable Energy Credit” means all renewable energy credits, offsets, or other benefits allocated, assigned or otherwise awarded or certified to Company, or a Renewable Energy Project by any Governmental Authority, program administrator or other certification board or other Person generally recognized in the generation industry in connection with the Renewable Energy Project that are, in each case, attributable to the Solar Energy produced by each Renewable Energy Project during the Term. Renewable Energy Credit as used herein shall specifically include Solar Renewable Energy Certificates as defined or created by the State of New Jersey and/or a Governmental Authority of the State of New Jersey.

“Renewable Energy Project” means the solar electric generating facilities that will be located at or on a Local Unit Facility.

“REP Acceptance Certificate” shall have the meaning in Section 3.3(c).

“Restoration” has the meaning set forth in Section 2.4.

“Restoration Security” shall have the meaning set forth in Section 2.4(a).

“Solar Energy” means electric energy produced by each System measured in kilowatt-hours (KWh).

“Solar Energy Payment” has the meaning set forth in Section 6.1.

“Specified Rate” means for each calendar month, the lower of (1) the highest “prime rate” as published in The Wall Street Journal under the heading “Money Rates” on the first day of such month that such rates are published, plus 1% per annum and (2) the maximum rate allowed by Applicable Law.

“Substituted Facilities” shall have the meaning set forth in Section 2.5(a).

“System” means the equipment comprising the Renewable Energy Project at a Local Unit Facility, which shall include the integrated assembly of photovoltaic panels, mounting assemblies, inverters, converters, metering, wiring devices and wiring as may be more specifically described in Exhibit A.

“System Acceptance Testing” has the meaning set forth in Section 3.3(a).

“System Operations” means the operation, maintenance and repair of the System by or for the Company during the Term, as more particularly defined in Section 4.1.

“System Requirements” has the meaning set forth in Section 3.3(b).

"Tax" or "Taxes" means all taxes, assessments, charges, duties, fees, levies or other governmental charges, including all federal, state, local, foreign or other income, profits, unitary, business, franchise, capital stock, real property, personal property, intangible, withholding, FICA, unemployment compensation, disability, transfer, sales (including pursuant to N.J.S.A. 54:32B-1 *et seq.*, and particularly N.J.S.A. 54:32B-9(c)(3)), use, excise and other taxes, assessments, charges, duties, fees, or levies of any kind whatsoever (whether or not requiring the filing of returns) and all deficiency assessments, additions to tax, penalties and interest.

"Temporary Shutdown" has the meaning in Section 4.5(b).

"Termination Date" has the meaning set forth in Section 2.1(a).

"Test Energy" has the meaning set forth in Section 3.3(a).

1.2. Interpretation. The headings utilized in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to "Articles," "Sections," or "Exhibits" refer to the corresponding Articles, Sections, or Exhibits of or to this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, the word "including" does not limit the preceding words or terms. Unless otherwise stated, any reference in this Agreement to any Person shall include its permitted successors and assigns and, in the case of any Governmental Authority, any successor to its functions and capacities.

Article 2
Term and Conditions Precedent

2.1. Term.

(a) Initial Term. This Agreement shall be effective upon the date of its execution and delivery by the Parties. As to each Local Unit Facility, this Agreement shall remain in effect with respect to the Company, the Authority and the Local Unit until the fifteenth (15th) anniversary of the Commercial Operation Date of the first System to be placed in commercial operation at such Local Unit's Local Unit Facilities (which shall be the "Commencement Date" as to such Local Unit), subject to earlier termination pursuant to Sections 2.2, 2.5, 10.2, 10.4 and 12.3 (such period to be referred to as the "Initial Term" and such date of termination to be referred to as the "Termination Date"). The period from the Commencement Date until the Termination Date for each Local Unit is referred to as the "PPA Delivery Term."

(b) Local Unit Request to Extend Agreement. Each Local Unit may, no later than June 30, 2025, notify the Company and the Authority in writing that it wishes to extend this Agreement and the License Agreement. Within forty-five (45) days of receipt of such notice, the Company shall provide to the Authority and Local Unit, in writing, the terms and conditions, if any are different, upon which it is prepared to extend this Agreement, and shall state the proposed termination date of the extended term (the "Extended Term"). Within sixty (60) days

of receipt of said notice, the Authority and each Local Unit shall notify the Company, in writing, whether or not it is willing to extend this Agreement, as proposed by the Company, for the Extended Term. If the Authority and any Local Units agree to extend this Agreement upon mutually agreeable terms, this Agreement shall remain in full force and effect, subject to amendments agreed to by the Parties, for the Extended Term. The Parties understand and agree that any extension of this Agreement shall in all events be subject to first complying with Applicable Laws (including State Procurement Laws).

2.2. Conditions Precedent.

(a) Company's Condition Precedent. Company may terminate this Agreement with respect to a Local Unit Facility, effective upon written notice to the Authority and the affected Local Unit, and no Party will have any further obligation to any other Parties with respect to such Local Unit Facility, except as provided in Section 2.4, if: (i) a Local Unit has not executed and delivered a License Agreement granting the Company access to such Local Unit Facility; (ii) all Permits necessary for the ownership, development, and construction of the Renewable Energy Projects at the Local Unit Facility, either have not been issued or contain terms and conditions that are unacceptable to Company in its reasonable discretion; or (iii) the Company selects the Authority Financing Structure described in the RFP and the Authority fails to provide such financing.

(b) Authority's and Local Unit's Conditions Precedent.

(i) The Authority may terminate this Agreement, in its entirety or with respect to specified Renewable Energy Projects, effective upon written notice to the Company and each Local Unit, and no Party will have any further obligation to the other Parties, except as provided in Section 2.4, if: (A) the Company has not, by __________ __, 2011, received all Permits necessary for the ownership, development, construction, operation and maintenance of all of the Renewable Energy Projects; or (B) if the Commercial Operation Date for all of the Renewable Energy Projects has not occurred by the Completion Date.

(ii) A Local Unit, but only with respect to such Local Unit's Local Unit Facilities, may terminate this Agreement effective upon written notice to the Company and the Authority, and no Party will have any further obligation to the other Parties, except as provided in Section 2.4, if: (A) the Company has not, by __________ __, 2011, received all Permits necessary for the ownership, development, construction, operation and maintenance of the Renewable Energy Projects at such Local Unit's Local Unit Facilities; or (B) if the Commercial Operation Date for all of such Local Unit's Local Unit Facilities has not occurred by the Completion Date.

(c) Waiver of Conditions Precedent. In the event any of the foregoing conditions to the obligations of a Party shall fail to be satisfied, such Party may, in its sole discretion, elect by written notice to the other Party to perform its obligations under this Agreement despite such failure, in which event such Party will be deemed to have waived such condition and any claim

for damages, losses or other relief arising from or in connection with such failure, unless otherwise agreed in writing executed by the Parties.

2.3. Effect of Termination. Except to the extent expressly provided in this Agreement, the expiration or termination of this Agreement shall not relieve any Party of any liability accrued or arising from conduct or activities prior to the effective date of the expiration or termination, and such expiration or termination shall not affect the continued operation or enforcement of any provision of this Agreement which by its express terms or by reasonable implication is to survive any expiration or termination.

2.4. Disposition of the System Upon Termination.

(a) Removal of the System at Termination. Upon the expiration or earlier termination of this Agreement with respect to a Local Unit Facility, the Company shall, at the Company's expense, (i) remove all of its tangible property comprising the System from such Local Unit property ("Removal"), and (ii) restore the Local Unit Facilities and all affected electrical lines and meters to their pre-installation condition, normal wear and tear excepted, and shall leave the Local Unit Facilities in neat and clean order ("Restoration"). The Removal and Restoration shall occur on mutually convenient dates, which shall be not later than sixty (60) days after the Termination Date with respect to such Local Unit Facility. If the Company fails to effect the Removal or commence substantial efforts to effect Removal by such agreed upon date, the Local Unit shall have the right, at its option and at the Company's cost and expense, to perform Removal and Restoration. The Local Unit may transfer the subject System to a public warehouse or other storage facility at the Company's cost. The Company shall post with the Authority, to be held in a segregated account as security to cover the costs and expenses of Removal and Restoration, the "Restoration Security" set forth on Exhibit B.

(b) Abandonment of the System at Expiration. The Company may request permission from the Local Unit to abandon the System(s), in place, at the Local Unit Facilities upon the expiration or earlier termination of this Agreement with respect to such Local Unit Facilities. The Local Unit shall be entitled to withhold or grant such permission, which may be subject to conditions imposed by the Local Unit, in its sole discretion. Conditions imposed may include that the Company assign to the Local Unit any then existing warranties with respect to the System, and deliver possession and title to the System(s) to the Local Unit free and clear of liens and encumbrances. In the event that permission is granted, in writing, by the Local Unit, and the Company complies with all conditions imposed by the Local Unit, the Company may abandon such System(s) in place. Upon the Local Unit's acceptance of possession and title in connection therewith, the Company shall have no remaining obligations with respect to such System(s) (other than obligations incurred through such date), it shall have no obligation to remove such System(s) from the Local Unit Facilities (as required by Section 2.4(a)) and it shall provide no personal warranties with respect to the condition or operation of such System(s).

(c) Local Unit Purchase Option. The Company grants to each Local Unit the option to purchase all of the Company's right, title and interests (which shall include any purchase option the Company may have) in and to the Systems at such Local Unit's Local Unit

Facilities upon the expiration of the Initial Term, or any Extended Term, as the case may be. The purchase price shall be the fair market value of such System at such time (the "Purchase Price"), as set forth in Exhibit B. No later than ninety (90) days prior to a scheduled Termination Date, the Local Unit shall notify the Company, in writing, of its intent to exercise its purchase option. If the Purchase Price is not specified on Exhibit B, within ten (10) days of the Company's receipt of the Local Unit's notice, the Company shall advise the Local Unit in writing of the amount of the Purchase Price and shall specify the basis on which the Purchase Price has been computed by the Company. The Local Unit shall then have a period of thirty (30) days after notification to it of the Purchase Price to exercise the purchase option. In the event the Local Unit confirms its exercise of the purchase option, on or before the scheduled Termination Date; (i) the Local Unit shall pay to the Company the Purchase Price, and (ii) the parties will promptly execute all documents necessary to (A) cause all of the Company's right, title and interests in and to the subject Systems to pass to the Local Unit, free and clear of any liens and encumbrances and (B) assign all warranties for the subject Systems to the Local Unit. Each Party shall deliver and execute such additional documents as the other Party shall reasonably request in connection therewith. Upon transfer of all of the Company's right, title and interests to such Systems to the Local Unit, the Company shall have no obligation to Remove such Systems from the Local Unit Facilities (pursuant to Section 2.4(a) or otherwise) and it shall provide no personal warranties with respect to the condition or operation of such Systems.

2.5. Early Termination; Substitution.

(a) Prior to Commercial Operation Date. A Local Unit may terminate this Agreement, with respect to any or all Local Unit Facilities, prior to the Commercial Operation Date of such Local Unit Facilities for any reason, provided the Local Unit is not otherwise in default under this Agreement. In such event, the Local Unit shall be responsible for paying all of the Company's direct costs and expenses with respect to such Local Unit Facility incurred subsequent to execution of this Agreement and prior to such termination.

(b) After Commercial Operation Date. Each Local Unit shall have the option to terminate this Agreement, with respect to any or all Local Unit Facilities, at any time after the Commercial Operation Date for any reason upon thirty (30) days' written notice to the Authority and the Company (the "Early Termination Date"). Upon such termination, the Local Unit shall pay, as liquidated and ascertained damages and not as a penalty the "Early Termination Purchase Price" set forth on Exhibit B. Such payment is to compensate the Company for losses of any nature and kind sustained or to be sustained by reason of the early termination of this Agreement insofar as it relates to the subject Local Unit Facility and is agreed to in advance as to the measure of damages which may occur as a result of such termination. Upon the Local Unit's payment to the Company of the Early Termination Purchase Price pursuant to this Section 2.5(b), all of the Company's right, title and interests in and to, and warranties for, the subject Systems shall pass to the Local Unit, free and clear of any liens and encumbrances, and this Agreement shall terminate automatically insofar as it applies to the subject Local Unit Facilities. Upon the Local Unit's payment to the Company of the Early Termination Purchase Price pursuant to this Section 2.5 with respect to all of such Local Unit's Local Unit Facilities, this Agreement shall terminate automatically insofar as it applies to the subject Local Unit.

(c) Substitution. At any time during the Initial Term, provided the Local Unit is not otherwise in default under this Agreement, the Local Unit shall have the right to designate one or more alternate facilities (the "Substituted Facilities") upon which to install the System, which shall be subject to the approval of the Company, which shall not be unreasonably withheld, delayed or conditioned. The Local Unit shall request the Company to provide a detailed estimate of any additional costs necessary to locate, or relocate, the System to such Substituted Facilities, which costs shall be the responsibility of the Local Unit. Such Substitute Facilities shall, to the extent practicable, be of a similar (or more advantageous to the Parties) size, scope and economic impact as the System being replaced. The Local Unit shall provide at least thirty (30) days written notice prior to the date on which it desires to effect such substitution. In connection with such substitution, the Local Unit, the Authority and the Company shall, if necessary, prepare and execute such amendments to this Agreement, and any other agreements, that may be required in connection therewith (the "Amended Agreement"), which shall continue for the remainder of the term of the original Agreement, and the Amended Agreement shall be deemed to be a continuation of the original Agreement without termination.

2.6. Right of Setoff. In the event that any sums are due and payable by the Authority or the Local Unit to the Company, pursuant to a purchase option, early termination or otherwise, the Local Unit and the Authority shall each have a right of setoff pursuant to which such amounts shall first be applied to satisfy any obligations of the Company to the Authority or Local Unit hereunder or under any other agreements between the Company and the Authority or the Local Unit. Any amounts in excess thereof shall be paid to the Company as provided herein.

Article 3
Construction; Installation; Testing

3.1. Installation Work.

(a) Pursuant to the License Agreement, each Local Unit shall grant to the Company the right to use portions of the Local Unit Facilities to install, maintain and operate the Systems (the "Licensed Areas"). The Company shall cause each Renewable Energy Project and, if applicable, Capital Improvement Project, to be designed, engineered, installed and constructed on each Local Unit Facility substantially in accordance with the terms of the License Agreement and this Agreement. Should anything prohibit or materially constrain the Company's ability to install the Renewable Energy Project or Capital Improvement Project at a Local Unit Facility, then the Company and the Local Unit shall attempt to identify a mutually satisfactory substitute system that can be installed (if any) on the Local Unit Facility. The Authority and the Local Unit shall each have the right to review and approve all construction plans including engineering evaluations of the impact of the System. The Company shall organize the procurement of all materials and equipment for the Installation Work and maintain the same at the applicable Local Unit Facility.

(b) Compliance with Applicable Laws. The Company shall comply with all Applicable Laws in connection with the installation, operation and maintenance of each

Renewable Energy Project and Capital Improvement Project, including without limitation, State Procurement Laws, "Buy American" statutes and regulations, including N.J.S.A. 40A:11-18, laws against discrimination, including N.J.S.A. 10:5-31 *et seq.*, the Americans with Disabilities Act, the Company shall provide a Project Labor Agreement, and business reporting and registration requirements, including those set forth in the RFP.

(c) Total Project Costs. The Company represents and warrants that the Total Project Costs, which shall include the Project Development Costs, the Renewable Energy Project Costs (including solar panels, electrical modifications, inverters, and other needed equipment or work) and any Capital Improvement Project Costs (including roofing work), for all of the Local Units shall be the amounts set forth on Exhibit B hereto.

(d) Construction Performance Bond.

(i) Before starting work on each System installation or any Capital Improvement Project, the Company must file with Local Unit and the Authority, and maintain in full force and effect, a Construction Performance Bond, as described below. The Company must also include in every subcontract a provision requiring the subcontractor to have a construction performance bond filed with the Local Unit before starting work, and shall verify that the subcontractor has filed a bond before permitting the subcontractor to start work.

(ii) The "Construction Performance Bond" must contain, at a minimum, the following elements. The Construction Performance Bond must be in the amount of 100% of the costs for design, permitting and construction of the Renewable Energy Projects and Capital Improvement Projects. Such Construction Performance Bond shall be in effect and maintained until construction is completed and the Commercial Operation Date of each System occurs. The Construction Performance Bond, shall be in substantially the form set forth in RFP Proposal Form A-2 and shall be obtained from a surety(s) that is (are) authorized to do business in the State of New Jersey, that satisfies the requirements set forth in N.J.S.A. 2A:44-143(1)(b), has an A.M. Best's rating of at least "A" or the equivalent thereof, and that is listed in the United States Treasury Department Circular 570. Such Construction Performance Bond shall not contain any conditions to the obligations of the surety company(ies) issuing such Construction Performance Bond, other than as expressly provided in RFP Proposal Form A-2. Alternatively, the Construction Performance Bond can be provided by the Company's contractor in the form of a Dual Obligee Bond (where both the Authority and Company are Obligees). However, if the Construction Performance Bond is provided in this manner the Company shall pledge its rights under said Dual Obligee Bond directly to the Authority or Local Unit, as the Authority may direct.

3.2. Permits. The Local Unit and Authority each agree to assist Company in obtaining any and all necessary approvals and Permits for the Installation Work.

3.3. System Acceptance Testing.

(a) The Company shall conduct testing of the System ("System Acceptance Testing") at each Local Unit Facility. The Company will coordinate with the Local Unit and the Authority the production and delivery of Solar Energy during such testing (such Solar Energy to be referred to as "Test Energy"). Each of the affected Local Unit and Authority will cooperate with the Company to facilitate the Company's testing of the System at each Local Unit Facility. The Company will use Commercially Reasonable Efforts to schedule testing at times acceptable to the affected Local Unit and the Authority. The Local Unit shall not be required to pay for Test Energy.

(b) If the results of such System Acceptance Testing at a Local Unit Facility demonstrate that such System is capable of delivering the Solar Energy, in an amount equal to or greater than ninety percent (90%) of the output (calculated using the PV Watts methodology) as set forth in the final Plans and Specifications for the Renewable Energy Project, for four (4) continuous hours using such instruments and meters as have been installed for such purposes (the "System Requirements") and, if applicable, the System has been approved for interconnected operation by the local electric utility, then the Company shall send a written notice to that effect to Local Unit and the Authority (a "Completion Notice"), accompanied by a copy of the results of the System Acceptance Testing. The Local Unit and Authority shall have ten (10) Business Days after its receipt of the Completion Notice to review the System Acceptance Testing results. If the System Acceptance Testing indicates that the System fails to meet the System Requirements and the Local Unit provides the Company with a detailed notice of such failure within such ten (10) Business Day period (a "Rejection Notice"), then the Company shall promptly remedy at the Company's cost the relevant specified failure and conduct new System Acceptance Testing until the System Acceptance Testing indicates that the System meets the System Requirements. In each such case, the Company shall send a new Completion Notice to the Local Unit and Authority with a copy of the results of the new System Acceptance Testing as provided above.

(c) Absent a timely Rejection Notice from the Local Unit pursuant to Section 3.3(b), and provided that the Company has obtained, pursuant to final orders, all Permits required for the operation of such System and such Permits are effective and there are no suits, proceedings, judgments, rulings or orders by or before any Governmental Authority that could reasonably be expected to materially and adversely affect the ability of such System to operate, produce Solar Energy, and deliver the Products, the Local Unit shall deliver the "REP Acceptance Certificate" and, if applicable, "CIP Acceptance Certificate", in the forms attached hereto as Exhibit D (the date of such certificates being the "Commercial Operation Date"). The Company shall cause the Commercial Operation Date with respect to each System to occur no later than the Completion Date.

3.4 No Solar Access Easement. The Parties expressly understand and agree that neither the Authority nor any Local Unit shall be obligated to provide any solar access easements or to otherwise prevent other buildings, structures or flora from overshadowing or otherwise blocking access of the sunlight to the System at any Local Unit Facility. The Company accepts

any and all risks associated with any overshadowing of the System at each Local Unit Facility and consequent reduction in System electricity production.

Article 4
System Operations and Maintenance

4.1. Operation and Maintenance. The System will be operated and maintained, including capital repairs and replacements, by or for the Company at its sole cost and expense in a commercially reasonable manner, in accordance with Prudent Industry Practices, throughout the term of this Agreement. "System Operations" means all actions, including monitoring and maintaining the System and delivering Solar Energy, for the Company to fulfill its obligations hereunder.

4.2. Initial Operations. The Company shall use Commercially Reasonable Efforts in accordance with Prudent Industry Practice to cause the Commercial Operation Date of each System to occur on or before the Completion Date.

4.3. Permits and Compliance with Law.

(a) The Company shall obtain and maintain in full force and effect all applicable Permits that are necessary for the ownership, operation and maintenance of the Renewable Energy Project and the generation and delivery of Solar Energy, except to the extent that failure to do so would not materially adversely affect the operation of the Renewable Energy Project or generation and delivery of Solar Energy. The Authority and each Local Unit shall cooperate with the Company's efforts to obtain all such Permits for System Operations and the delivery of Solar Energy.

(b) The Company shall, at all times during the Term, comply with all Applicable Law related to the operation and maintenance of each Renewable Energy Project and the Company's performance of its obligations under this Agreement, including all applicable Environmental Laws in effect at any time during the Term.

4.4. Planned Outages. The Company shall, prior to the commencement of each Contract Year, prepare and deliver to the Local Unit and the Authority a schedule of Planned Outages for each System that conforms to Prudent Industry Practice. In the event that the Local Unit reasonably objects to Company's Planned Outage schedule with respect to a System, the Local Unit shall notify Company and the Authority as soon as practicable and the Parties shall use Commercially Reasonable Efforts to agree upon a revised Planned Outage schedule for such System.

4.5. Maintenance Outages; Temporary Shutdown.

(a) If the Company determines, in its sole discretion and consistent with Prudent Industry Practice, that a System must be removed temporarily from service for maintenance purposes (a "Maintenance Outage"), the Company will communicate to the Local Unit and the

Authority the commencement date and expected duration of any such Maintenance Outage as far in advance of the commencement of the Maintenance Outage as practicable. In the event the Local Unit reasonably objects to the schedule for the Company's Maintenance Outage, the Local Unit shall notify the Company and the Authority as soon as practicable and the Parties shall use Commercially Reasonable Efforts to agree upon a revised schedule for the Maintenance Outage.

(b) If the Local Unit determines, in its sole discretion, that a System must be removed temporarily from service, for reasons other than a "Force Majeure" or the action or inaction of the Company, for more than a total of ten (10) days in any Contract Year (a "Temporary Shutdown"), the Local Unit will communicate to the Company and the Authority the commencement date and expected duration of any such Temporary Shutdown as far in advance of the commencement of the Temporary Shutdown as practicable. In such event, the Local Unit shall pay to the Company an amount equal to the sum of the following: (i) the Company's reasonable direct out-of-pocket cost, plus ten percent (10%) overhead, to remove and re-install or shutdown and re-initiate the System; (ii) the cost of lost Solar Energy production during the period of Temporary Shutdown in excess of the ten (10) days in any Contract Year at the PPA Price then in effect; and (iii) an amount attributable to any lost solar renewable energy credits calculated at the Company's actual out-of-pocket loss. The Local Unit may, at its option, elect to pay the Company such amounts in a lump sum payment or in equal monthly payments, including interest at the Specified Rate on the unpaid balance, over not more than a twelve (12) month period.

4.6. Records; Metering; Audit Rights.

(a) Records. The Company shall maintain all records with respect to its activities hereunder, including, but not limited to, with respect to each System, records related to delivery of Solar Energy, metering, invoicing and payments to and by the Company. Such records shall contain all entries reflecting the business operations of the Company under this Agreement.

(b) Metering. The Company shall install and maintain a utility grade kilowatt-hour (kWh) meter ("Meter") at each Local Unit Facility for the measurement of Solar Energy generated by the System installed pursuant to this Agreement. The Meters shall have standard industry telemetry and other capabilities as needed to support the monitoring and other reporting requirements. The Company shall use the Meters to measure and shall report to the Local Unit and the Authority the actual kW and kWh output of each System. Each Meter must be capable of recording the System's total production of Solar Energy and must be equivalent to American National Standards Institute certified revenue meters with a 0.5 or better accuracy class, and, if digital, must have non-volatile data memory. Upon the Local Unit's written request, the Company shall furnish a copy of all technical specifications and accuracy calibrations for each Meter. The Authority and each Local Unit, at its expense, shall be entitled to metering data from the Meters at any time.

(c) Audit Rights; Adjustments. The Local Unit (but only with respect to the Systems at such Local Unit's Local Unit Facilities) and the Authority, or their authorized agent, shall have the right, at their expense, (i) once per calendar year upon reasonable notice, to audit

the Company's records, and (ii) at any time, to test the Meters and verify Meter readings and calibrations. If such audit or testing indicates that such equipment or records are in error by more than two percent (2%), then the Company shall reimburse the Local Unit or the Authority, as the case may be, for its reasonable out-of-pocket expenses in performing such audit and/or testing and promptly repair or replace any such equipment. The Company shall make a corresponding adjustment to the records of the amount of Solar Energy delivered based on such test results for (i) the actual period of time when such error caused inaccurate meter recordings, if that period can be determined to the mutual satisfaction of the Parties, or (ii) if such period cannot be so determined, then a period equal to one-half of the period from the later of the date of the last previous test confirming accurate metering or the date the Meter was placed into service, but not to exceed two (2) years. Any overcharge or undercharge revealed by such audit or testing shall be credited against future payments due from Local Unit pursuant to this Agreement (in the case of an overcharge) or paid by the Local Unit to the Company within ninety (90) days of the date of such determination (in the case of an undercharge).

4.7. Reports; Documentation. Each of the Parties will provide to the other Party all information that such other Party shall reasonably request in connection with the performance of this Agreement, including all relevant technical information required for the purchase and sale and delivery and acceptance of Products, including Solar Energy. Without limiting the foregoing, the Company shall provide to the Authority: (i) two copies of each operation, maintenance, and/or parts manual for each System, including updates; (ii) two copies of any manuals that describe scheduled maintenance requirements, troubleshooting, and safety precautions specific to the supplied equipment, operations in emergency conditions and any other pertinent information for Local Unit personnel; and (iii) two (2) sets of as-built drawings of each System. The Company shall provide to each Local Unit any training reasonably required for Local Unit staff with respect to the monitoring, operation and maintenance of the System.

4.8. Qualified Personnel. The Company will employ or contract with qualified personnel for the purpose of operating and maintaining the Systems.

4.9. Inspection. The Company shall have the right reasonably to inspect the Meters and the Local Unit and the Authority shall have the right reasonably to inspect the Systems, upon reasonable prior notice to other Party, during normal business hours and subject to the safety rules and regulations of the respective Party.

4.10. Operating Representatives. Each Party shall name a designated representative (the "Operating Representative"), who shall have authority to act for its principal in all technical, real-time or routine matters relating to operation of the Systems and performance of this Agreement and to attempt to resolve disputes or potential disputes; provided, however, that the Operating Representatives, in their capacity as representatives, shall not have the authority to amend or modify any provision of this Agreement.

4.11. Malfunctions and Emergencies.

(a) The Local Unit and the Company each shall notify the other, with a copy to the Authority, within twenty-four (24) hours following their discovery of any material malfunction in the operation of any System or of their discovery of an interruption in the supply of any Solar Energy. The Company, the Local Unit and the Authority shall establish procedures such that each Party may provide notice of such conditions requiring the Company's repair or alteration at all times, twenty-four (24) hours per day, including weekends and holidays.

(b) The Local Unit and the Company each shall notify the other, with a copy to the Authority, immediately upon the discovery of an emergency condition in any System. If an emergency condition exists, the Company shall promptly dispatch the appropriate personnel to perform the necessary repairs or corrective action in an expeditious and safe manner.

Article 5
Delivery and Purchase of Solar Energy

5.1. Purchase Requirement.

(a) Solar Energy. The Company will deliver and sell to each Local Unit and each Local Unit will purchase and receive from the Company all of the Solar Energy produced by the System at each of such Local Unit's Local Unit Facilities, as measured at the Meter at the Delivery Point, during the Term of this Agreement. No party may claim that by this Agreement, the Company is an electric utility subject to regulation as an electric utility or subject to regulated electricity rates. The Company shall not claim to be providing electric utility services to the Local Unit and shall not interfere with the Local Unit's ability to select an electric utility company except that, to the extent the Local Unit has a choice in selecting an electric utility company or electricity supplier, the Local Unit shall not select an electric utility company or electricity supplier that requires, as part of their conditions for service, removal or discontinued operation of the System.

(b) No Other Products. The Company shall not sell or deliver, and a Local Unit shall not be entitled to purchase or receive, any product or benefit from the Renewable Energy Project that is not expressly set forth in this Agreement. The Company retains all rights and ownership with respect to all products or benefits not expressly sold to a Local Unit hereunder. Specifically, and without limitation, the Company retains the rights to all Renewable Energy Credits and other Environmental Attributes associated with the operation or ownership of the Renewable Energy Project.

5.2. Delivery Point. The points of delivery (the "Delivery Points") of the Solar Energy are set forth on Exhibit A attached hereto.

(a) Title. Unless otherwise agreed, title to and risk of loss of Solar Energy shall pass from the Company to a Local Unit at the Delivery Point at such Local Unit Facility.

(b) Responsibility. The Company shall be responsible for delivery of Solar Energy to the Delivery Point and, as between the Parties, shall be responsible for all costs,

liabilities, taxes, losses, and charges of any kind imposed or assessed with respect to the delivery of Solar Energy to the Delivery Point.

(c) Solar Energy. Solar Energy supplied under this Agreement will be supplied as three-phase, alternating 60 Hertz current, expressed in kilowatt hours.

5.3. Expected Output; Minimum Guaranteed Output.

(a) The plans and specifications for each System shall provide for Solar Energy output in an amount not less than that specified in Exhibit C hereto (the "Expected Output"), unless the affected Local Unit agrees in writing to a different output.

(b) The Company hereby guarantees that the Solar Energy output of each System during each Contract Year of the Initial Term shall be at least ninety percent (90%) of the output (calculated using the PV Watts methodology) set forth in Exhibit C hereto (the "Minimum Guaranteed Output").

(c) If the Company fails to meet the Minimum Guaranteed Output requirement with respect to any System for any Contract Year, other than as a result of the Local Unit's failure to perform its obligations hereunder, the Company shall pay the Local Unit an amount equal to the Local Unit's "Lost Savings". The formula for calculating Lost Savings for each Contract Year is as follows:

Lost Savings = (MGO – AE) x RV

MGO = Minimum Guaranteed Output, as measured in total kWh, for System for the Contract Year.

AE = Actual Electricity, as measured in total kWh, delivered by the System for the Contract Year.

RV = (ATP - PPA Price)

ATP = Average tariff price, measured in $/kWh, for the Contract Year paid by the Local Unit with respect to the subject Local Unit Facility. This price is determined by dividing the total cost for delivered electricity paid to the electric utility during the Contract Year by the total amount of delivered electricity by the electric utility during that Contract Year.

PPA Price = the PPA Price in effect for the Contract Year, measured in $/kWh. If more than one PPA Price is in effect with respect to a System for the Contract Year, the average of the PPA Prices in effect for each month of the Contract Year shall be used.

If the rate variance ("*RV*") is zero or less, then no Lost Savings payment is due to the Local Unit.

Such payment shall occur no later than sixty (60) days after the end of the Contract Year during which the Lost Savings occurred. In the event such payment is not made by the Company within such sixty (60) day period, the Local Unit shall be entitled to setoff such amount against amounts that may be or become payable by the Local Unit to the Company.

5.4. Environmental Attributes. Except as otherwise expressly agreed by the Parties, a Local Unit's purchase of Solar Energy does not include marketable Environmental Attributes, which shall be retained by the Company.

5.5. Title to System. Except as may be expressly provided by any financing arrangements for the Renewable Energy Projects, throughout the duration of this Agreement, (i) the Company shall be the legal and beneficial owner of the System at all times, including the right to any energy tax credits available under federal or state law, and (ii) the System shall remain the personal property of Company and shall not attach to or be deemed a part of or fixture to the Local Unit Facilities.

Article 6
Price and Payment

6.1. Consideration.

(a) Solar Energy Payment. Subject to Section 6.3 hereof, each Local Unit shall pay to the Company a monthly payment for the Solar Energy produced by the System at each of such Local Unit's Local Unit Facilities during each year of the Term equal to the amount of (x) Solar Energy produced by the System for the calendar month multiplied by (y) the PPA Price as specified in Exhibit B in effect for such System for such calendar month (the "Solar Energy Payment"). The sum of all Solar Energy Payments with respect to each Local Unit Facility during the Term, as adjusted pursuant to Section 6.3 shall be the "Contract Price" with respect to such Local Unit Facility under this Agreement. Except as may be expressly provided in this Agreement, no other fees or charges shall be due from the Local Unit to the Company for the Solar Energy, Installation, Work or the System Operations.

(b) Annual Administrative Fee. The Company shall pay to the Authority on the Effective Date hereof and on each anniversary of the Effective Date, an annual administrative fee in the amount of $25,000. The annual administrative fee is intended to compensate the Authority for its services in connection with the administration of the Renewable Energy Projects.

(c) Authority Project Development Costs. The Company shall pay to the Authority on the Effective Date hereof, or such later date as shall be acceptable to the Authority, in consideration of the services rendered by the Authority in connection with developing the Renewable Energy Program and in reimbursement of the costs and expenses incurred and funds advanced by the Authority in connection therewith, its Project Development Costs in the amount set forth on Exhibit B hereto.

6.2. Invoice. On or before the tenth (10th) day of each calendar month following a calendar month in which Solar Energy was delivered, for each System, the Company shall provide the subject Local Unit with an invoice setting forth, at a minimum, the Local Unit Facility to which the invoice relates, the beginning and ending Meter readings, the quantity of Solar Energy delivered, the amount of the Solar Energy Payment due and state, if applicable, the date and amount of payment with respect to the prior calendar month. Such invoice shall include such additional information as may be reasonably requested by a Local Unit, provided that adding such information is not unduly burdensome to the Company.

6.3. Payment. All undisputed amounts payable hereunder shall be paid within thirty (30) days after the invoice date. If the last calendar day for a payment due under this Agreement is not a Business Day, then such payment shall be due not later than the next Business Day following that calendar day.

6.4. Method of Payment. The Local Unit shall make all payments under this Agreement by check or electronic funds transfer in immediately available funds to the account designated by the Company. All payments which are not paid when due shall bear interest accruing from the date becoming past due until paid in full equal to the lesser of the Specified Rate, as in effect from time to time, or the maximum rate allowed under Applicable Law in the jurisdiction where the System and Local Unit Facilities are located.

6.5. Payment Disputes. If a Dispute arises with respect to any invoice submitted or any payment owed by one Party to the other hereunder, the Parties shall attempt to resolve such Dispute amicably. If the Parties cannot resolve the Dispute within thirty (30) days, either Party may submit the Dispute to arbitration in accordance with Article 12, provided, that, during the time a Dispute is pending the disputing Party shall not be deemed in default under this Agreement and the Parties may not suspend the performance of their respective obligations hereunder, including payment of undisputed amounts owed hereunder.

Article 7
General Covenants

7.1. Company's Covenants. As a material inducement to the Authority's and the Local Unit's execution and delivery of this Agreement, the Company covenants and agrees to the following:

(a) System Condition. The Company shall take all actions reasonably necessary to ensure that each System is capable of providing Solar Energy at the Minimum Guaranteed Output.

(b) Permits and Approvals. In connection with the performance of the Installation Work, delivery of Solar Energy and System Operations, the Company shall obtain and maintain and secure all approvals, consents, licenses, permits and inspections from relevant Governmental Authorities, utility personnel, and the Local Units, and other agreements and consents required to be obtained and maintained and secured by the Company and to enable the

Company to perform such work. The Company shall deliver copies of all Permits and approvals obtained to the Authority and Local Unit.

(c) Health and Safety. The Company shall take all necessary and reasonable safety precautions with respect to providing the Installation Work, delivery of Solar Energy, and the System Operations that shall comply with all Applicable Laws pertaining to the safety of persons and real and personal property. The Company shall immediately report to the Local Unit and the Authority any death, lost time, injury or property damage to the Local Unit's property that occurs at any Local Unit Facility.

(d) Liens. The Company shall not directly or indirectly cause, create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics', labor or material man's lien), charge, security interest, encumbrance or claim of any nature ("Liens") on or with respect to the Local Unit Facilities or any interest therein without the prior written consent of the Local Unit and the Authority. The Company also shall pay promptly before a fine or penalty may attach to the Local Unit's property any taxes, charges or fees of whatever type of any relevant Governmental Authority, relating to any work performed hereunder by the Company or its agents and subcontractors on the Local Unit Facilities. If the Company breaches its obligations under this Section, it shall immediately notify the Local Unit and the Authority in writing, shall promptly cause such Lien to be discharged and released of record without cost to the Local Unit or Authority, and shall defend and indemnify the Local Unit and Authority against all costs and expenses (including reasonable attorneys' fees and court costs at trial and on appeal) incurred in discharging and releasing such Lien.

(e) No Infringement. The System and the Company's services hereunder, including, but not limited to, Installation Work, delivery of Solar Energy and System Operations, shall not infringe any third party's intellectual property or other proprietary rights.

7.2. Local Unit Covenants. As a material inducement to the Company's execution and delivery of this Agreement, the Local Unit covenants and agrees as follows:

(a) Notice of Damage. The Local Unit shall promptly notify the Company of any matters it is aware of pertaining to any damage to or loss of the use of the System or that could reasonably be expected to adversely affect the System.

(b) Liens. The Local Unit shall not directly or indirectly cause, create, incur, assume or suffer to exist any Liens on or with respect to the System or any interest therein. If the Local Unit breaches its obligations under this Section, it shall immediately notify the Company in writing, shall promptly cause such Lien to be discharged and released of record without cost to the Company, and shall indemnify the Company against all costs and expenses (including reasonable attorneys' fees and court costs at trial and on appeal) incurred in discharging and releasing such Lien.

Article 8
Representations and Warranties

8.1. Representations and Warranties. In addition to any other representations and warranties contained in this Agreement, each Party represents and warrants to the other as of the Effective Date that:

(a) It is duly organized and validly existing and in good standing in the jurisdiction of its Organization;

(b) It has the full right and authority to enter into, execute, deliver and perform its obligations under this Agreement;

(c) It has taken all requisite corporate or other action to approve the execution, delivery and performance of this Agreement;

(d) This Agreement constitutes a legal, valid and binding obligation enforceable against such Party in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws now or hereafter in effect relating to creditors' rights generally;

(e) There is no litigation, action, proceeding or investigation pending or, to the best of its knowledge, threatened on any basis before any court or other Governmental Authority by, against, affecting or involving any of its business or assets that would affect its ability to carry out the transactions contemplated herein; and

(f) Its execution of and performance under this Agreement shall not violate any existing Applicable Law or any agreement to which it is a party.

8.2. Additional Governmental Entity Representations. In addition to any other representations and warranties contained in this Agreement, the Authority and each Local Unit represent and warrant, each severally as it itself, to the other Parties hereto as of the Effective Date that:

(a) All acts necessary to the valid execution, delivery and performance of this Agreement, including without limitation, competitive bidding, public notice, election, referendum, prior appropriation or other required procedures has or will betaken and performed as required under Applicable Law and the Authority's and Local Unit's ordinances, bylaws or other regulations;

(b) all persons making up the governing body of the Authority and Local Unit are the duly elected or appointed incumbents in their positions and hold such positions in good standing in accordance with Applicable Law;

(c) entry into and performance of this Agreement by the Authority and the Local Unit are for a proper public purpose within the meaning of the Local Unit's organizational documents and Applicable Law;

(d) the term of this Agreement does not extend beyond any applicable limitation imposed by the Authority's or the Local Unit's organizational documents and Applicable Law;

(e) entry into and performance of this Agreement by the Authority and the Local Unit will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any obligation of the Authority or the Local Unit otherwise entitled to such exclusion; and

(f) obligations to make payments hereunder do not constitute any kind of indebtedness of the Local Unit or create any kind of lien on, or security interest in, any property or revenues of the Local Unit which, in either case, is proscribed by any provision of the Local Unit's organizational documents or Applicable Law, or any contractual restriction binding on or affecting it or any of its assets.

8.3. PUHCA. The Company represents and warrants that it is not, and during the term hereof it shall not become, a "public utility company", "electric utility company" or a "holding company", "subsidiary company" or "affiliate" or "associate company" thereof, as such items are defined in the Public Utility Holding Company Act of 1935, as amended.

8.4. Permits and Approvals. The Company reasonably expects to have obtained all Permits necessary for construction and operation of the Renewable Energy Project at each Local Unit Facility and delivery of Solar Energy by the Completion Date.

8.5. Requisite Standards. The Company represents and warrants that it has the requisite expertise and sufficiently skilled manpower, personnel and resources (including necessary supervision and support services) to perform the Installation Work, perform System Operations and deliver the Solar Energy within the time limits and for the term of and in accordance with the other conditions set forth in this Agreement and the License Agreement. The Company shall ensure that its employees have the requisite training and are otherwise able to competently perform Installation Work, System Operations and deliver the Solar Energy. The Company guarantees and warrants that the Installation Work, System Operations and the delivery of Solar Energy pursuant to this Agreement and the License Agreement, will comply with the terms of Applicable Law.

Article 9
Taxes and Governmental Fees

9.1. The Company. The Company will be responsible for all Taxes imposed or levied relating to the ownership or operation of the Renewable Energy Project.

9.2. The Local Unit. The Local Unit will be responsible for all Taxes (other than taxes based on overall income or revenues) imposed, if any, upon the sale of Solar Energy from the Renewable Energy Project (including any applicable sales or use or similar Tax). If the Company is required to collect any Tax from, or remit any Tax on behalf of, the Local Unit, the

Local Unit will reimburse the Company for such Taxes.

9.2. Tax Reporting. Each of the Parties will be responsible for its own Tax reporting. For purposes of Tax reporting, the Parties will treat the transactions described in this Agreement in a manner consistent with the characterizations of such transactions in this Agreement.

9.3. Exemption. A Party, on notice from the other, shall provide a certificate of exemption or other reasonably satisfactory evidence of exemption if either Party is exempt from Taxes, and shall use Commercially Reasonable Efforts to obtain, and cooperate with the other Party obtaining, any exemption from or reduction of Tax.

9.4. Contests. Should a Party wish to contest a Tax imposed upon it, if necessary for the purpose of contesting such Tax, it shall immediately notify the other Party of the nature of the Tax, the reason for the contest, and specify any action that may be required of the other Party. Each shall cooperate with the other in connection with such contest. The Person bringing the contest shall be responsible for the costs incurred in contesting such assessment.

Article 10
Events of Default

10.1. Company Events of Default. The following events shall be defaults with respect to the Company (each a "Company Default").

(a) The Company: (i) is dissolved (other than pursuant to a consolidation, amalgamation or merger); (ii) becomes insolvent or is unable to pay its debts or fails, or admits in writing its inability, generally to pay its debts as they become due; (iii) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (1) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (2) is not dismissed, discharged, stayed or restrained in each case within sixty (60) days of the institution or presentation thereof; (iv) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger); (v) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets; (vii) causes or is subject to any event with respect to it, which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (i) through (vii) (inclusive); or (viii) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

(b) The Company fails to pay the Local Unit or the Authority any undisputed amount owed under this Agreement within fifteen (15) days of receipt of a notice that such payment is past due.

(c) The Company fails to perform any covenant set forth in this Agreement (other than obligations that are otherwise specifically covered in this Section 10.1), in the License Agreement, or, if applicable, the Company Lease Agreement, and the failure to perform is not cured within thirty (30) days after the Authority or Local Unit, as the case may be, notifies the Company of the failure. In the event that the failure to perform cannot be cured with reasonable due diligence within the thirty (30) day period, and the Company has commenced and is continuing to attempt to effect a cure, a Company Default shall not be deemed to have occurred until the expiration of such longer period as may be reasonably necessary to complete the cure, but in no event shall such longer period exceed an additional sixty (60) days.

(d) The Company fails to meet the Minimum Guaranteed Output with respect to any System for a continuous period of sixty (60) days or for ninety (90) days in any six month period.

(e) Any representation or warranty made by the Company in this Agreement proves to have been false or misleading in any material respect when made.

10.2. Local Unit's and Authority's Remedies. If any Company Default has occurred, the Authority or a Local Unit may exercise one or more of the following remedies:

(a) Terminate this Agreement as a whole effective immediately in the case of a default under Section 10.1(a) or (b);

(b) Terminate this Agreement insofar as it applies to the affected Local Unit upon at least fifteen (15) days' notice to the Company of a breach under Sections 10.1(c) or 10.1(d);

(c) Terminate this Agreement as a whole upon at least thirty (30) days' notice to the Company in the case of a breach of Section 10.1(e); and

(d) Pursue any other remedy it may have at law or in equity.

10.3. Local Unit Defaults. The following events shall be defaults with respect to a Local Unit (each, a "Local Unit Default"), it being expressly understood and agreed that a default by one Local Unit shall not constitute a default by, or otherwise affect the rights or obligations of, the Authority or any other Local Unit.

(a) The Local Unit is in breach of any material term of this Agreement if (i) such breach can be cured within thirty (30) days after the Company's notice of such breach and the Local Unit fails to so cure, or (ii) the Local Unit fails to commence and pursue said cure within such thirty (30) day period if a longer cure period is needed.

(b) The Local Unit fails to pay the Company any undisputed amount due the Company under this Agreement within thirty (30) days from receipt of notice from the Company of such past due amount.

(c) The Local Unit refuses to sign authorizations needed to obtain any rebate, incentive or Environmental Attribute contemplated in Section 5.4.

10.4. Company's Remedies. If a Local Unit Default has occurred and/or is continuing, the Company may exercise one or more of the following remedies:

(a) Terminate this Agreement with respect to the Local Unit upon at least fifteen (15) days' notice to the Local Unit;

(b) Pursue any other remedy it may have at law or in equity or under this Agreement with respect to such Local Unit;

(c) Cease the provision of all Solar Energy and remove the System from the Local Unit's Local Unit Facilities in compliance with the conditions of Section 2.4 herein; and

(d) In case of a Local Unit Default which results in a termination of this Agreement by the Company with respect to such Local Unit, then, in lieu of any other remedy hereunder, the Local Unit shall pay the Early Termination Purchase Price to the extent applicable to the Local Unit, or the Local Unit Facilities, as the case may be, pursuant to Section 2.5.

10.5. Actions to Prevent Injury. If a Company Default or Local Unit Default creates an imminent risk of damage or injury to any Person or any Person's property, then in any such case, in addition to any other right or remedy that the non-defaulting Party may have, such Party may (but shall not be obligated to) take such action as it deems appropriate to prevent such damage or injury. Such action may include, but is not limited to, disconnection and removing all or a portion of the System, in compliance with the conditions of Section 2.4 hereof, or suspending the supply of Solar Energy to the Local Unit.

Article 11
Limitation of Liability; Survival

11.1. Limitation on Liability. Neither Party nor any of its indemnified persons shall be liable to any other Party or its indemnified persons for any special, punitive, exemplary, incidental, indirect, or consequential damages, or losses or damages for lost revenue or lost profits, whether foreseeable or not, arising out of, or in connection with, this Agreement or in tort. Notwithstanding any provision of this Agreement to the contrary, a Party's maximum liability to the other Party if any, with respect to any System that gave rise to such liability in connection with this Agreement shall be limited, in the aggregate, to the Contract Price relating to such System; provided that such limitation of liability shall not apply to indemnity claims under Article 14 or to intellectual property infringement claims

11.2. Survival. The provisions of this Article 11 shall survive the termination of this Agreement.

Article 12
Force Majeure

12.1. Definition. An act or event is a "Force Majeure Event" if such act or event is beyond the reasonable control, and not the result of the fault or negligence, of the affected Party and such Party has been unable to overcome such act or event with the exercise of due diligence (including the expenditure of commercially reasonable sums). Subject to the foregoing conditions, "Force Majeure Event" shall include the following acts or events: (i) natural phenomena, such as storms, hurricanes, floods, lightning, volcanic eruption and earthquakes; (ii) explosions or fires arising from lightning or other causes unrelated to the acts or omissions of the Party seeking to be excused from performance; (iii) acts of war or public disorders, civil disturbances, riots, insurrection, sabotage, epidemic, terrorist acts, or rebellion; (iv) action by a Governmental Authority, including a moratorium on any activities related to this Agreement; and (v) the impossibility for one of the Parties, despite its reasonable efforts, to obtain, in a timely manner, any approval by a Governmental Authority necessary to enable the affected Party to fulfill its obligations in accordance with this Agreement, provided that the delay or non-obtaining of such approval by a Governmental Authority is not attributable to the Party in question and that such Party has exercised its Commercially Reasonable Efforts to obtain such approval.

12.2. Excused Performance. Except as otherwise specifically provided in this Agreement, neither Party shall be considered in breach of this Agreement or liable for any delay or failure to comply with the Agreement, if and to the extent that any failure or delay in such Party's performance of one or more of its obligations hereunder is attributable to the occurrence of a Force Majeure Event; provided, that the Party claiming relief under this Article shall (i) immediately notify the other Party in writing of the existence of the Force Majeure Event, (ii) immediately exercise all reasonable efforts necessary to minimize delay caused by such Force Majeure Event, (iii) immediately notify the other Party in writing of the cessation or termination of said Force Majeure Event, and (iv) resume performance of its obligations hereunder as soon as practicable thereafter. If the Company claims relief pursuant to a "Force Majeure Event" with respect to an affected Local Unit Facility, the Local Unit shall be excused from making payment to the Company with respect to that Local Unit Facility until the Company resumes performing its obligations under this Agreement; provided, however, that the Local Unit shall not be excused from making any payments due for any Solar Energy delivered prior to the Force Majeure Event performance interruption.

12.3. Termination in Consequence of Force Majeure Event. If a Force Majeure Event shall have occurred that has affected the Company's performance of its obligations hereunder and has continued for a period of one hundred twenty (120) consecutive days or one hundred eighty (180) days in the aggregate, then the Local Unit shall be entitled to terminate this Agreement with respect to the affected Local Unit Facility upon thirty (30) days written notice to the Company. If at the end of such thirty (30) day period such Force Majeure Event shall still continue, this Agreement shall automatically terminate with respect to such Local Unit Facilities.

Upon such termination for a Force Majeure Event, the Company shall have the Removal and Restoration obligations set forth herein and in the License Agreement, and neither Party shall have any further liability to the other hereunder. By mutual agreement of the Parties, any System damaged or destroyed by a Force Majeure Event may be replaced within the time frames set forth above and subsequent to replacement and upon commencement of operation of the replacement System, all terms and conditions of this Agreement will remain in effect including the remaining Term of this Agreement.

Article 13
Insurance

13.1. No Local Unit or Authority Obligation to Insure. Neither Local Unit nor the Authority are responsible for, or will maintain, insurance covering the System against any casualty, and the Company will make no insurance claim of any nature against Local Unit or the Authority by reason of any damage to the Company's property in the event of damage or destruction by any cause.

13.2. Required Insurance. The Company shall obtain and maintain in force at all times during the term hereof, as a direct cost of operation, insurance coverage as set forth below. Such coverage shall be from an insurance company authorized and licensed to do business in the State of New Jersey, rated not less than A-VIII by the most current Best's Manual, and approved by the Authority. Coverage, at a minimum, shall include the following:

(a) Comprehensive General Liability Coverage in the amount of $1,000,000.00. This coverage must be in writing on an "occurrence" form, "claims made" policies shall be unacceptable. This Comprehensive General Liability insurance shall cover the Company, the Authority, each Local Unit and their employees, agents and officers from and against any claim arising out of personal injury or property damage or the Company's failure to comply with the terms of this Agreement. Such policy or policies of insurance shall include coverage for claims of any persons as a result of an incident directly or indirectly related to the employment of such persons by the Company or by any other persons. This coverage shall include blanket contractual insurance and such coverage shall make express reference to the indemnification provisions set forth in this Agreement. The policy shall also be endorsed to include coverage for products, completed operations, and independent contractors.

(b) Casualty and Property Damage in an amount equal to the replacement value of all Renewable Energy Projects.

(c) Workers' Compensation Coverage as statutorily required by the State of New Jersey for all employees of the Company. Employers' Liability coverage on the Workers Compensation policy shall be written in the minimum amount of $1,000,000.00.

(d) Excess Liability Coverage, in the minimum amount of $1,000,000.00, shall be in the form of an umbrella policy rather than a following form excess policy. This policy or policies shall be specifically endorsed to be excess of the required Comprehensive

General Liability Coverage, the Employers' Liability Coverage on the Workers' Compensation policy, and the Comprehensive Automobile Liability policy.

(e) Comprehensive Automobile Liability Coverage, in an amount not less than $1,000,000.00, shall be maintained. Such coverage will include all owned, non-owned, leased and/or hired motor vehicles, which may be used by Company in connection with the services, required under the PPA.

13.3. Additional Insured. All such insurance coverage, with the exception of Workers' Compensation, shall name Authority, each Local Unit, and their employees, agents, officers and directors as additional insured hereunder.

13.4. Certificate(s) of Insurance. As evidence of the insurance coverage required by this Agreement, the Company shall furnish Certificate(s) of Insurance to Local Unit and the Authority prior to the Company's commencement of work under this Agreement or the License Agreement. All such coverage shall be endorsed to indicate that coverage will not be materially changed or canceled without at least thirty (30) days prior notice to the Authority, such prior notice being mandatory and not the best efforts of the carrier to notify. Prior to the expiration of the required coverage, the Company shall provide the Authority with evidence of the renewal of all coverage required on at least the same terms and conditions as originally required hereby. All contractors working for the Company shall be required to maintain all insurance coverages listed above.

Article 14
Indemnity

14.1. The Company's Indemnity. The Company agrees that it shall indemnify, defend and hold harmless the Local Unit and the Authority, their permitted successors and assigns and their respective directors, officers, employees, agents and representatives (collectively, the "Local Unit Indemnified Parties") from and against any and all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions or proceedings, and all reasonable attorneys' fees, imposed on, incurred by or asserted against the Local Unit Indemnified Parties in connection therewith, arising from or out of any acts, omissions or other conduct of the Company, or any of its officers, agents, employees, contractors or subcontractors, in connection with (i) personal injury or death to persons, damage to any property or facilities of any person or entity, (ii) environmental, health or safety matters or conditions (including on-Site or off-Site contamination), (iii) financial responsibility for corrective or remedial action under any Environmental Law or fines or penalties imposed under any Environmental Law, and (iv) any claim by third parties that the Local Unit or Company has infringed ownership rights in intellectual property. The Company shall not, however, be required to reimburse or indemnify any Local Unit Indemnified Party for any loss or claim to the extent such loss or claim is due to the negligence or willful misconduct of any Local Unit Indemnified Party.

14.2. The Local Unit Indemnity. The Local Unit agrees that it shall indemnify, defend and hold harmless the Company, its permitted successors and assigns and their respective

directors, officers, members, shareholders, representatives, agents and employees (collectively, the "Company Indemnified Parties"), to the extent allowed by Applicable Laws, from and against any and all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions or proceedings, and all reasonable attorneys' fees, imposed on, incurred by or asserted against the Company Indemnified Parties in connection therewith, arising from or out of any acts, omissions or other conduct of the Local Unit, the Local Unit's performance under this Agreement or, or any of its officers, agents, employees, contractors or subcontractors in connection with (i) personal injury or death to persons, damage to any property or facilities of any person or entity, (ii) environmental, health or safety matters or conditions (including on-Site or off-Site contamination), (iii) financial responsibility for corrective or remedial action under any Environmental Law or fines or penalties imposed under any Environmental Law, at the Local Unit Facilities to the extent arising out of the Local Unit's negligence or willful misconduct. The Local Unit shall not, however, be required to reimburse or indemnify any Company Indemnified Party for any loss or claim to the extent such loss or claim is due to the negligence or willful misconduct of any Company Indemnified Party.

Article 15
Miscellaneous

15.1. Notices. All notices, demands, requests and other communications provided for under this Agreement, except for real-time or routine communications between the Operating Representatives concerning Renewable Energy Project operations, will be in writing addressed to the respective Party, as the case may be, at the following addresses. Either Party may change the address to which notices are sent or the designation of its Operating Representative by written notice to the other as required by this Section 15.1. Notice will be deemed to have been given (a) when presented personally, upon receipt, (b) when sent by a nationally recognized overnight courier service, on the date delivered to the addressee, (c) when sent by mail, postage prepaid, registered or certified, return receipt requested, on the date delivered to the addressee or (d) when sent by facsimile transmission, on the date of electronic confirmation of transmission (if sent on a Business Day before 5:00 p.m. Eastern Prevailing Time) or the first Business Day thereafter (if sent at any other time). The names and addresses for the service of notices referred to in this Section 15.1 and the designated Operating Representatives are:

To Company: [Company]
[address]

To Authority: The Union County Improvement Authority
10 Cherry Street
Elizabeth, New Jersey 07202
Attn: Executive Director
Phone: 908-820-9710
Fax: 908-820-9874

To The Local Unit: As set forth on Schedule A.

15.2. No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture or partnership among the Parties, or to impose any partnership duty, obligation or liability on the Parties. No Party shall act as agent of the other, have the authority or hold itself out as having the authority to bind the other Party to any contract, obligation or commitment or take any other action on behalf of the other Party, in each case except as expressly set forth in this Agreement.

15.3. Assignment. This Agreement may not be assigned by the Company without the prior written consent of the Authority.

15.4. Further Assurances. Each Party hereby undertakes to take or cause to be taken all actions, including the execution of additional instruments or documents, necessary to give full effect to the provisions of this Agreement.

15.5. Third Party Beneficiaries. This Agreement is for the benefit of the Parties hereto and their respective successors and permitted assigns, and this Agreement shall not otherwise be deemed to confer upon or give to any third party any remedy, claim, liability, reimbursement, cause of action or other right.

15.6. Governing Law. This Agreement shall be governed by and shall be construed and interpreted in accordance with the laws of the State of New Jersey, without reference to principles of conflicts of laws there under.

15.7. Survival. The obligations that, by their sense and context, are intended to survive termination of this Agreement shall survive the expiration or termination of this Agreement for any reason.

15.8. Dispute Resolution.

(a) Conference. Either Party (the "Initiating Party") may raise a concern regarding interpretation or clarification of this Agreement, or the acceptable performance thereof ("Dispute") by submitting a summary of the issue and its position with respect to said issue in writing to the non-Initiating Party. The non-Initiating Party shall, within thirty (30) days of receipt of the writing from the Initiating Party, respond with a written response of its position on the issue. Either Party may, after the exchange of written positions, send a Notice of Dispute to the other Party requesting a conference of management personnel with authority to resolve the Dispute. Such conference between management personnel designated by each of the Parties shall be held within ten (10) days of delivery of the Notice of Dispute or such other time as mutually agreed to by the Parties. In the event the Parties are unable to resolve the Dispute through the procedures set forth in this Section 15.8(a), either Party shall have the right to pursue the remedies in accordance with the procedures set forth in Section 15.8(b) and (c).

(b) Arbitration. If permitted or required by Applicable Law, any controversy or claim arising out of or relating to this Agreement or the breach thereof, which cannot be resolved pursuant to the procedures described in Section 15.8(a), shall be resolved by arbitration. This

agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. The award of the arbitrators shall be final, and a judgment may be entered upon it by any court having jurisdiction. A Party desiring to invoke this arbitration provision shall serve written notice upon the other of its intention to do so. Within fifteen (15) days of the date of receipt of such notice, each Party shall serve upon the other the name of one individual, knowledgeable in matters pertaining to the performance of power purchase agreements and to the subject matter of the dispute, to serve as an arbitrator. If either Party fails to select an arbitrator and notify the other Party of that selection within such fifteen (15) day period the other Party may request the American Arbitration Association to select the arbitrator. The two arbitrators so selected shall select a third arbitrator within fifteen (15) days after the selection of the two arbitrators or, if the two arbitrators cannot agree upon a third arbitrator, the American Arbitration Association shall select the third arbitrator. The arbitration shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association then prevailing, and shall be conducted in Union County, New Jersey, unless the Parties agree otherwise. Discovery shall be made available in accordance with the procedures set forth in the Federal Ru1es of Civil Procedure, but to a degree limited by the arbitrators as they deem appropriate to render the proceedings economical, efficient, expeditious and fair. Interest at the Specified Rate shall be added to any monetary award for sums found to have been due under this Agreement. Each Party shall bear its own costs of the arbitration and the Parties shall equally divide the fees and costs-of the three arbitrators.

(c) Legal Proceedings. If arbitration, as set forth in Section 15.8(b) hereof, is not permitted by Applicable Law, any controversy or claim arising out of or relating to this Agreement or the breach thereof, which cannot be resolved pursuant to the procedures described in Section 15.8(a), shall be brought by an action, suit, or proceeding in the Superior Court of the State of New Jersey, in Union County. Each Party waives any objection which it or they may have at any time to the laying of venue of any action, suit or proceeding in any such court and consents to service of process, waives any claim that any such action, suit, or proceeding has been brought in an inconvenient forum and waives the right to object that such court does not have jurisdiction over the Parties. In order to expedite resolution of any actions, suits, or proceedings that arise under this Agreement, each of the Parties irrevocably waives the right to trial by jury in any such actions, suit, or proceeding of any kind or nature in any court to which it may be a Party.

(d) During the pendency of any Dispute, the Parties will continue to perform the obligations imposed upon them under this Agreement to the fullest extent possible, without prejudice to their respective positions in the Dispute.

15.9. Entire Agreement. This Agreement, together with the License Agreement, RFP (including the Company Proposal in responses thereto), Exhibits and Schedules hereto, constitute the entire agreement and understanding between the Company, the Authority and each Local Unit with respect to the subject matter hereof and supersedes all other prior oral and/or written agreements relating to the subject matter hereof, which are of no further force or effect. The License Agreement, RFP, Exhibits and Schedules referred to herein are integral parts hereof and thereof and are made a part of this Agreement by reference. In the event of a conflict between

the provisions of this Agreement and those of the License Agreement, RFP or any exhibit or schedule, the provisions of this Agreement shall prevail, and such License Agreement, Exhibit or Schedule shall be corrected accordingly. Each Party acknowledges that it and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

15.10. Amendment. No amendment, modification, waiver, change or addition hereto shall be effective or binding on any of the Parties hereto unless the same is in writing and signed by each of the Parties hereto.

15.11. Waivers. Any waiver, express or implied, by any Party of any right or of any failure to perform or breach of this Agreement by any other Party shall not constitute or be deemed as a waiver of any other right or of any other failure to perform or breach of this Agreement by such other Party, whether of a similar or dissimilar nature.

15.12. Severability. In the event of the invalidity or unenforceability of any provision of this Agreement, the validity or enforceability of the other provisions hereof shall not be affected and the Parties shall substitute for such invalid or unenforceable provision a valid and enforceable provision that most closely approximates the intended effect of the invalid or unenforceable provision.

15.13. Counterparts. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one and the same instrument.

15.14. Facsimile Delivery. This Agreement may be duly executed and delivered by a Party by execution and facsimile delivery of the signature page of a counterpart to the other Parties, and if delivery is made by facsimile, the executing Party shall promptly deliver, via overnight delivery, a complete original counterpart that it has executed to the other Parties, but this Agreement shall be binding on and enforceable against the executing Party whether or not it delivers such original counterpart.

15.15. Attorneys' Fees. If any legal action arbitration, or other proceeding is brought for the enforcement of this Agreement or because of an alleged dispute, default, misrepresentation, or breach in connection with any of the provisions of this Agreement, except as expressly excluded in this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorneys' fees, expenses expert witness fees, and other costs incurred in that action or proceeding in addition to any other relief to which it may be entitled.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered by their duly authorized officers or agents, all as of the day and year first above written.

[COMPANY]

By:______________________________
Name:
Title:

UNION COUNTY IMPROVEMENT AUTHORITY

By:______________________________
Name:
Title:

SCHEDULE A

LOCAL UNITS

Local Unit	**Address**
TOWNSHIP OF CRANFORD By:____________________________ Name: Title:	
HILLSIDE BOARD OF EDUCATION By:____________________________ Name: Title:	
TOWNSHIP OF HILLSIDE By:____________________________ Name: Title:	
CITY OF LINDEN By:____________________________ Name: Title:	
WINFIELD TOWNSHIP BOARD OF EDUCATION By:____________________________ Name: Title:	

Local Unit	**Address**
CITY OF PLAINFIELD By:______________________________ Name: Title:	
CITY OF RAHWAY By:______________________________ Name: Title:	
BOROUGH OF ROSELLE By:______________________________ Name: Title:	
TOWNSHIP OF SPRINGFIELD By:______________________________ Name: Title:	
UNION COUNTY By:______________________________ Name: Title:	
UNION COUNTY COLLEGE By:______________________________ Name: Title:	

Local Unit	**Address**
MORRIS-UNION JOINTURE COMMISSION By:____________________________ Name: Title:	
GARWOOD BOARD OF EDUCATION By:____________________________ Name: Title:	
NEW PROVIDENCE BOARD OF EDUCATION By:____________________________ Name: Title:	
ROSELLE PARK BOARD OF EDUCATION By:____________________________ Name: Title:	
ROSELLE BOARD OF EDUCATION By:____________________________ Name: Title:	

EXHIBIT A

LOCAL UNIT FACILITIES; SYSTEM; DELIVERY POINTS

EXHIBIT B

PPA PRICE; TOTAL PROJECT COSTS; ESCALATION FACTOR; END OF TERM FAIR MARKET VALUE PURCHASE PRICE; EARLY TERMINATION PURCHASE PRICE; RESTORATION SECURITY

1. PPA Price. The PPA Price, expressed in dollars per kWh, to be paid by each Local Unit from its Commencement Date to, but excluding the first anniversary of such Commencement Date (exclusive of any adjustment or escalation factor):

PPA Price ($ per kWh) $ _________/kWh

2. Total Project Costs. The "Total Project Cost" is $________________, which amount is the sum of: (i) "Project Development Costs" of ___________; (ii) "Renewable Energy Project Costs" of $___________; and (iii) "Capital Improvement Project Costs" of $___________. Upon the written request by the Authority or any Local Unit, the Authority and the Company shall agree to an allocation of the Total Project Costs to each System at a Local Unit Facility in a fair and equitable manner, and such allocation shall be binding upon each such person.

3. Escalation Factor. The PPA Price shall be increased on each anniversary of each Commencement Date by the following escalation factor, expressed as an annual percentage increase from the prior year's PPA Price.

PPA Price fixed escalation factor (expressed as an annual percentage increase from the prior year's PPA Price) _________%

4. End of Term Fair Market Value Purchase Price. The end of term Purchase Price is shall be $__________ (the "Purchase Price"). The Company has estimated the fair market value of all of the equipment comprising the Systems at such date to be equal to the Purchase Price. Upon the written request by the Authority or any Local Unit, the Authority and the Company shall agree to an allocation of the Purchase Price to each System at a Local Unit Facility in a manner that best reflects such System's fair market value, and such allocation shall be binding upon each such person.

5. Early Termination Purchase Price Schedule. The Early Termination Purchase Price for all Systems, shall be as set forth below. Upon the written request by the Authority or any Local Unit, the Authority and the Company shall agree to an allocation of the Early Termination Purchase Price to each System at a Local Unit Facility in a fair and equitable manner, and such allocation shall be binding upon each such person.

Year of Early Termination	Renewable Energy Property, including Removal/ Restoration	Other	Total Early Termination Purchase Price

Year of Early Termination	Renewable Energy Property, including Removal/ Restoration	Other	Total Early Termination Purchase Price
1	$	$	$
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			

6. Restoration Security. The amount of Restoration Security provided by the Company is $________________.

EXHIBIT C

EXPECTED OUTPUT AND
MINIMUM GUARANTEED OUTPUT

The Expected Output and Minimum Guaranteed Output of Solar Energy, measured in kWh (ac), at each Local Unit Facility for each year of the Initial Term of the Agreement shall be as set forth below.

Local Unit	Local Unit Facility	System Output (kWh) per PV Watts Expected Output	 Minimum Guaranteed Output
Township of Cranford	Community Center	kWh	kWh
	Cranford Public Library/ Parking lot		
Hillside Board of Education	Calvin Coolidge school		
	APM/ECC		
	Wok School		
	Hillside High School		
Township of Hillside	Municipal Building		
	Hillside Community Center		
	Hillside Dept of Public Works		
City of Linden	Linden Firehouse #1		
	Linden Firehouse #2		
	Linden Firehouse #3		
	Linden Public Library		
	City Hall Parking Garage		
	Public Works Garage		
	Linden Municipal Garage		
	Memorial Field Ball field - 5 fields		
Winfield Township Board of Education	Winfield Township School		
City of Plainfield	City Hall Annex		
	Police Headquarters/Muni Ct		
	Fire Station Headquarters		

Local Unit	Local Unit Facility	System Output (kWh) per PV Watts Expected Output	Minimum Guaranteed Output
	Public Works Facility		
City of Rahway	Rahway City Public Library/ Parking		
Borough of Roselle	Borough Hall		
	Firehouse		
Township of Springfield	Municipal Building/ Open space		
	DPW Garage		
	Hirshey's Building		
	Springfield Public Library		
	Chisholm Recreation Center		
Union County	Administration Building		
	Arts Center		
Union County College	Cranford Campus		
Morris-Union Jointure Commission	Transportation Dept		
	DLC - New Providence		
Garwood Board of Education	Lincoln School		
New Providence Board of Education	Salt Brook School		
	Allen W Roberts School		
Roselle Park Board of Education	Roselle Park High School		
	Roselle Park Middle School		
	Sherman School		
	EJF-Aldene School		
	Robert Gordon School		
Roselle Board of Education	Dr. Charles C. Polk Elementary School		
	Grace Wilday Junior High School		

EXHIBIT D

FORMS OF REP ACCEPTANCE CERTIFICATE AND CIP ACCEPTANCE CERTIFICATE

EXHIBIT D-1

FORM OF REP ACCEPTANCE CERTIFCATE

I, the undersigned _________________, a duly authorized officer of [Company] (the "Company"), pursuant to the terms of that certain "Power Purchase Agreement", dated as of ________ __, 2010 (the "PPA"), and Site License Agreement, dated as of ________ __, 2010 (the "License Agreement"), each by and among the Company, the Union County Improvement Authority (the "Authority") and the Local Units referred to therein (capitalized terms not defined in this Certificate shall have the respective meanings ascribed to such terms in the PPA), **DO HEREBY CERTIFY** as follows:

1. On _________ __, 2011, the System located at [Local Unit's] [Local Unit Facility] has been designed, acquired, constructed and installed in conformance with the plans and specifications. System Acceptance Testing for the System was completed on _________ __, 2011. The Company has delivered to the Local Unit and the Authority a Completion Notice on _________ __, 2011 with respect to the System, which has not been the subject of a Rejection Notice by the Local Unit.

2. This Certificate, when fully executed below, shall constitute the Company's and the Local Unit's acceptance of the subject System for all purposes of PPA and License Agreement. The Commercial Operation Date with respect to the System shall be _________ __, 2011.

3. This REP Acceptance Certificate may be executed, acknowledged and accepted in any number of counterparts, each of which may be executed by one or more of the respective parties, and all of which shall be regarded for all purposes as one original and shall constitute and be but one and the same.

[COMPANY]

By:_________________________________

ACKNOWLEDGED and ACCEPTED by the Local Unit, this __ day of _________, 2011.
[LOCAL UNIT]

By: ________________________________

Name:
Title:

This REP Acceptance Certificate is hereby ACKNOWLEDGED by the UNION COUNTY IMPROVEMENT AUTHORITY this __ day of ________, 2011.

By: ________________________________

Name:
Title:

EXHIBIT D-2

FORM OF CIP ACCEPTANCE CERTIFCATE

I, the undersigned _________________, a duly authorized officer of [Company] (the "Company"), pursuant to the terms of that certain "Power Purchase Agreement", dated as of ________ __, 2010 (the "PPA"), and Site License Agreement, dated as of ________ __, 2010 (the "License Agreement"), each by and among the Company, the Union County Improvement Authority (the "Authority") and the Local Units referred to therein (capitalized terms not defined in this Certificate shall have the respective meanings ascribed to such terms in the PPA), **DO HEREBY CERTIFY** as follows:

1. On _________ __, 2011, the Capital Improvement Projects located at [Local Unit's] [Local Unit Facility] has been designed, acquired, constructed and installed in conformance with the plans and specifications.

2. This Certificate, when fully executed below, shall constitute the Company's and the Local Unit's acceptance of the Capital Improvement Projects for all purposes of PPA and License Agreement.

3. This CIP Acceptance Certificate may be executed, acknowledged and accepted in any number of counterparts, each of which may be executed by one or more of the respective parties, and all of which shall be regarded for all purposes as one original and shall constitute and be but one and the same.

[COMPANY]

By:________________________________

ACKNOWLEDGED and ACCEPTED by the Local Unit, this __ day of _________, 2011.
[LOCAL UNIT]

By: _______________________________

Name:
Title:

This CIP Acceptance Certificate is hereby ACKNOWLEDGED by the UNION COUNTY IMPROVEMENT AUTHORITY this __ day of ________, 2011.

By: _______________________________

Name:
Title:

EXHIBIT E

FORM OF SITE LICENSE AGREEMENT