

REFINITIV

DELTA REPORT

10-Q

SPRUCE POWER HOLDING CORP

10-Q - SEPTEMBER 30, 2023 COMPARED TO 10-Q - JUNE 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1574
CHANGES	165
DELETIONS	412
ADDITIONS	997

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED **JUNE** **SEPTEMBER 30, 2023**

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR

THE TRANSITION PERIOD FROM _____ TO _____

Commission File Number 001-38971

Spruce Power Holding Corporation
(Exact name of Registrant as specified in its Charter)

Delaware

83-4109918

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification Number)

1875 Lawrence Street, 2000 S Colorado Blvd, Suite 320 2-825
Denver, CO

80202 80222

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (866) **903-2399 777-8235**

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class:	Trading Symbol(s)	Name of Each Exchange on Which Registered:
Shares of common stock, \$0.0001 par value	SPRU	New York Stock Exchange

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of **August 2, 2023** **November 10, 2023**, **147,225,403** **18,226,169** shares of the registrant's common stock, \$0.0001 par value, were outstanding.

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CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This Quarterly Report on Form 10-Q includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") that relate to future events or our future financial performance including, but not limited to, statements regarding the plans, strategies and prospects, both business and financial, of the Company, our growth plans, future financial and operating results, costs and expenses, the outcome of contingencies, financial condition, results of operations, liquidity, cost savings, business strategies, and other statements that are not historical facts. Forward-looking statements can be identified by the use of forward-looking words or phrases such as "anticipate," "believe," "could," "expect," "intend," "may," "opportunity," "plan," "predict," "potential," "estimate," "should," "will," "would" or the negative of these terms or other words of similar meaning. These statements are based upon the Company's current plans and strategies and reflect the Company's current assessment of the risks and uncertainties related to its business and are made as of the date of this report. These statements are inherently subject to known and unknown risks and uncertainties. You should read these statements carefully as they discuss our future expectations or state other "forward-looking" information. There may be events in the future that we are not able to accurately predict or control and our actual results may differ materially from the expectations we describe in our forward-looking statements. Factors that could cause actual results to differ materially from those currently anticipated include the following:

- Any inability or delay in realizing the benefits anticipated by the acquisition of Spruce Holding Company 1 LLC, Spruce Holding Company 2 LLC, Spruce Holding Company 3 LLC, and Spruce Manager LLC (collectively and together with their subsidiaries, "Legacy Spruce Power").

- Uncertainties relating to the solar energy industry and the risk that sufficient additional demand for residential home solar energy systems may not develop or take longer to develop than we anticipate.
- Disruptions to our solar monitoring systems could negatively impact our revenues and increase our expenses.
- Warranties provided by the manufacturers of equipment for our assets and maintenance obligations may be inadequate to protect us.
- The solar energy systems we own or may acquire including those we acquired through our acquisition of SSHoldings2017, LLC and its subsidiaries ("SEMTH"), may have a limited operating history and may not perform as we expect, including as a result of unsuitable solar and meteorological conditions.
- Problems with performance of our solar energy systems may cause us to incur expenses, may lower the value of our solar energy systems and may damage our market reputation.
- Developments in technology or improvements in distributed solar energy generation and related technologies or components may materially adversely affect demand for our offerings.
- We could be harmed by a material reduction in the retail price of traditional utility generated electricity, electricity from other sources or renewable energy credits.
- We may fail to grow by expanding our market penetration or to manage our growth effectively.
- We may not be able to identify adequate strategic relationship opportunities, or form strategic relationships, and we may experience difficulties in integrating strategic acquisitions.
- We may require additional financing to support the development of our business and implementation of our growth strategy.
- We are subject to risks relating to our outstanding debt, including risks relating to rising interest rates and the risk that we may not have sufficient cash flow to pay our debt.
- We may be adversely affected by the impact of natural disasters and other events beyond our control, such as hurricanes, wildfires or pandemics.
- We are subject to cybersecurity risks.

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- We are subject to risks relating to global economic conditions.
- Governmental investigations, litigation or other claims may cause us to incur significant expense, hinder execution of business and growth strategy or impact the price of our Common Stock.
- Changes in tax laws may materially adversely affect our business, prospects, financial condition and operating results.
- We are subject to risks relating to changes in, and our compliance with, laws and regulations affecting our business.

These and other factors that could cause actual results to differ from those implied by the forward-looking statements in this Quarterly Report on Form 10-Q are more fully described in Part II, Item 1A under the heading "Risk Factors" and elsewhere in this Quarterly Report on Form 10-Q and the risk factors set forth in Part I, Item 1A Risk Factors, within our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the U.S. Securities and Exchange Commission (the "SEC") on March 30, 2023 (the "Annual Report"). These factors are not exhaustive. Other sections of this Quarterly Report on Form 10-Q, such as our Management's Discussion and Analysis of Financial Condition and Results of Operations set forth in Item 2 describe additional factors that could adversely affect the business, financial condition or results of operations of the Company and its consolidated subsidiaries. New risk factors emerge from time to time, and it is not possible to predict all such risk factors, nor can the Company assess the impact of all such risk factors on its business or the extent to which any factor or combination of factors may cause actual results to differ materially from those contained in any forward-looking statements. Forward-looking Forward-looking statements are not guarantees of performance. You should not put undue reliance on these statements, which speak only as of the date hereof. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the foregoing cautionary statements. The Company undertakes no obligations to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

This report includes certain registered trademarks, including trademarks that are the property of the Company and its affiliates. This report also includes other trademarks, service marks and trade names owned by the Company or other persons. All trademarks, service marks and traded names included herein are the property of their respective owners. Use or display by us of other parties' trademarks, trade dress, or products in this report is not intended to, and does not, imply a relationship with, or endorsements or sponsorship of, us by the trademark or trade dress owners.

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Part I - Financial Information

Item 1. Financial Statements

Spruce Power Holding Corporation

Condensed Consolidated Balance Sheets (Unaudited)

(In thousands, except share and per share amounts)	(In thousands, except share and per share amounts)	As of		(In thousands, except share and per share amounts)	As of	
		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Assets	Assets			Assets		
Current assets:	Current assets:			Current assets:		
Cash and cash equivalents	Cash and cash equivalents	\$ 162,749	\$ 220,321	Cash and cash equivalents	\$ 154,209	\$ 220,321
Restricted cash	Restricted cash	29,361	19,823	Restricted cash	38,524	19,823
Accounts receivable, net of allowance of \$11.3 million and \$12.2 million as of June 30, 2023 and December 31, 2022, respectively		13,565	8,336			
Accounts receivable, net of allowance of \$12.9 million and \$12.2 million as of September 30, 2023 and December 31, 2022, respectively					12,572	8,336
Interest rate swap assets, current	Interest rate swap assets, current	13,558	10,183	Interest rate swap assets, current	13,799	10,183
Prepaid expenses and other current assets	Prepaid expenses and other current assets	8,062	5,316	Prepaid expenses and other current assets	9,481	5,316
Current assets of discontinued operations	Current assets of discontinued operations	—	10,977	Current assets of discontinued operations	—	10,977
Total current assets	Total current assets	227,295	274,956	Total current assets	228,585	274,956
Investment related to SEMTH master lease agreement	Investment related to SEMTH master lease agreement	146,627	—	Investment related to SEMTH master lease agreement	145,666	—
Property and equipment, net	Property and equipment, net	475,688	396,168	Property and equipment, net	488,387	396,168
Interest rate swap assets, non-current	Interest rate swap assets, non-current	21,900	22,069	Interest rate swap assets, non-current	29,819	22,069
Intangible assets, net	Intangible assets, net	10,553	—	Intangible assets, net	10,262	—
Deferred rent assets	Deferred rent assets	1,585	1,626	Deferred rent assets	2,114	1,626
Right-of-use assets, net	Right-of-use assets, net	4,499	2,802	Right-of-use assets, net	6,238	2,802
Goodwill	Goodwill	28,757	128,548	Goodwill	28,757	128,548
Other assets	Other assets	254	383	Other assets	257	383
Long-term assets of discontinued operations	Long-term assets of discontinued operations	37	—	Long-term assets of discontinued operations	33	—

Total assets	Total assets	\$ 917,195	\$ 826,552	Total assets	\$ 940,118	\$ 826,552
Liabilities, redeemable noncontrolling interests and stockholders' equity	Liabilities, redeemable noncontrolling interests and stockholders' equity			Liabilities, redeemable noncontrolling interests and stockholders' equity		
Current liabilities:	Current liabilities:			Current liabilities:		
Accounts payable	Accounts payable	\$ 3,291	\$ 2,904	Accounts payable	\$ 1,237	\$ 2,904
Current portion of long-term debt	Current portion of long-term debt	25,971	25,314	Current portion of long-term debt	27,719	25,314
Accrued expenses and other current liabilities	Accrued expenses and other current liabilities	19,521	21,509	Accrued expenses and other current liabilities	51,568	21,509
Deferred revenue, current	Deferred revenue, current	86	39	Deferred revenue, current	108	39
Lease liability, current	Lease liability, current	706	834	Lease liability, current	1,126	834
Current liabilities of discontinued operations	Current liabilities of discontinued operations	—	9,097	Current liabilities of discontinued operations	—	9,097
Total current liabilities	Total current liabilities	49,575	59,697	Total current liabilities	81,758	59,697
Long-term debt, net of current portion	Long-term debt, net of current portion	587,393	474,441	Long-term debt, net of current portion	599,610	474,441
Deferred revenue, non-current	Deferred revenue, non-current	887	452	Deferred revenue, non-current	1,084	452
Lease liability, non-current	Lease liability, non-current	4,582	2,426	Lease liability, non-current	6,004	2,426
Warrant liabilities	Warrant liabilities	109	256	Warrant liabilities	38	256
Unfavorable solar renewable energy agreements, net	Unfavorable solar renewable energy agreements, net	8,278	—	Unfavorable solar renewable energy agreements, net	7,193	—
Other long-term liabilities	Other long-term liabilities	15	10	Other long-term liabilities	113	10
Long-term liabilities of discontinued operations	Long-term liabilities of discontinued operations	191	294	Long-term liabilities of discontinued operations	183	294
Total liabilities	Total liabilities	651,030	537,576	Total liabilities	695,983	537,576
Commitments and contingencies (Note 15)	Commitments and contingencies (Note 15)			Commitments and contingencies (Note 15)		

Redeemable noncontrolling interests	Redeemable noncontrolling interests	199	85	Redeemable noncontrolling interests	—	85
Stockholders' equity:	Stockholders' equity:			Stockholders' equity:		

Common stock, \$0.0001 par value; 350,000,000 shares authorized at June 30, 2023 and December 31, 2022; 150,143,890 and 148,279,717 shares issued and outstanding at June 30, 2023, respectively, and 144,375,226 issued and outstanding at December 31, 2022		14	14		
Common stock, \$0.0001 par value; 350,000,000 shares authorized at September 30, 2023 and December 31, 2022; 18,925,126 and 18,194,379 shares issued and outstanding at September 30, 2023, respectively, and 18,046,903 issued and outstanding at December 31, 2022				14	14
Additional paid-in capital	Additional paid-in capital	473,538	473,277	474,502	473,277
Noncontrolling interests	Noncontrolling interests	2,415	8,942	2,438	8,942
Accumulated deficit	Accumulated deficit	(208,387)	(193,342)	(227,700)	(193,342)
Treasury stock at cost, 1,864,173 shares and 0 at June 30, 2023 and December 31, 2022, respectively		(1,614)	—		
Treasury stock at cost, 730,747 shares and 0 at September 30, 2023 and December 31, 2022, respectively				(5,119)	—
Total stockholders' equity	Total stockholders' equity	265,966	288,891	244,135	288,891
Total liabilities, redeemable noncontrolling interests and stockholders' equity	Total liabilities, redeemable noncontrolling interests and stockholders' equity	\$ 917,195	\$ 826,552	\$ 940,118	\$ 826,552

See notes to unaudited condensed consolidated financial statements.

Spruce Power Holding Corporation

Condensed Consolidated Statements of Operations (Unaudited)

(In thousands, except per share and share amounts)		Three Months Ended June 30,		Six Months Ended June 30,		(In thousands, except per share and share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
Revenues	Revenues	\$ 22,813	\$ —	\$ 40,908	\$ —	Revenues	\$ 23,250	\$ 5,080	\$ 64,158	\$ 5,080
Operating expenses:	Operating expenses:					Operating expenses:				

Cost of revenues	Cost of revenues	8,594	—	16,447	—	Cost of revenues	9,810	1,974	26,257	1,974
Selling, general, and administrative expenses	Selling, general, and administrative expenses	15,985	9,782	31,702	17,516	Selling, general, and administrative expenses	12,391	27,018	44,093	44,534
Litigation settlements, net						Litigation settlements, net	26,339	—	26,339	—
(Gain) loss on asset disposal						(Gain) loss on asset disposal	(773)	270	(4,225)	270
Total operating expenses	Total operating expenses	24,579	9,782	48,149	17,516	Total operating expenses	47,767	29,262	92,464	46,778
Loss from operations	Loss from operations	(1,766)	(9,782)	(7,241)	(17,516)	Loss from operations	(24,517)	(24,182)	(28,306)	(41,698)
Other (income) expense:	Other (income) expense:					Other (income) expense:				
Interest expense, net	Interest expense, net	7,216	7	14,032	19	Interest expense, net	2,937	2,122	16,969	2,141
Gain on extinguishment of debt	Gain on extinguishment of debt	—	—	—	(4,527)	Gain on extinguishment of debt	—	—	—	(4,527)
Gain on disposal of assets		(794)	—	(3,452)	—					
Change in fair value of obligation to issue shares of common stock to sellers of World Energy	Change in fair value of obligation to issue shares of common stock to sellers of World Energy	—	(137)	—	(498)	Change in fair value of obligation to issue shares of common stock to sellers of World Energy	—	(42)	—	(540)
Change in fair value of warrant liabilities	Change in fair value of warrant liabilities	(33)	(1,783)	(148)	(4,500)	Change in fair value of warrant liabilities	(70)	(646)	(218)	(5,146)
Change in fair value of interest rate swaps	Change in fair value of interest rate swaps	(9,190)	—	(3,602)	—	Change in fair value of interest rate swaps	(8,061)	(8,533)	(11,663)	(8,533)
Other income, net	Other income, net	(752)	(22)	(880)	(29)	Other income, net	(360)	(96)	(1,240)	(125)
Net income (loss) from continuing operations		1,787	(7,847)	(13,191)	(7,981)					
Net loss from discontinued operations (including loss on disposal of \$(3,083) for the six months ended June 30, 2023)		(183)	(4,851)	(4,049)	(20,794)					
Net income (loss)		1,604	(12,698)	(17,240)	(28,775)					
Less: Net loss attributable to redeemable noncontrolling interests and noncontrolling interests		(1,461)	—	(910)	—					
Net income (loss) attributable to stockholders		\$ 3,065	\$ (12,698)	\$ (16,330)	\$ (28,775)					
Net income (loss) attributable to stockholders per share, basic		\$ 0.02	\$ (0.09)	\$ (0.11)	\$ (0.20)					
Net income (loss) attributable to stockholders per share, diluted		\$ 0.02	\$ (0.09)	\$ (0.11)	\$ (0.20)					

Net loss from discontinued operations, basic	\$	—	\$	(0.03)	\$	(0.03)	\$	(0.15)	
Net loss from discontinued operations, diluted	\$	—	\$	(0.03)	\$	(0.03)	\$	(0.15)	
Weighted-average shares outstanding, basic		148,894,058		142,247,590		147,687,578		141,760,478	
Weighted-average shares outstanding, diluted		161,606,658		142,247,590		147,687,578		141,760,478	
Net loss from continuing operations					Net loss from continuing operations	(18,963)	(16,987)	(32,154)	(24,968)
Net loss from discontinued operations (including loss on disposal of \$3,083 for the nine months ended September 30, 2023)					Net loss from discontinued operations (including loss on disposal of \$3,083 for the nine months ended September 30, 2023)	(204)	(4,599)	(4,253)	(25,393)
Net loss					Net loss	(19,167)	(21,586)	(36,407)	(50,361)
Less: Net income (loss) attributable to redeemable noncontrolling interests and noncontrolling interests					Less: Net income (loss) attributable to redeemable noncontrolling interests and noncontrolling interests	146	419	(764)	419
Net loss attributable to stockholders					Net loss attributable to stockholders	\$ (19,313)	\$ (22,005)	\$ (35,643)	\$ (50,780)
Net loss attributable to stockholders per share, basic and diluted					Net loss attributable to stockholders per share, basic and diluted	\$ (1.11)	\$ (1.23)	\$ (1.97)	\$ (2.86)
Net loss from discontinued operations, basic and diluted					Net loss from discontinued operations, basic and diluted	\$ (0.01)	\$ (0.26)	\$ (0.24)	\$ (1.43)
Weighted-average shares outstanding, basic and diluted					Weighted-average shares outstanding, basic and diluted	17,351,796	17,861,935	18,072,115	17,767,871

See notes to unaudited condensed consolidated financial statements.

Spruce Power Holding Corporation

Condensed Consolidated Statements of Changes in Stockholders' Equity (Unaudited)

Three and Six Months Ended June 30, 2023									
Redeemable Noncontrolling Interests	Common Stock	Additional Paid-In Capital	Non controlling Interests	Accumulated Deficit	Treasury Stock	Total Stockholders' Equity		Redeemable Noncontrolling Interests	C

(In thousands, except share data)	(In thousands, except share data)							(In thousands, except share data)				(In thousands, except share data)		
			Shares	Amount									Shares	Amount
Balance at December 31, 2022	Balance at December 31, 2022	\$ 85	144,375,226	\$ 14	\$473,277	\$ 8,942		\$ (193,342)	\$ —	\$ 288,891		Balance at December 31, 2022	\$ 85	18
Cumulative-effect adjustment of ASC 326 adoption	Cumulative-effect adjustment of ASC 326 adoption	—	—	—	—	—		1,285	—	1,285		Cumulative-effect adjustment of ASC 326 adoption	—	
Fair value adjustment for Spruce Acquisition	Fair value adjustment for Spruce Acquisition	240	—	—	(1,813)	(5,490)		—	—	(7,303)		Fair value adjustment for Spruce Acquisition	240	
Exercise of stock options	Exercise of stock options	—	1,081,679	—	283	—		—	—	283		Exercise of stock options	—	
Issuance of restricted stock	Issuance of restricted stock	—	2,731,919	—	—	—		—	—	—		Issuance of restricted stock	—	
Issuance of common stock	Issuance of common stock	—	206,546	—	150	—		—	—	150		Issuance of common stock	—	
Capital distributions to noncontrolling interests	Capital distributions to noncontrolling interests	(108)	—	—	—	(88)		—	—	(88)		Capital distributions to noncontrolling interests	(108)	
Stock-based compensation expense	Stock-based compensation expense	—	—	—	796	—		—	—	796		Stock-based compensation expense	—	
Net income (loss)	Net income (loss)	(39)	—	—	—	590		(19,395)	—	(18,805)		Net income (loss)	(39)	
Balance at March 31, 2023	Balance at March 31, 2023	\$ 178	148,395,370	\$ 14	\$472,693	\$ 3,954		\$ (211,452)	\$ —	\$ 265,209		Balance at March 31, 2023	\$ 178	18
Exercise of stock options	Exercise of stock options	—	893,093	—	252	—		—	—	252		Exercise of stock options	—	
Issuance of restricted stock	Issuance of restricted stock	—	855,427	—	—	—		—	—	—		Issuance of restricted stock	—	
Share repurchases	Share repurchases	—	—	—	—	—		—	(1,614)	(1,614)		Share repurchases	—	
Stock-based compensation expense	Stock-based compensation expense	—	—	—	593	—		—	—	593		Stock-based compensation expense	—	
Capital distributions to noncontrolling interests	Capital distributions to noncontrolling interests	—	—	—	—	(57)		—	—	(57)		Capital distributions to noncontrolling interests	—	
Net income (loss)	Net income (loss)	21	—	—	—	(1,482)		3,065	—	1,583		Net income (loss)	21	
Balance at June 30, 2023	Balance at June 30, 2023	\$ 199	150,143,890	\$ 14	\$473,538	\$ 2,415		\$ (208,387)	\$(1,614)	\$ 265,966		Balance at June 30, 2023	\$ 199	18
Exercise of stock options	Exercise of stock options	—	—	—	—	—		—	—	—		Exercise of stock options	—	

Issuance of restricted stock	—	
Share repurchases	—	
Stock-based compensation expense	—	
Buyout of redeemable noncontrolling interests	(55)	
Equity related to buyout of redeemable noncontrolling interest	(139)	
Capital distributions to noncontrolling interests	(26)	
Net income (loss)	21	
Balance at September 30, 2023	Balance at September 30, 2023	
	\$ —	18

		Three and Six Months Ended June 30, 2022										
		Common Stock							Common S			
								(In thousands, except share data)			Common S	
(In thousands, except share data)	(In thousands, except share data)	Redeemable Noncontrolling Interests	Shares	Amount	Additional Paid-in Capital	Non controlling Interests	Accumulated Deficit	Total Stockholders' Equity	Shares	Redeemable Noncontrolling Interests	Amount	
Balance at December 31, 2021	Balance at December 31, 2021	\$ —	140,540,671	\$ 14	\$461,207	\$ —	\$ (99,411)	\$ 361,810	Balance at December 31, 2021	\$ —	17,567,584	
Exercise of stock options	Exercise of stock options	—	1,312,320	—	258	—	—	258	Exercise of stock options	—	164,040	
Issuance of restricted stock	Issuance of restricted stock	—	2,205	—	—	—	—	—	Issuance of restricted stock	—	276	
Issuance of shares as contingent consideration relating to Quantum business acquisition	Issuance of shares as contingent consideration relating to Quantum business acquisition	—	100,000	—	186	—	—	186	Issuance of shares as contingent consideration relating to Quantum business acquisition	—	12,500	

Stock-based compensation expense	Stock-based compensation expense	—	—	—	381	—	—	381	Stock-based compensation expense	—	—
Net loss	Net loss	—	—	—	—	—	(16,077)	(16,077)	Net loss	—	—
Balance at March 31, 2022	Balance at March 31, 2022	—	141,955,196	14	462,032	—	(115,488)	346,558	Balance at March 31, 2022	\$ —	17,744,400
Exercise of stock options	Exercise of stock options	\$ —	440,065	—	175	\$ —	—	175	Exercise of stock options	—	55,008
Issuance of restricted stock	Issuance of restricted stock	—	97,572	—	—	—	—	—	Issuance of restricted stock	—	12,197
Stock-based compensation expense	Stock-based compensation expense	—	—	—	1,081	—	—	1,081	Stock-based compensation expense	—	—
Net loss	Net loss	—	—	—	—	—	(12,698)	(12,698)	Net loss	—	—
Balance at June 30, 2022	Balance at June 30, 2022	\$ —	142,492,833	\$ 14	\$ 463,288	\$ —	\$ (128,186)	\$ 335,116	Balance at June 30, 2022	\$ —	17,811,605
Exercise of stock options	Exercise of stock options	—	—	—	—	—	—	—	Exercise of stock options	—	55,539
Issuance of restricted stock	Issuance of restricted stock	—	—	—	—	—	—	—	Issuance of restricted stock	—	115,740
Stock-based compensation expense	Stock-based compensation expense	—	—	—	—	—	—	—	Stock-based compensation expense	—	—
Buyout of noncontrolling interests	Buyout of noncontrolling interests	—	—	—	—	—	—	—	Buyout of noncontrolling interests	—	—
Capital distributions to noncontrolling interests	Capital distributions to noncontrolling interests	—	—	—	—	—	—	—	Capital distributions to noncontrolling interests	—	—
Noncontrolling interests related to acquisition of Spruce Power	Noncontrolling interests related to acquisition of Spruce Power	—	—	—	—	—	—	—	Noncontrolling interests related to acquisition of Spruce Power	38,695	—
Net income (loss)	Net income (loss)	—	—	—	—	—	—	—	Net income (loss)	205	—
Balance at September 30, 2022	Balance at September 30, 2022	\$ —	—	—	—	—	—	—	Balance at September 30, 2022	\$ 38,900	17,982,884

See notes to unaudited condensed consolidated financial statements.

Spruce Power Holding Corporation
Condensed Consolidated Statements of Cash Flows (Unaudited)

(In thousands)	(In thousands)	Six Months Ended June 30,		(In thousands)	Nine Months Ended September 30,	
		2023	2022		2023	2022
Operating activities:	Operating activities:			Operating activities:		
Net loss	Net loss	\$ (17,240)	\$ (28,775)	Net loss	\$ (36,407)	\$ (50,361)

Add back: Net loss from discontinued operations	Add back: Net loss from discontinued operations	4,049	20,794	Add back: Net loss from discontinued operations	4,253	25,393
Adjustments to reconcile net loss to net cash used in operating activities:	Adjustments to reconcile net loss to net cash used in operating activities:			Adjustments to reconcile net loss to net cash used in operating activities:		
Stock-based compensation	Stock-based compensation	1,389	1,462	Stock-based compensation	2,049	4,113
Bad debt expense	Bad debt expense	1,104	—	Bad debt expense	2,436	979
Depreciation and amortization expense	Depreciation and amortization expense	10,890	1,204	Depreciation and amortization expense	16,445	2,911
Impairment expense		73	—			
Change in fair value of obligation to issue shares of common stock	Change in fair value of obligation to issue shares of common stock	—	(498)	Change in fair value of obligation to issue shares of common stock	—	(540)
Change in fair value of interest rate swaps	Change in fair value of interest rate swaps	(3,602)	—	Change in fair value of interest rate swaps	(11,663)	(8,533)
Change in fair value of warrant liabilities	Change in fair value of warrant liabilities	(148)	(4,500)	Change in fair value of warrant liabilities	(218)	(5,146)
Interest income related to SEMTH master lease agreement	Interest income related to SEMTH master lease agreement	(1,394)	—	Interest income related to SEMTH master lease agreement	(7,658)	—
Gain on extinguishment of debt	Gain on extinguishment of debt	—	(4,527)	Gain on extinguishment of debt	—	(4,527)
Gain on disposal of assets	Gain on disposal of assets	(3,452)	—	Gain on disposal of assets	(4,225)	(493)
Loss on disposal of World Energy	Loss on disposal of World Energy	3,083	—	Loss on disposal of World Energy	3,083	—
Change in operating right-of-use assets	Change in operating right-of-use assets	(18)	—	Change in operating right-of-use assets	49	134
Amortization of debt discount and financing costs				Amortization of debt discount and financing costs	4,390	—
Amortization of debt discount		2,914	—			
Changes in operating assets and liabilities:	Changes in operating assets and liabilities:			Changes in operating assets and liabilities:		
Accounts receivable, net	Accounts receivable, net	(5,240)	—	Accounts receivable, net	(5,166)	(1,066)
Deferred rent assets	Deferred rent assets	41	—	Deferred rent assets	(488)	—
Prepaid expenses and other current assets	Prepaid expenses and other current assets	(584)	(659)	Prepaid expenses and other current assets	(1,992)	280
Other assets	Other assets	126	—	Other assets	124	—
Accounts payable	Accounts payable	387	(3,565)	Accounts payable	(1,667)	1,579
Accrued expenses and other current liabilities	Accrued expenses and other current liabilities	(5,898)	(3,268)	Accrued expenses and other current liabilities	25,212	5,109
Other long-term liabilities	Other long-term liabilities	8	—	Other long-term liabilities	5	—
Deferred revenue	Deferred revenue	482	—	Deferred revenue	701	64

Net cash used in continuing operating activities	Net cash used in continuing operating activities	(13,030)	(22,332)	Net cash used in continuing operating activities	(10,737)	(30,104)
Net cash used in discontinued operating activities	Net cash used in discontinued operating activities	(5,241)	(7,940)	Net cash used in discontinued operating activities	(5,187)	(16,295)
Investing activities:	Investing activities:			Investing activities:		
Proceeds from sale of solar energy systems	Proceeds from sale of solar energy systems	3,631	—	Proceeds from sale of solar energy systems	5,068	249
Proceeds from investment related to SEMTH master lease agreement	Proceeds from investment related to SEMTH master lease agreement	5,290	—	Proceeds from investment related to SEMTH master lease agreement	13,188	—
Cash paid to acquire SEMTH assets, net of cash acquired		(23,360)	—			
Cash paid for acquisitions, net of cash acquired				Cash paid for acquisitions, net of cash acquired	(43,097)	(32,585)
Purchases of other property and equipment	Purchases of other property and equipment	(124)	—	Purchases of other property and equipment	(285)	—
Net cash used in continuing investing activities	Net cash used in continuing investing activities	(14,563)	—	Net cash used in continuing investing activities	(25,126)	(32,336)
Net cash provided by discontinued investing activities	Net cash provided by discontinued investing activities	325	744	Net cash provided by discontinued investing activities	325	803
Financing activities:	Financing activities:			Financing activities:		
Proceeds from issuance of long-term debt				Proceeds from issuance of long-term debt	21,396	—
Payment of deferred financing costs				Payment of deferred financing costs	(391)	—
Repayments of long-term debt	Repayments of long-term debt	(14,305)	—	Repayments of long-term debt	(22,821)	—
Repayments under financing leases	Repayments under financing leases	(21)	(28)	Repayments under financing leases	(165)	(9)
Proceeds from issuance of common stock	Proceeds from issuance of common stock	150	—	Proceeds from issuance of common stock	150	—
Proceeds from exercise of stock options		535	433			
Remittance of statutory withholding on stock-based payment awards		(17)	—			
Proceeds from exercise of stock options				Proceeds from exercise of stock options	700	534
Share repurchases	Share repurchases	(1,614)	—	Share repurchases	(5,119)	—

Capital distributions to redeemable noncontrolling interests and noncontrolling interests	Capital distributions to redeemable noncontrolling interests and noncontrolling interests	(253)	—	Capital distributions to redeemable noncontrolling interests and noncontrolling interests	(381)	(2,577)
Net cash (used in) provided by continuing financing activities		(15,525)	405			
Buyout of redeemable non-controlling interest				Buyout of redeemable non-controlling interest	(55)	—
Net cash used in continuing financing activities				Net cash used in continuing financing activities	(6,686)	(2,052)
Net cash used in discontinued financing activities	Net cash used in discontinued financing activities	—	(182)	Net cash used in discontinued financing activities	—	(208)
Net change in cash and cash equivalents and restricted cash:	Net change in cash and cash equivalents and restricted cash:	(48,034)	(29,305)	Net change in cash and cash equivalents and restricted cash:	(47,411)	(80,192)
Cash and cash equivalents and restricted cash, beginning of period	Cash and cash equivalents and restricted cash, beginning of period	240,144	351,826	Cash and cash equivalents and restricted cash, beginning of period	240,144	351,826
Cash and cash equivalents and restricted cash, end of period	Cash and cash equivalents and restricted cash, end of period	\$ 192,110	\$ 322,521	Cash and cash equivalents and restricted cash, end of period	\$ 192,733	\$ 271,634
Supplemental disclosure of cash flow information:	Supplemental disclosure of cash flow information:			Supplemental disclosure of cash flow information:		
Interest expense paid	Interest expense paid	\$ 15,980	\$ 35	Interest expense paid	\$ 24,105	\$ 22
Supplemental disclosures of noncash investing and financing information:	Supplemental disclosures of noncash investing and financing information:			Supplemental disclosures of noncash investing and financing information:		
Right-of-use assets obtained in exchange for lease liability	Right-of-use assets obtained in exchange for lease liability	\$ —	\$ 1,815	Right-of-use assets obtained in exchange for lease liability	\$ 933	\$ 1,838
Settlement of operating lease liability	Settlement of operating lease liability	\$ 1,170	\$ 474	Settlement of operating lease liability	\$ 436	\$ 569
Settlement of finance lease liability				Settlement of finance lease liability	\$ 43	\$ —
Settlement of contingent liability through issuance of shares	Settlement of contingent liability through issuance of shares	\$ —	\$ 186	Settlement of contingent liability through issuance of shares	\$ —	\$ 186

See notes to unaudited condensed consolidated financial statements.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 1. Organization and Description of Business

Description of Business: Business

Spruce Power Holding Corporation (formerly known as XL Fleet Corp.) and its subsidiaries ("Spruce Power" or the "Company") is a leading owner and operator of distributed solar energy assets across the United States, offering subscription-based services to approximately 72,000 75,000 home solar assets and contracts, making renewable energy more accessible to everyone.

The Company generates revenues primarily through (i) the sale of electricity generated by its residential home solar energy systems to homeowners pursuant to long-term agreements, which obligate the Company's subscribers to make recurring monthly payments and (ii) the servicing of those agreements for other institutional owners of residential home solar energy systems. The Company also generates cash flows and earns interest income from its investment made during the first quarter of 2023 under the master lease with SS Holdings 2017, LLC and its subsidiaries ("SEMTH" ("SEMTH").

The Company holds subsidiary fund companies, defined below as the Funds, that own and operate portfolios of residential home solar energy systems, which are subject to solar lease agreements ("SLAs") and power purchase agreements ("PPAs", together with the SLAs, "Customer Agreements") with residential customers who benefit from the production of electricity generated by the solar energy systems. The solar energy systems may qualify for subsidies, renewable energy credits and other incentives as provided by various states and local agencies. These benefits have generally been retained by the Company's subsidiaries that own the systems, with the exception of the investment tax credit under Section 48 of the Internal Revenue Code, which were generally passed through to the various financing partners of the solar energy systems.

The Company engages in activities that result in energy efficiency, and also offers services which include asset management services and operating and maintenance services for residential home solar energy systems.

Discontinued Operations: Operations

Historically the Company had provided fleet electrification solutions for commercial vehicles in North America, offering its systems for vehicle electrification (the "Drivetrain" segment) and through its energy efficiency and infrastructure solutions business, including offering and installing charging stations to enable customers to effectively and cost effectively develop the charging infrastructure required for their electrified vehicles (the "XL Grid" segment).

In the first quarter of 2022, the Company initiated a strategic review of its overall business operations which included assessing its offerings, strategy, processes and growth opportunities. As a result of the strategic review, in the first quarter of 2022, the Company made the following decisions relating to the restructuring of its Drivetrain business: (i) the elimination of a substantial majority of the Company's hybrid drivetrain products; (ii) the elimination of its Plug-In Hybrid Electric Vehicles ("PHEV") plug-in hybrid electric vehicles products; (iii) the reduction in the size of the Company's workforce by approximately 50 employees; (iv) the closure of the Company's production center and warehouse in Quincy, IL; (v) the closure of the Company's engineering activities in its Boston office; and (vi) the termination of the Company's partnership with eNow.

Following the strategic review, the Company announced its decision to pursue transformational mergers and acquisition ("M&A") opportunities, enabled by a significant cash balance resulting from the Company's go-public transaction completed in December 2020. This included the implementation of a process to institutionalize the M&A effort, resulting in the formation of an investment committee comprised of senior members of the Company's executive team and members of its Board of Directors. The objective of the investment committee was to continue the exploration of value-generative opportunities in the decarbonization and energy transition ecosystem, focused on three core requirements, (i) a business that is making an impact on decarbonization, (ii) a leader in an established, growing market segment, and (iii) a company that is generating positive EBITDA.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 1. Organization and Description of Business, continued

As a result of these efforts, on September 9, 2022, the Company acquired 100% of the membership interests of Spruce Holding Company 1 LLC, Spruce Holding Company 2 LLC, Spruce Holding Company 3 LLC, and Spruce Manager LLC (collectively and together with their subsidiaries, "Legacy Spruce Power") (See Note 3. Business Combinations). Legacy Spruce Power was one of the largest privately held owner and operator of residential home solar energy systems in the U.S. at the

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 1. Organization and Description of Business, continued

time of the transaction, with approximately 51,000 customer subscribers as of December 31, 2022. Spruce Power sells the power generated by solar energy systems to its residential homeowners pursuant to long-term agreements that require subscribers to make recurring monthly payments.

With the completion of the acquisition of Legacy Spruce Power, the Company announced that it would analyze strategic alternatives related to its Drivetrain business. In December 2022, the Company announced that it was exiting its Drivetrain business and would be selling a portion of the business for an immaterial amount to Shyft Group USA ("Shyft") which closed in January 2023. Shyft bought certain technical equipment and assumed the Company's Wixom, Michigan facility and also offered employment to certain engineers and other sales personnel. Shyft also assumed completion of the Company's pilot development agreement with the Department of Defense related to vehicle hybridization (with the Company retaining rights to potential future royalties from the program). In the fourth quarter of 2022, the Company also announced that it had sold certain battery inventory and its legacy hybrid technology to RMA Group, an automotive and equipment supplier in Southeast Asia.

After the acquisition of Legacy Spruce Power, the Company also began reviewing the operations of its XL Grid business, to evaluate its strategic fit with Legacy Spruce Power. In the fourth quarter of 2022, the Company entered into a non-binding letter of intent for the sale of World Energy Efficiency Services, LLC ("World Energy") for an immaterial amount. The divestiture of World Energy closed in January 2023 and the Company subsequently ceased its XL Grid operations.

Both the Drivetrain and XL Grid operations are presented as discontinued operations in the unaudited condensed consolidated financial statements.

Note 2. Summary of Significant Accounting Policies

Basis of unaudited condensed consolidated financial statement presentation: The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and Article 8 of Regulation S-X. The Company has condensed or omitted certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP pursuant to the applicable rules and regulations of the SEC regarding interim financial reporting. As such, these interim unaudited condensed consolidated financial statements should be read in conjunction with the Company's 2022 annual audited consolidated financial statements and accompanying notes included in its Annual Report. The Company's interim unaudited condensed consolidated financial statements reflect all normal and recurring adjustments necessary, in its opinion, to state fairly the financial position and results of operations for the reported periods. Amounts reported for interim periods may not be indicative of a full year period due to the Company's continual growth, seasonal fluctuations in demand for power, timing of maintenance and other expenditures, changes in interest expense and other factors.

The Company's accompanying unaudited condensed consolidated financial statements include the accounts of its wholly owned subsidiaries and variable interest entities ("VIEs"), for which the Company is the primary beneficiary. All intercompany transactions have been eliminated in consolidation. **Certain prior period amounts have been reclassified to conform to the Company's current presentation and such reclassifications had no effect on the Company's previously reported net income, earnings per share, cash flows or accumulated deficit.**

On October 6, 2023, the Company effected a one-for-eight reverse stock split with respect to its issued and outstanding shares of common stock (the "Reverse Stock Split"). All share and per share amounts included in this Form 10-Q have been retrospectively presented as if the reverse stock split had been effective from the beginning of the earliest period presented.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

Use of estimates: The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the balance sheet date, as well as reported amounts of expenses during the reporting period. The Company's most significant estimates and judgments involve, deferred income taxes, warranty reserves, valuation of share-based compensation, useful lives of certain assets and liabilities, the valuation of redeemable noncontrolling interests and noncontrolling interests, the allowance for current expected credit losses, warrant liabilities, asset acquisition transactions and the valuation of business combinations, including the fair values and useful lives of acquired assets and assumed liabilities. Management bases its estimates on historical experience and on various other assumptions believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates, and such differences could be material to the Company's financial statements.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

Variable interest entities: The Company consolidates any **variable interest entity ("VIE")** VIE of which it is the primary beneficiary. The Company formed or acquired VIEs which are partially funded by tax equity investors in order to facilitate the funding and monetization of certain attributes associated with solar energy systems. The typical condition for a

controlling financial interest ownership is holding a majority of the voting interests of an entity; however, a controlling financial interest may also exist in entities, such as VIEs, through arrangements that do not involve controlling voting interests. A variable interest holder is required to consolidate a VIE if that party has the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and the obligation to absorb losses of the VIE that could potentially be significant to the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. The Company does not consolidate a VIE in which it has a majority ownership interest when the Company is not considered the primary beneficiary. The Company evaluates its relationships with the VIEs on an ongoing basis to determine if it is the primary beneficiary.

The Company's initial investments in Volta Solar Owner II, LLC, ORE F4 HoldCo, LLC and Level Solar Fund IV LLC (collectively, ("Level Solar Fund IV"), collectively, the "Funds") "Funds", were determined to be variable interests in VIEs. The Company considered the provisions within the contractual arrangements that grant it power to manage and make decisions that affect the operation of the VIEs, including determining the solar energy systems contributed to the VIEs, and the operation and maintenance of the solar energy systems. The Company considers the rights granted to the other investors under the contractual arrangements to be more protective in nature rather than substantive participating rights. As such, the Company was determined to be the primary beneficiary and the assets, liabilities and activities of the Funds are were consolidated by the Company. During the three months ended September 30, 2023, the Company purchased all membership interests in Level Solar Fund IV and it ceased being a VIE as of September 30, 2023 (See Note 13. Redeemable Noncontrolling Interests and Noncontrolling Interests).

Redeemable noncontrolling interests and noncontrolling interests: The distribution rights and priorities for the Funds as set forth in their respective operating agreements differ from the underlying percentage ownership interests of the members. As a result, the Company allocates income or loss to the noncontrolling interest holders of the Funds utilizing the hypothetical liquidation of book value ("HLBV") method, in which income or loss is allocated based on the change in each member's claim on the net assets at the end of each reporting period, adjusted for any distributions or contributions made during such periods. The HLBV method is commonly applied to investments where cash distribution percentages vary at different points in time and are not directly linked to an equity member's ownership percentage.

The HLBV method is a balance sheet-focused approach. Under this method, a calculation is prepared at each reporting date to determine the amount that each member would receive if the entity were to liquidate all of its assets and distribute the resulting proceeds to its creditors and members based on the contractually defined liquidation priorities. The difference between the calculated liquidation distribution amounts at the beginning and the end of the reporting period, after adjusting for capital contributions and distributions, is used to derive each member's share of the income or loss for the period. Factors used in the HLBV calculation include GAAP income (loss), taxable income (loss), capital contributions, investment tax credits, capital distributions and the stipulated targeted investor return specified in the subsidiaries' operating agreements. Changes in these factors could have a significant impact on the amounts that investors would receive upon a hypothetical liquidation.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

The Company classifies certain noncontrolling interests with redemption features that are not solely within the Company's control outside of permanent equity in the unaudited condensed consolidated balance sheets. Redeemable noncontrolling interests are reported using the greater of the carrying value at each reporting date as determined by the HLBV method or the estimated redemption value at the end of each reporting period. Estimating the redemption value of the redeemable noncontrolling interests requires the use of significant assumptions and estimates, such as projected future cash flows.

Concentration of credit risk: Financial instruments which potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents. At times, such cash may be in excess of the FDIC limit. At June 30, 2023 September 30, 2023 and December 31, 2022, the Company had cash in excess of the \$250,000 federally insured limit. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents as most of the balances are kept in treasury bills, which are government backed securities.

Cash and cash equivalents: The Company considers all highly liquid investments with a maturity of three months or less at the time of purchase to be cash equivalents. Cash and cash equivalents include cash held in banks and money market accounts. Cash equivalents are carried at cost, which approximates fair value due to their short-term nature. The

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

Company's cash and cash equivalents are placed with high-credit quality financial institutions and issuers, and at times exceed federally insured limits. To date, the Company has not experienced any credit loss relating to its cash and cash equivalents.

Restricted cash: Restricted cash held at June 30, 2023 September 30, 2023 and December 31, 2022 of \$29.4 million \$38.5 million and \$19.8 million, respectively, primarily consists of approximately \$29.2 million \$38.4 million and \$19.7 million, respectively, of cash that is subject to restriction due to provisions in the Company's financing agreements and the

operating agreements of the Funds that are accounted for as consolidated VIEs. The carrying amount reported in the unaudited condensed consolidated balance sheets for restricted cash approximates its fair value.

The following table provides a reconciliation of cash and cash equivalents and restricted cash reflected on the unaudited condensed consolidated balance sheets to the total amounts shown in the unaudited condensed consolidated statements of cash flows for the end of the periods:

		As of		As of	
				September 30,	September 30,
(Amounts in thousands)	(Amounts in thousands)	June 30, 2023	June 30, 2022	(Amounts in thousands) 2023	(Amounts in thousands) 2022
Cash and cash equivalents	Cash and cash equivalents	\$ 162,749	\$ 322,371	Cash and cash equivalents \$	154,209 \$ 239,512
Restricted cash	Restricted cash	29,361	150	Restricted cash	38,524 32,122
Total cash, cash equivalents and restricted cash	Total cash, cash equivalents and restricted cash	\$ 192,110	\$ 322,521	Total cash, cash equivalents and restricted cash	\$ 192,733 \$ 271,634

Accounts receivable, net: Accounts receivable primarily represent amounts due from the Company's residential customers. Accounts receivable is recorded net of an allowance for expected credit losses, which is determined by the Company's assessment of the collectability of customer accounts based on the best available data at the time of the assessment. Management reviews the allowance by considering factors such as historical experience, contractual term, aging category and current economic conditions that may affect customers. The following table presents the changes in the allowance for credit losses recorded

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

against accounts receivable, net on the unaudited condensed consolidated balance sheets:

		As of		As of	
(Amounts in thousands)	(Amounts in thousands)	June 30, 2023	December 31, 2022	(Amounts in thousands)	September 30, 2023
Balance at beginning of period	Balance at beginning of period	\$ 12,164	\$ 12,164	Balance at beginning of period	\$ 12,164
Impact of ASC 326 adoption	Impact of ASC 326 adoption	(1,285)	—	Impact of ASC 326 adoption	(1,285)
Write-off of uncollectible accounts	Write-off of uncollectible accounts	(661)	—	Write-off of uncollectible accounts	(835)
Provision recognized upon valuation of assets acquired				Provision recognized upon valuation of assets acquired	420
Provision for current expected credit losses	Provision for current expected credit losses	1,104	—	Provision for current expected credit losses	2,436
Balance at end of period	Balance at end of period	\$ 11,322	\$ 12,164	Balance at end of period	\$ 12,900

Derivative instruments and hedging activities: The Company utilizes interest rate swaps to manage interest rate risk on existing and planned future debt issuances. The fair value of all derivative instruments are recognized as assets or liabilities at the balance sheet date on the unaudited condensed consolidated balance sheets. The fair value of the interest rate swaps are calculated by discounting the future net cash flows to the present value based on the terms and conditions of the agreements and the forward interest rate curves. As these inputs are based on observable data and valuations of similar instruments, the interest rate derivatives are primarily categorized as Level 2 in the fair value hierarchy.

Prepaid expenses and other current assets: Prepaid expenses and other current assets include prepaid insurance, prepaid rent, and supplies, which are expected to be recognized or realized within the next 12 months.

Property and equipment, net: Property and equipment, net consists of solar energy systems and other property and equipment.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

Solar energy systems, net: Solar energy systems, net consists of residential home solar energy systems which are subject to long-term customer agreements. Solar energy systems are recorded at their fair value upon acquisition. Subsequently, any impairment charges that may arise are recognized and the impairment loss reduces the carrying amount of the asset to its recoverable amount. For all acquired systems, the Company calculates depreciation using the straight-line method over the remaining useful life as of the acquisition date based on a 30-year useful life from the date the asset was placed in service. When a solar energy system is sold or otherwise disposed of, a gain (or loss) is recognized for the amount of cash received in excess of the net book value of the solar energy system (or vice versa), at which time the related solar energy system is removed from the unaudited condensed consolidated balance sheets.

Depreciation expense of solar energy systems for the three and six nine months ended June 30, 2023 September 30, 2023 was \$5.6 million \$6.3 million and \$11.6 million \$17.9 million, respectively, and \$0 \$1.3 million for the three and six nine months ended June 30, 2022 September 30, 2022.

Other property and equipment, net: Other property and equipment, net is stated at cost less accumulated depreciation, or if acquired in a business combination, at fair value as of the date of acquisition less accumulated depreciation. Depreciation is calculated using the straight-line method, based upon the following estimated useful lives:

Equipment	5 years
Furniture and fixtures	3 years
Computer and related equipment	2 years
Software	2 years
Vehicles	5 years
Leasehold improvements	Lesser of useful life of the asset or remaining life of the lease

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

Leasehold improvements are capitalized, while replacements, maintenance and repairs, which do not improve or extend the life of the respective asset, are expensed as incurred. When property and equipment is retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts, and any gain or loss on the disposition is recorded in the unaudited condensed consolidated statements of operations as a component of other income, net.

Depreciation expense of other property and equipment for the three and six nine months ended June 30, 2023 September 30, 2023 was \$0.1 million for both periods, and 0.2 million respectively and for the three and six nine months ended June 30, 2022 September 30, 2022 was \$0.2 million and \$0.4 million \$0.6 million, respectively.

Intangible assets, net: The Company's intangible assets include solar renewable energy credit agreements, performance based incentive agreements, and a trade name. The Company amortizes its intangible assets that have finite lives based on the pattern in which the economic benefit of the asset is expected to be utilized. The useful life of the Company's intangible assets generally range between three years and 30 years. The useful life of intangible assets are assessed and assigned based on the facts and circumstances specific to the assets. The Company recognizes the amortization of (i) solar renewable energy agreements and performance based incentive agreements as a reduction to revenue and (ii) the trade name as amortization expense within selling, general and administrative expenses.

Asset retirement obligations ("ARO"): Customer agreements only require that solar energy systems be removed if: (i) the customer has not renewed the customer agreement or exercised their purchase option and (ii) the host customer requests the Company to remove the system. Upon review of the Company's estimate of the probability of required system removal, the Company considered current industry trends and has determined that it is highly probable that the customers will choose to renew their agreements or exercise the buyout option as the systems have an estimated useful life greater than the terms of the customer agreements and would still present value to the customer through energy cost savings. Therefore, the Company believes that the probability-weighted estimated removal costs are nominal and no ARO liability has been recorded.

Business combinations: The Company accounts for the acquisition of a business using the acquisition method of accounting. Amounts paid to acquire a business are allocated to the assets acquired and liabilities assumed based on their fair values at the date of acquisition. The Company engages third-party appraisal firms to assist in the fair value

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

determination. The Company determines the fair value of purchase consideration, including contingent consideration, and acquired intangible assets based on valuations received from the appraisal firm that used information and assumptions provided by Management. The Company allocates any excess purchase price over the fair value of the net tangible and intangible assets acquired to goodwill. The results of operations of acquired businesses are included in the Company's financial statements from the date of acquisition forward. Acquisition-related costs are expensed in periods in which the costs are incurred.

Asset acquisitions: The Company accounts for assets acquired based on the consideration transferred by us, the Company, including direct and incremental transaction costs incurred by the Company as a result of the acquisition. An asset acquisition's cost or the consideration transferred by us, the Company is assumed to be equal to the fair value of the net assets acquired. If the consideration transferred is cash, measurement is based on the amount of cash the Company paid to the seller, as well as transaction costs incurred by us, the Company. Consideration given in the form of nonmonetary assets, liabilities incurred or equity interests issued is measured based on either the cost to us, the Company or the fair value of the assets or net assets acquired, whichever is more clearly evident. The cost of an asset acquisition is allocated to the net assets acquired based on their estimated relative fair values. The Company engages third-party appraisal firms to assist in the fair value determination. Goodwill is not recognized in an asset acquisition.

Impairment of long-lived assets: The Company reviews long-lived assets, including solar energy systems, other property and equipment, and intangible assets with definite lives, for impairment whenever events or changes in circumstances indicate that an asset group's carrying amount may not be recoverable. The Company groups assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities and evaluate the asset group against the sum of the undiscounted future cash flows. If the undiscounted cash flows do not indicate the carrying amount of the asset group is recoverable, an impairment charge is measured as the amount by which

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

the carrying amount of the asset group exceeds its fair value. There has been were no long-lived asset impairment charge charges for the periods presented, three and nine months ended September 30, 2023 and 2022.

Impairment of goodwill: Goodwill represents the excess of cost over the fair market value of net tangible and identifiable intangible assets of acquired businesses. Goodwill is not amortized, however it is annually tested for impairment, or more frequently if events or circumstances indicate that the carrying amount of goodwill may be impaired. The Company has historically recorded goodwill in connection with its historical business acquisitions.

The Company performs its annual goodwill impairment assessment on October 1 of each fiscal year, or more frequently if events or circumstances arise which indicate that goodwill may be impaired. An assessment can be performed by first completing a qualitative assessment of the Company's single reporting unit. The Company can also bypass the qualitative assessment in any period and proceed directly to the quantitative impairment test, and then resume the qualitative assessment in any subsequent period. Qualitative indicators that may trigger the need for annual or interim quantitative impairment testing include, among other things, deterioration in macroeconomic conditions, declining financial performance, deterioration in the operational environment, or an expectation of selling or disposing of a portion of the reporting unit. Additionally, a significant change in business climate, a loss of a significant customer, increased competition, a sustained decrease in share price, or a decrease in estimated fair value below book value may trigger the need for interim impairment testing of goodwill.

If the Company believes that, as a result of its qualitative assessment, it is more likely than not that the fair value of the reporting unit is less than its carrying amount, the quantitative impairment test is required. The quantitative test involves comparing the fair value of the reporting unit with its carrying amount, including goodwill. If the carrying amount of the reporting unit exceeds its fair value, an impairment loss is recorded as a reduction to goodwill with a corresponding charge to earnings in the period the goodwill is determined to be impaired. The income tax effect associated with an impairment of tax-deductible goodwill is also considered in the measurement of the goodwill impairment. Any goodwill impairment is limited to the total amount of goodwill.

The Company determines the fair value of its reporting unit using the market or income approach. Under the market approach method, the Company compares its book uses multiples of EBITDA or revenue of the comparable guideline public companies by selecting a population of public companies with similar operations and attributes. Using this guideline public company data, a range of multiples of enterprise value to EBITDA or revenue is calculated. The Company selects percentages from the range of multiples for purposes of determining the Company's estimated enterprise value based on such multiple and generally the latest twelve months EBITDA or revenue. Increases (decreases) in the multiple will result in an increase (decrease) in enterprise value, resulting in an increase (decrease) in the fair value estimate of its public float, utilizing the fair value of its

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

common stock on the measurement date. Company. The income approach of computing fair value is based on the present value of the expected future economic benefits generated by the asset or business, such as cash flows or profits which will then be compared to its book value.

In the first quarter of 2022, the Company believed there were indicators that the carrying amount of its goodwill may be impaired due to a decline in the Company's stock price and market capitalization. As a result, the Company performed an assessment of its goodwill for impairment. The Company elected to forego the qualitative test and proceeded to perform a quantitative test. The Company compared the book value of its single reporting unit to the fair value of its public float. The market capitalization was below the fair value of the Company by an amount in excess of its reported value of goodwill. As a result, the Company recorded a charge of \$8.6 million to fully impair its goodwill for the six months ended June 30, 2022 related to XL Flee Corp., which is reflected within net loss from discontinued operations in the unaudited condensed consolidated statements of operations for the nine months ended September 30, 2022 (See Note 17. Discontinued Operations). There were no goodwill impairment charges during the three and nine months ended September 30, 2023.

Contingencies: The Company is unable to anticipate the ultimate outcome of all pending legal proceedings. When it is probable that a loss has occurred and the loss amount can be reasonably estimated, the Company records liabilities for loss contingencies. In certain cases, the Company may be covered by one or more corporate insurance policies, resulting in insurance loss recoveries. When such recoveries are in excess of a loss recognized in the Company's financial statements, the Company recognizes a gain contingency at the earlier of when the gain has been no impairment charge realized or when it is realizable,

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Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

however when the Company expects recovery of proceeds up to the amount of the loss recognized, a receivable, which offsets the related loss contingency, is recognized when realization of the claim for the six months ended June 30, 2023, recovery is determined to be probable.

Warrant liabilities: As of June 30, 2023, September 30, 2023 and 2022, the Company had outstanding private warrants, which are related to the December 2020 merger and organization of legacy XL Hybrids Inc. ("XL Hybrids") to become XL Fleet Corp. With the merger, the Company assumed private placement warrants to purchase 4,233,333 529,167 shares of common stock, with an exercise price of \$11.50 \$92.00 per share (the "Private Warrants"). The Private Warrants do not meet the criteria for equity classification and must be recorded as liabilities. As the Private Warrants meet met the definition of a derivative, they were measured at fair value at inception and at each reporting date with changes in fair value recognized in the unaudited condensed consolidated statements of operations. The Private Warrants were valued using a Black-Scholes model, with significant inputs consisting of risk-free interest rate, remaining term, expected volatility, exercise price, and the Company's stock price (See Note 10. Fair Value Measurements).

Warranties: Customers who purchased the Company's Drivetrain systems were provided limited-assurance-type warranties for equipment and work performed under the contracts. The warranty period typically extends for three years following transfer of control of the equipment. The warranties solely relate to correction of product defects during the warranty period, which is consistent with similar warranties offered by competitors. Customers of XL Grid were provided limited-assurance-type warranties for a term of one year for installation work performed under its contracts.

The Company accrued the estimated cost of product warranties for unclaimed charges based on historical experiences and expected results. Should product failure rates and material usage costs differ from these factors, estimated revisions to the estimated warranty liability will be required. The Company periodically assesses the adequacy of its recorded product warranty liabilities and adjusts the balances as required. Warranty expense is recorded as a component of discontinued operations in the unaudited condensed

consolidated statement of operations. With the Company's exit from the Drivetrain business and the subsequent sale of World Energy, the Company will not enter into any additional warranty obligations and expects the existing warranty obligation to substantially run-off over the next 18 months, subsequent 15-month period.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

The following is a rollforward roll forward of the Company's accrued warranty liability:

(Amounts in thousands)	(Amounts in thousands)	Three Months Ended		Six Months Ended		(Amounts in thousands)	Three Months Ended		Nine Months Ended	
		June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Balance at the beginning of the period	Balance at the beginning of the period	\$ 627	\$ 2,403	\$ 1,125	\$ 2,547	Balance at the beginning of the period	\$ 602	\$ 2,326	\$ 1,125	\$ 2,547
Accrual for warranties issued	Accrual for warranties issued	—	7	—	35	Accrual for warranties issued	—	75	—	110
Transfer of inventory to servicers	Transfer of inventory to servicers	—	—	(498)	—	Transfer of inventory to servicers	—	—	(498)	—
Accrual related to World Energy	Accrual related to World Energy	(25)	—	(25)	—	Accrual related to World Energy	—	—	(25)	—
Warranty fulfillment charges	Warranty fulfillment charges	—	(84)	—	(256)	Warranty fulfillment charges	—	(80)	—	(336)
Balance at the end of the period	Balance at the end of the period	\$ 602	\$ 2,326	\$ 602	\$ 2,326	Balance at the end of the period	\$ 602	\$ 2,321	\$ 602	\$ 2,321

The Company's warranty liability is included in accrued expenses and other current liabilities on the unaudited condensed consolidated balance sheets.

Unfavorable solar renewable energy agreements: The Company amortizes its unfavorable solar renewable energy agreements that have finite lives based on the pattern in which the economic benefit of the liability is relieved. The useful life of the Company's liabilities generally range between three years and six years. The useful life of these liabilities are assessed and assigned based on the facts and circumstances specific to the agreement. The Company recognizes the amortization of unfavorable solar renewable energy agreements as revenues in the unaudited condensed consolidated statements of operations.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

Revenues: The Company's revenue is derived from its residential home solar energy portfolio, which primarily generates revenue through the sale to homeowners of power generated by its residential home solar energy systems pursuant to long-term agreements.

The following table presents the detail of the Company's revenues as reflected within the unaudited condensed consolidated statements of operations for the three and six nine months ended June 30, 2023 September 30, 2023:

		Three Months Ended	Six Months Ended		Three Months Ended		Nine Months Ended	
(Amounts in thousands)	(Amounts in thousands)	June 30, 2023		(Amounts in thousands)	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
PPA revenues	PPA revenues	\$ 12,234	\$ 19,361	PPA revenues	\$ 11,370	\$ 2,430	\$ 30,731	\$ 2,430
SLA revenues	SLA revenues	7,025	14,947	SLA revenues	7,596	1,683	22,543	1,683
Solar renewable energy credit revenues	Solar renewable energy credit revenues	1,662	3,196	Solar renewable energy credit revenues	2,072	760	5,268	760
Government incentives	Government incentives	72	96	Government incentives	68	25	164	25
Servicing revenues	Servicing revenues	112	225	Servicing revenues	100	151	325	151
Intangibles amortization, unfavorable solar renewable energy agreements	Intangibles amortization, unfavorable solar renewable energy agreements	976	1,419	Intangibles amortization, unfavorable solar renewable energy agreements	974	—	2,393	—
Other revenue	Other revenue	732	1,664	Other revenue	1,070	31	2,734	31
Total	Total	\$ 22,813	\$ 40,908	Total	\$ 23,250	\$ 5,080	\$ 64,158	\$ 5,080

Energy generation - Customers purchase solar energy from the Company under PPAs or SLAs, both defined above. Revenue is recognized from contracts with customers as performance obligations are satisfied at a transaction price reflecting an amount of consideration based upon an estimated rate of return which is expressed as the solar rate per kilowatt hour or a flat rate per month as defined in the customer contracts.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

- **PPA revenues** - Under Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers* ("ASC 606") issued by the Financial Accounting Standards Board ("FASB"), PPA revenue is recognized when generated based upon the amount of electricity delivered as determined by remote monitoring equipment at solar rates specified under the PPAs.
- **SLA revenues** - The Company has SLAs, which do not meet the definition of a lease under ASC 842, *Leases* ("ASC 842"), and are accounted for as contracts with customers under ASC 606. Revenue is recognized on a straight-line basis over the contract term as the obligation to provide continuous access to the solar energy system is satisfied. The amount of revenue recognized may not equal customer cash payments due to the performance obligation being satisfied ahead of cash receipt or evenly as continuous access to the solar energy system has been provided. The differences between revenue recognition and cash payments received are reflected in as deferred rent assets, assets on the unaudited condensed consolidated balance sheets.

Solar renewable energy credit revenues - The Company enters contracts with third parties to sell Solar Renewable Energy Credits ("SRECs") generated by the solar energy systems for fixed prices. Certain contracts that meet the definition of a derivative may be exempted as normal purchase or normal sales transactions ("NPNS"). NPNS are contracts that provide for the purchase or sale of something other than a financial instrument or derivative instrument that will be delivered in quantities expected to be used or sold over a reasonable period in the normal course of business. The Company's SREC contracts meet these requirements and are designated as NPNS contracts. Such SRECs are exempted from the derivative accounting and reporting requirements, and the Company recognizes revenues in accordance with ASC 606. The Company recognizes revenue for SRECs based on pricing predetermined within the respective contracts at a point in time when the SRECs are transferred. As SRECs can be sold separate from the actual electricity generated by the renewable-based generation source, the Company accounts for the SRECs it generates from its solar energy systems as governmental incentives with no costs incurred to obtain them and do not consider those SRECs output of the underlying solar energy systems. The Company classifies these SRECs as inventory held until sold and delivered to third parties. As the Company

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

did not incur costs to obtain these governmental incentives, the inventory carrying value for the SRECs was \$0 as of June 30, 2023, September 30, 2023 and December 31, 2022.

Government incentives - The Company participates in the Residential Solar Investment Program of Connecticut, residential solar investment programs which offers offer a performance-based incentive ("PBI") for certain of its solar energy systems that are associated with the program ("eligible systems"). PBI revenue is accounted for under ASC 606 and is earned based upon the actual electricity produced by the system.

Servicing revenues - The Company earns operating and maintenance revenue from third-party residential solar fund customers at pre-determined rates for various operating and maintenance and asset management services as specified in Maintenance Service Agreements ("MSAs") and Operating Service Agreements ("OSAs"). The MSAs and OSAs contain multiple performance obligations, including routine maintenance, nonroutine maintenance, renewable energy certificate management, inventory management, delinquent account collections and customer account management. Pursuant to ASC

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

606, the Company has elected the "right to invoice" practical expedient and revenue for these performance obligations are recognized as services are rendered based upon the underlying contractual arrangements.

Contract balances: Investment related to SEMTH master lease agreement and interest income: The Company accounts for its investment related to SEMTH master lease agreement in accordance with ASC 325-40, *Investments—Other—Beneficial Interests in Securitized Financial Assets*. The Company recognizes accretable yield as interest income over the life of revenue recognition, billings and cash collections results the related beneficial interest using the effective yield method, which is reflected within interest expense, net in billed accounts receivable, and deferred revenue on the unaudited condensed consolidated balance sheets, statements of operations for the three and nine months ended September 30, 2023. On a recurring basis, the Company evaluates changes in the cash flows expected to be collected from the cash flows previously projected, and when favorable or adverse changes are deemed other than temporary, the Company updates its expectation of cash flows to be collected and recalculates the amount of accretable yield for the related beneficial interest.

Cost of revenues: Cost of revenues primarily consists of the depreciation expense relating to the solar energy systems, costs of third parties used to service the systems and any cost associated with meter swaps.

Income taxes: The Company accounts for income taxes using the asset and liability method under which deferred tax liabilities and assets are recognized for the expected future tax consequences of temporary differences between financial statement carrying amounts and the tax basis of assets and liabilities and net operating loss and tax credit carryforwards. Deferred income taxes are provided for the temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, and net operating loss carry-forwards and credits. Deferred tax assets and liabilities are measured using enacted rates in effect for the year in which the differences are expected to be recovered or settled. The effect of changes in tax rates on deferred tax assets and liabilities is recognized in the unaudited condensed consolidated statements of operations in the period in which the enactment rate changes. The ultimate recovery of deferred tax assets is dependent upon the amount and timing of future taxable income and other factors, such as the taxing jurisdiction in which the asset is to be recovered. Deferred tax assets and liabilities are reduced through the establishment of a valuation allowance if, based on available evidence, it is more likely than not that the deferred tax assets will not be realized.

Uncertain tax positions taken or expected to be taken in a tax return are accounted for using the more likely than not threshold for financial statement recognition and measurement. The determination as to whether the tax benefit will more likely than not be realized is based upon the technical merits of the tax position as well as consideration of the available facts and circumstances. For the three and six months ended June 30, 2023, September 30, 2023 and 2022, there were no uncertain tax position taken or expected to be taken in the Company's tax returns.

In the normal course of business, the Company is subject to regular audits by U.S. federal and state and local tax authorities. With few exceptions, the Company is no longer subject to federal, state or local tax examinations by tax authorities in its major jurisdictions for tax years prior to 2019. However, net operating loss carryforwards remain subject to examination to the extent they are carried forward and impact a year that is open to examination by tax authorities.

The Company did not recognize any tax related interest or penalties during the periods presented in the accompanying unaudited condensed consolidated financial statements, however would record any such interest and penalties as a component of the provision for income taxes.

Note 2. Summary of Significant Accounting Policies, continued

There has historically been no federal or state provision for income taxes since the Company has historically incurred net operating losses and maintains a full valuation allowance against its net deferred tax assets. For the three and **six** nine months ended **June 30, 2023** September 30, 2023 and 2022, the Company recognized no provision for income taxes consistent with its losses incurred and the valuation allowance against its deferred tax assets. As a result, the Company's effective income tax rate was 0% for the three and **six** nine months ended **June 30, 2023** September 30, 2023 and 2022.

Reverse Stock Split: On October 6, 2023, the Company effected the Reverse Stock Split. Prior to the effective time of the Reverse Stock Split, the Company had 151,441,768 and 145,595,792 shares of common stock issued and outstanding, respectively, and upon the Reverse Stock Split, the Company had approximately 18,930,196 and 18,199,449 shares of common stock issued and outstanding, respectively. The par value and the number of authorized shares of the common stock were not adjusted in connection with the Reverse Stock Split. All references to common stock, stock options, restricted stock units, private warrants, share data, per share data and related information contained within these unaudited condensed consolidated financial statements have been retrospectively adjusted to reflect the effect of the Reverse Stock Split for all periods presented. Subsequent to the Reverse Stock Split, each stockholder's percentage ownership interest in the Company and proportional voting power remained unchanged.

No fractional shares of the Company's common stock were issued in connection with the Reverse Stock Split. In late October 2023, certain stockholders entitled to fractional shares as a result of the Reverse Stock Split received aggregate cash payments of approximately \$0.01 million in lieu of receiving fractional shares.

Stock-based compensation: The Company grants stock-based awards to certain employees, directors and non-employee consultants. Awards issued under the Company's stock-based compensation plans include stock options and restricted stock units. For transactions in which the Company obtains employee services in exchange for an award of equity instruments, the cost of the services are measured based on the grant date fair value of the award. The Company recognizes the cost over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period). Costs related to plans with graded vesting are generally recognized using a straight-line method.

Note 2. Summary of Significant Accounting Policies, continued

Stock Options

The Company uses the Black-Scholes option pricing model to determine the fair value of stock-based awards and recognizes the compensation cost on a straight line basis over the requisite service period of the awards for employee, which is typically the **four-year**~~four-year~~ vesting period of the award, and effective contract period specified in the award agreement for non-employee.

The fair value of common stock is determined based on the closing price of the Company's common stock on the New York Stock Exchange at each award grant date.

The determination of the fair value of share-based payment awards utilizing the Black-Scholes model is affected by the stock price and a number of assumptions, including expected volatility, expected life, risk-free interest rate and expected dividends. The Company does not have a significant history of trading of its common stock as it was not a public company until December 21, 2020, and as such expected volatility was estimated using historical volatilities of comparable public entities. The expected life of the awards is estimated based on a simplified method, which uses the average of the vesting term and the original contractual term of the award. The risk-free interest rate assumption is based on observed interest rates appropriate for the expected life of the awards. The dividend yield assumption is based on history and expectation of paying no dividends. Forfeitures are accounted for as they occur.

Restricted Stock Units

Restricted stock units generally vest over the requisite service periods (vesting on a straight-line basis). The fair value of a restricted stock unit award is equal to the closing price of the Company's common stock on the New York Stock Exchange on the grant date. The Company accounts for the forfeiture of equity awards as they occur.

Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

Net income (loss) per share: Basic net income (loss) per share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period, without consideration for potentially dilutive securities. Diluted net income (loss) per share is computed by dividing net income (loss) by the weighted-average number of shares of common stock and potentially dilutive securities outstanding during the period determined using the treasury stock and if-converted methods. For purposes of the diluted income (loss) per share calculation, stock options, restricted stock units, restricted stock unit awards and warrants are considered to be potentially dilutive securities. Potentially dilutive securities are excluded from the calculation of diluted income (loss) per share when their effect would be anti-dilutive.

Fair value measurements: The fair value of the Company's financial assets and liabilities reflects Management's estimate of amounts that the Company would have received in connection with the sale of the assets or paid in connection with the transfer of the liabilities in an orderly transaction between market participants at the measurement date. For assets and liabilities measured at fair value on a recurring and nonrecurring basis, a three-level hierarchy of measurements based upon observable and unobservable inputs is used to arrive at fair value. Observable inputs are developed based on market data obtained from independent sources, while unobservable inputs reflect the Company's assumptions about valuation based on the best information available in the circumstances. Depending on the inputs, the Company classifies each fair value measurement as follows:

- *Level 1:* Observable inputs that reflect unadjusted quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date.
- *Level 2:* Observable inputs other than Level 1 prices, such as quoted market prices for similar assets or liabilities in active markets, quoted market prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- *Level 3:* Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

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Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy must be determined based on the lowest level input that is significant to the fair value measurement. An assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and consideration of factors specific to the asset or liability.

The Company's financial instruments consist of cash and cash equivalents, restricted cash, accounts receivable, net, accounts payable, accrued expenses and other current liabilities, long-term debt, interest rate swaps and warrant liabilities. The carrying value of cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses and other current liabilities approximates fair value due to the short-term nature of those instruments. See Note 10. Fair Value Measurements for additional information on assets and liabilities measured at fair value.

Segment reporting: Segment reporting is based on the "management approach", following the method that management organizes the Company's reportable segments for which separate financial information is made available to, and evaluated regularly by, the Company's chief operating decision maker ("CODM") in allocating resources and in assessing performance. The Company's CODM is its Chief Executive Officer ("CEO"). In the fourth quarter of 2022, the Company determined that the Drivetrain and XL Grid operations were discontinued operations which resulted in the Company having one operating segment that constitutes selling electricity through residential home solar energy systems or through residual ownership in master lease agreements.

Related parties: A party is considered to be related to the Company if the party directly or indirectly or through one or more intermediaries, controls, is controlled by, or is under common control with the Company. Related parties also include principal owners of the Company, its management, members of the immediate families of principal owners of the Company and its management and other parties with which the Company may deal with if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests. A party which can significantly influence the

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Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

management or operating policies of the transacting parties or that has an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests is also a related party.

Recent Accounting Pronouncements

In October 2021, the FASB issued Accounting Standards Update ("ASU") 2021-08, *Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*, ("ASU 2021-08"), which requires contract assets and contract liabilities acquired in a business combination to be recognized in accordance with ASC 606. ASU 2021-08 is effective for the Company beginning January 1, 2023. The Company adopted this ASU effective January 1, 2023 and prospectively accounts for its customer contracts acquired in the Legacy Spruce Power acquisition (See Note 3. Business Combinations) in accordance with ASC 606.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses of Financial Instruments*, ("ASU 2016-13") which, together with subsequent amendments, amended the requirement on the measurement and recognition of expected credit losses for financial assets held, replaced the incurred loss model for financial assets measured at amortized cost, and required entities to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. ASU 2016-13 is effective for the Company beginning January 1, 2023. The Company adopted this ASU effective January 1, 2023 using the modified retrospective approach for its trade accounts receivable, which resulted in a cumulative-effect adjustment to stockholders' equity of approximately \$1.3 million as of that date. Results for reporting periods prior to January 1, 2023 continue to be presented in accordance with previously applicable GAAP, while results for subsequent reporting periods are presented under ASC 326.

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Notes to Unaudited Condensed Consolidated Financial Statements

Note 2. Summary of Significant Accounting Policies, continued

The following table presents the impact of the adoption of ASU 2016-13 on the unaudited condensed consolidated balance sheets as of January 1, 2023:

<i>(Amounts in thousands)</i>	Accounts Receivable, Net	
Balance at beginning of period (pre-ASC 326 adoption)	\$	8,336
Impact of ASC 326 adoption		1,285
Balance at beginning of period (post-ASC 326 adoption)	\$	9,621

Note 3. Business Combinations

Legacy Spruce Power

On September 9, 2022 (the "Acquisition Date" "Acquisition Date"), the Company acquired Legacy Spruce Power for \$32.6 million, which consisted of cash payments of \$61.8 million less cash and restricted cash acquired of \$29.2 million. Management evaluated which entity should be considered the accounting acquirer in the transaction by giving consideration to the form of consideration transferred, the composition of the equity holders, the composition of voting rights of the Board of Directors, continuity of management structure, and size of the respective organizations. Based on the evaluation of the applicable factors, Management noted that all factors, with the exception of the relative size of organization, were indicators that the Company was the acquiring entity resulting in Management's conclusion that for accounting purposes, the Company acquired Legacy Spruce Power.

The acquisition was accounted for as a business combination. The Company allocated the Legacy Spruce Power purchase price to tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values as of the Acquisition Date. The excess of the purchase price over those fair values was recorded as goodwill.

The Company's Company's evaluations of the facts and circumstances available as of the Acquisition Date, to assign fair values to assets acquired and liabilities, assumed are still ongoing, remained ongoing subsequent to the Acquisition Date. As the Company completes completed further

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Notes to Unaudited Condensed Consolidated Financial Statements

analysis of assets including solar systems, intangible assets, as well as noncontrolling interests and debt, additional information on the assets acquired and liabilities assumed may become available. A change in information related to the value of net assets acquired may change the amount of the purchase price initially assigned to goodwill, and as a result, the preliminary fair values set forth below were subject to adjustment as additional information was obtained and valuations are completed. These provisional adjustments are recognized during the reporting period in which the adjustments were determined. The Company expects to finalize the purchase price allocation as soon as practicable, but no later than one year from the Acquisition Date, of September 8, 2023.

Accounting for business combinations requires management to make significant estimates and assumptions, especially at the Acquisition Date, including the Company's estimates of the fair value of solar systems, production based incentives, solar renewable energy agreements, non-controlling interest, trade name and debt, where applicable. The Company believes the assumptions and estimates are based on information obtained from the management of the acquired companies and are inherently uncertain. Critical estimates in valuing solar systems under the income approach include future expected cash flows and discount rate. Unanticipated events and circumstances may occur that may affect the accuracy or validity of such assumptions, estimates or actual results.

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Notes to Unaudited Condensed Consolidated Financial Statements

The following table summarizes the preliminary purchase price allocation of the fair value of assets acquired and liabilities assumed in the acquisition of Legacy Spruce Power, as adjusted, during the measurement period:

<i>(Amounts in thousands)</i>	Initial Purchase Price Allocation	Measurement Period Adjustments	Updated Purchase Price Allocation
Total purchase consideration:			
Cash, net of cash acquired, and restricted cash	\$ 32,585	\$ —	\$ 32,585
Allocation of consideration to assets acquired and liabilities assumed:			
Accounts receivable, net	10,995	—	10,995
Prepaid expenses and other current assets	6,768	(2,405)	4,363
Solar energy systems	406,298	89,268	495,566
Other property and equipment	337	—	337
Intangible assets	—	11,980	11,980
Interest rate swap assets	26,698	—	26,698
Right-of-use asset	3,279	(328)	2,951
Other assets	358	(102)	256
Goodwill	158,636	(129,879)	28,757
Accounts payable	(2,620)	(22)	(2,642)
Unfavorable solar renewable energy agreements	—	(10,500)	(10,500)
Accrued expenses	(13,061)	(241)	(13,302)
Lease liability	(3,382)	42	(3,340)
Long-term debt	(510,002)	2,772	(507,230)
Other liabilities	(335)	292	(43)
Redeemable noncontrolling interests and noncontrolling interests	(51,384)	39,123	(12,261)
Total assets acquired and liabilities assumed	\$ 32,585	\$ —	\$ 32,585

As reflected in the preceding table, as a result of third party valuation reports received in the first quarter of 2023, the Company adjusted solar energy systems and intangible assets with corresponding changes to goodwill. In the first quarter of 2023, due to the change in the provisional amounts assigned to intangible assets and solar energy systems, the Company recognized \$0.4 million of revenue, \$1.9 million of depreciation expense and \$0.4 million of trade name amortization, of which \$0.5 million of revenue, \$0.9 million of depreciation expense and \$0.3 million of trade name amortization relates to the previous year.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

During the first quarter of 2023, the Company adjusted the fair value of its noncontrolling interest and its redeemable noncontrolling interest in the Company's financials, which resulted in related downward revision of \$5.5 million and upward revision of \$0.2 million, respectively. Additional paid in capital was also downward revised by \$1.8 million, which included the fair value adjustment associated with the purchase of 100% of the membership interests in Ampere Solar Owner IV, LLC, ORE F5A HoldCo, LLC, ORE F6 HoldCo, LLC, RPV Fund 11 LLC and RPV Fund 13 LLC, Sunserve Residential Solar I, LLC's and Level Solar Fund III, LLC in 2022.

No additional information was obtained by the Company during the three months period ended June 30, 2023 September 30, 2023 that requires adjustment to the purchase price allocation disclosed above.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

The gross intangibles acquired are amortized over their respective estimated useful lives as follows:

<i>(Amounts in thousands)</i>	<i>(Amounts in thousands)</i>	Asset	Liability	Estimated Life (in years)	<i>(Amounts in thousands)</i>	Asset	Liability	Estimated Life (in years)
Solar renewable energy agreements	Solar renewable energy agreements	\$ 340	\$ 10,500	3 to 6	Solar renewable energy agreements	\$ 340	\$ 10,500	3 to 6
Performance based incentives agreements	Performance based incentives agreements	\$ 3,240	\$ —	13	Performance based incentives agreements	3,240	—	13
Trade name	Trade name	\$ 8,400	\$ —	30	Trade name	8,400	—	30
Total intangibles acquired	Total intangibles acquired	\$ 11,980	\$ 10,500		Total intangibles acquired	\$ 11,980	\$ 10,500	

The weighted-average useful life of the intangibles identified above is approximately 16 years, which approximates the period over which the Company expects to gain the estimated economic benefits.

Goodwill represents the excess of the purchase consideration over the estimated fair value of the net assets acquired. Goodwill is primarily attributable to the Company's ability to leverage and use its existing capital and access to capital markets along with Legacy Spruce Power's established operations and mergers and acquisition capabilities to grow the Spruce Power business.

Supplemental disclosure of pro forma information: The following unaudited pro forma financial information represents the combined results of the operations of the Company, including Legacy Spruce Power, as if the acquisition of Legacy Spruce Power on the Acquisition Date had occurred as of January 1, 2022. The results of operations related to the Company's Drivetrain and XL Grid businesses, which were determined to be discontinued operations in the fourth quarter of 2022, are presented as net loss from discontinued operations. The unaudited pro forma revenues and pro forma net income (loss) reflect the continuing operational results of the Company's corporate functions and the results of operations for Legacy Spruce Power. The unaudited pro forma financial information is not necessarily indicative of what the consolidated results of operations actually would have been had the respective acquisitions been completed on January 1, 2022. In addition, the unaudited pro forma financial information does not purport to project the future results of operations of the combined Company.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

The following table presents the Company's pro forma combined results of operations for the three and **six** nine months ended **June 30, 2022** September 30, 2022:

		Three Months Ended	Six Months Ended		Three Months Ended	Nine Months Ended
<i>(Amounts in thousands, except per share data)</i>	<i>(Amounts in thousands, except per share data)</i>	June 30, 2022		<i>(Amounts in thousands, except per share data)</i>	September 30, 2022	
Revenues	Revenues	\$ 22,204	\$ 39,195	Revenues	\$ 22,094	\$ 61,289
Net income from continuing operations		\$ 3,369	\$ 14,018			
Net income (loss) from continuing operations				Net income (loss) from continuing operations	\$ (10,586)	\$ 3,432
Net loss from discontinued operations	Net loss from discontinued operations	(4,851)	(20,794)	Net loss from discontinued operations	(4,599)	(25,393)
Net loss	Net loss	\$ (1,482)	\$ (6,776)	Net loss	\$ (15,185)	\$ (21,961)
Per share amounts:	Per share amounts:			Per share amounts:		
Net income from continuing operations - basic and diluted		\$ 0.02	\$ 0.10			
Net income (loss) from continuing operations - basic and diluted				Net income (loss) from continuing operations - basic and diluted	\$ (0.59)	\$ 0.19
Net loss from discontinued operations - basic and diluted	Net loss from discontinued operations - basic and diluted	\$ (0.03)	\$ (0.15)	Net loss from discontinued operations - basic and diluted	\$ (0.26)	\$ (1.43)

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 4. Acquisition of Acquisitions

SEMTH Master Lease Agreement

In furtherance of its growth strategy, on March 23, 2023, the Company completed the acquisition of all the issued and outstanding interests in SEMTH (the "SEMTH Acquisition") from certain funds managed by HPS Investment Partners, LLC, pursuant to a Membership Interest Purchase and Sale Agreement ("Purchase Agreement") dated as of March 23, 2023. The SEMTH assets include 20-year use rights to customer payment streams ("SEMTH Master Lease") of approximately 22,500 **residential home** solar leases and power purchase agreements. The Company acquired SEMTH for approximately \$23.0 million of cash, net of cash received, and assumed \$125.0 million of outstanding senior indebtedness (See Note 8. Long-Term Debt) and interest rate swaps with Deutsche Bank AG, New York Bank (See Note 12. Interest Rate Swaps) held by SEMTH, and its subsidiaries at the close of the acquisition.

The purchase of SEMTH's future revenue has been accounted for as an acquisition of financial assets. Under the acquisition method, the purchase price was allocated to the assets acquired and liabilities assumed based on their relative fair value. All fair value measurements of assets acquired and liabilities assumed were based on significant estimates and assumptions, including Level 3 (unobservable) inputs, which require judgment. Estimates and assumptions include the projected timing and amount of future cash flows, discount rates reflecting risk inherent in future cash flows and future utility prices.

For the purposes of establishing the fair value of the Company's investment in the SEMTH Master Lease, its analysis **considers** **considered** cash flows beginning in March 2023 (the effective date of the transaction). The Company estimated the fair value of its investment in SEMTH Master Lease to be approximately \$146.9 million on the transaction date.

Note 5. Property and Equipment

Property and equipment consisted Subsequent to the issuance of the **following at** Company's financial information for the quarter ended June 30, 2023, the Company's management identified a misstatement in the amount of interest income recognized for the Company's investment related to the SEMTH master lease agreement. As a result,

\$2.4 million of interest income related to the three months and December 31, 2022; six months ended June 30, 2023 was recorded during the three months ended September 30, 2023 within interest expense, net in the unaudited condensed consolidated statements of operations. The effect of such misstatement would have resulted in an increase of \$2.4 million to net income from continuing operations and net income attributable to stockholders and an increase of \$0.02 to net income attributable to stockholders per share (both basic and diluted, not adjusted for the Reverse Stock Split) for the three months ended June 30, 2023. Similarly, the effect of such misstatement would have resulted in a decrease of \$2.4 million in the net loss from continuing operations and net loss attributable to stockholders and a decrease of \$0.02 to net loss attributable to stockholders per share (both basic and diluted, not adjusted for the Reverse Stock Split) for the six months ended June 30, 2023.

Tredegar Acquisition

On August 18, 2023, the Company acquired approximately 2,400 home solar assets and contracts from a publicly traded, regulated utility company for \$20.9 million (the "Tredegar Acquisition"). The home solar assets acquired have an average remaining contract life of approximately 11 years. The Tredegar Acquisition was funded by term loans from the concurrent amendment of the Company's existing debt facility as of the acquisition date (See Note 8. Long-Term Debt).

(Amounts in thousands)	As of	
	June 30, 2023	December 31, 2022
Solar energy systems	\$ 493,278	\$ 401,754
Less: Accumulated depreciation	(17,957)	(5,928)
Solar energy systems, net	\$ 475,321	\$ 395,826
Equipment	\$ 19	\$ 48
Furniture and fixtures	260	294
Computers and related equipment	185	222
Software	8	6
Leasehold improvements	60	65
Gross other property and equipment	532	635
Less: Accumulated depreciation	(165)	(293)
Other property and equipment, net	\$ 367	\$ 342
Property and equipment, net	\$ 475,688	\$ 396,168

The Tredegar Acquisition has been accounted for as an acquisition of assets, wherein the total consideration paid was allocated to the assets acquired and liabilities assumed based on their relative fair value. The Company's determination of the fair value of assets acquired and liabilities assumed was based on an independent third-party valuation, which involved significant estimates and assumptions, including Level 3 (unobservable) inputs, using the income method approach to value long-lived assets. The Company estimated the fair value of the Tredegar Acquisition to be approximately \$21.2 million, inclusive of transaction costs of \$0.3 million, of which \$19.6 million was allocated to the solar energy systems.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 5. Property and Equipment, Net

Property and equipment consisted of the following at September 30, 2023 and December 31, 2022:

(Amounts in thousands)	As of	
	September 30, 2023	December 31, 2022
Solar energy systems	\$ 511,772	\$ 401,754
Less: Accumulated depreciation	(23,852)	(5,928)
Solar energy systems, net	\$ 487,920	\$ 395,826
Equipment	\$ 157	\$ 48
Furniture and fixtures	260	294

Computers and related equipment	206	222
Software	6	6
Leasehold improvements	60	65
Gross other property and equipment	689	635
Less: Accumulated depreciation	(222)	(293)
Other property and equipment, net	\$ 467	\$ 342
Property and equipment, net	\$ 488,387	\$ 396,168

Note 6. Intangible Assets, net Net

The following table presents the detail of intangible assets, net as recorded in the unaudited condensed consolidated balance sheets:

	As of	
	June	September 30,
	2023	
<i>(Amounts in thousands)</i>		
Intangible assets:		
Solar renewable energy agreements	\$	340
Performance based incentives agreements		3,240
Trade name		8,400
Gross intangible assets		11,980
Less: Accumulated amortization		(1,427) (1,718)
Intangible assets, net	\$	10,553 10,262

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 7. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following at June 30, 2023 September 30, 2023 and December 31, 2022:

		As of				As of	
<i>(Amounts in thousands)</i>	<i>(Amounts in thousands)</i>	June 30, 2023	December 31, 2022	<i>(Amounts in thousands)</i>	September 30, 2023	December 31, 2022	
Accrued interest	Accrued interest	\$ 8,278	\$ 6,586	Accrued interest	\$ 12,036	\$ 6,586	
Professional fees	Professional fees	2,156	1,749	Professional fees	1,878	1,749	
Accrued contingencies (See Note 15)	Accrued contingencies (See Note 15)			Accrued contingencies (See Note 15)			
Commitments and Contingencies)	Commitments and Contingencies)	—	2,300	Commitments and Contingencies)	30,800	2,300	
Accrued obligations		2,002	—				
Accrued compensation and related benefits	Accrued compensation and related benefits	1,744	6,526	Accrued compensation and related benefits	2,530	6,526	
Accrued expenses, other	Accrued expenses, other	3,682	3,696	Accrued expenses, other	3,168	3,696	

Accrued taxes, stock-based compensation	Accrued taxes, stock-based compensation	1,269	—	Accrued taxes, stock-based compensation	720	—
Accrued settlements	Accrued settlements	387	451	Accrued settlements	436	451
Deferred purchase price consideration, World Energy	Deferred purchase price consideration, World Energy	3	201	Deferred purchase price consideration, World Energy	—	201
Accrued expenses and other current liabilities	Accrued expenses and other current liabilities	\$ 19,521	\$ 21,509	Accrued expenses and other current liabilities	\$ 51,568	\$ 21,509

Note 8. Long-Term Debt

The following table provides a summary of the Company's debt as of the dates indicated:

(Amounts in thousands)	Due	As of	
		September 30, 2023	December 31, 2022
SVB Credit Agreement, SP1 Facility	April 2026	\$ 221,223	\$ 232,786
Second SVB Credit Agreement, SP2 Facility	April 2027	87,402	70,314
KeyBank Credit Agreement, SP3 Facility	November 2027	60,375	64,181
Second KeyBank Credit Agreement	April 2030	162,741	165,887
Deutsche Bank Credit Agreement, SP4 Facility	August 2025	125,000	—
Less: Unamortized fair value adjustment		(29,042)	(33,413)
Less: Unamortized deferred financing costs		(370)	—
Total debt		627,329	499,755
Less: Current portion of long-term debt		(27,719)	(25,314)
Long-term debt, net of current portion		\$ 599,610	\$ 474,441

In connection with the acquisition of Legacy Spruce Power effective September 9, 2022, the Company assumed certain long-term debt instruments valued at approximately \$507.2 million as of that date. In connection with accounting for the business combination, the Company adjusted the carrying value of this long-term debt to its fair value as of the Acquisition Date. This fair value adjustment resulted in a reduction of the carrying value of the debt by \$35.2 million. This adjustment to fair value is being amortized to interest expense over the life of the related debt instruments using the effective interest

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 8. Long-Term Debt, continued

method. Amortization expense for the fair value adjustment for the three and six nine months ended June 30, 2023 September 30, 2023 were \$1.5 million and \$2.9 million \$4.4 million, respectively.

Second SVB Credit Agreement Amendment

On August 18, 2023, the Company entered into a second amendment to its existing SP2 Facility with Silicon Valley Bank ("SVB"), a division of First-Citizens Bank & Trust Company which provided the Company (i) incremental term loans with a principal amount of approximately \$21.4 million, of which proceeds were primarily used to fund the Tredegar Acquisition (See Note 4. Acquisition) and (ii) incremental letters of credit in the aggregate amount of approximately \$2.7 million (collectively, the "SP2 Facility Amendment"). Excluding the aforementioned amounts, all other terms of the original SP2 Facility remain unchanged. The SP2 Facility Amendment was treated as a debt modification under ASC 470-50, *Debt—Modifications and Extinguishments*. The Company also incurred related \$0.4 million of deferred financing costs, which is being amortized over the term of the loan. The SP2 Facility, as well as the Company's other debt facilities, are non-recourse to the Company.

Deutsche Bank Credit Agreement

As part of the acquisition of SEMTH (See Note 4. [Acquisition of SEMTH Master Lease Agreement Acquisition](#)), the Company assumed debt with Deutsche Bank AG, New York Bank ("Deutsche Bank").

Deutsche Bank Credit Agreement

Prior to the SEMTH Acquisition, SET Borrower 2022, LLC ("SET Borrower"), a wholly owned subsidiary of SEMTH, entered into a Credit Agreement effective June 10, 2022 (the "Closing Date") with Deutsche Bank as the facility agent, (the "DB Credit Agreement"), which consisted of a term loan of \$125.0 million. The DB Credit Agreement million ("SP4 Facility") and is collateralized by all of the assets and property of SET Borrower. The term loan bears interest at the Secured Overnight Financing Rate ("SOFR"), plus the applicable margin. For the period from the Closing Date through the first twelve months, the applicable margin is 2.25% per annum, 2.50% for the following six months, and 2.75% for the next six months, and 3.00% through the maturity date. The effective interest rate on the DB Credit Agreement SP4 Facility as of June 30, 2023 September 30, 2023 was 7.16% 6.99%. The DB Credit Agreement SP4 Facility requires SET Borrower to be in compliance with various affirmative and negative covenants and as of June 30, 2023 September 30, 2023, SET Borrower was in compliance with the covenants contained within the DB Credit Agreement. SP 4 Facility. The term loan requires quarterly payments, which began on August 17, 2022, and should the outstanding loan balance exceed the borrowing base on such calculation date, the remaining balance would become due in a single payment on August 18, 2025.

Note 9. ROU Assets and Lease Liabilities

The Company's right-of-use ("ROU") assets and lease liabilities are comprised of the following as of each period end:

(Amounts in thousands).	(Amounts in thousands).	As of		(Amounts in thousands).	As of	
		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Operating leases:	Operating leases:			Operating leases:		
Right-of-use assets	Right-of-use assets	\$ 4,468	\$ 2,686	Right-of-use assets	\$ 6,238	\$ 2,686
Lease liability, current	Lease liability, current	\$ 651	\$ 781	Lease liability, current	\$ 1,126	\$ 781
Lease liability, non-current	Lease liability, non-current	\$ 4,544	\$ 2,365	Lease liability, non-current	\$ 6,004	\$ 2,365
Finance leases:	Finance leases:			Finance leases:		
Right-of-use assets	Right-of-use assets	\$ 31	\$ 116	Right-of-use assets	\$ —	\$ 116
Lease liability, current	Lease liability, current	\$ 55	\$ 53	Lease liability, current	\$ —	\$ 53
Lease liability, non-current	Lease liability, non-current	\$ 38	\$ 61	Lease liability, non-current	\$ —	\$ 61

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Other information related to leases is presented below:

(Amounts in thousands).	(Amounts in thousands).	Three Months Ended June 30,		Six Months Ended June 30,		(Amounts in thousands).	Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
Other information:	Other information:					Other information:				
Operating lease cost	Operating lease cost	\$ 95	\$ 465	\$ 416	\$ 534	Operating lease cost	\$ 605	\$ 264	\$ 1,021	\$ 799
Variable lease cost	Variable lease cost	\$ 134	\$ —	\$ 229	\$ —	Variable lease cost	\$ 127	\$ —	\$ 356	\$ —
Sublease income	Sublease income	\$ 54	\$ —	\$ 129	\$ —	Sublease income	\$ 356	\$ —	\$ 486	\$ —

Operating cash flows from operating right-of-use assets	Operating cash flows from operating right-of-use assets	\$	229	\$	—	\$	646	\$	438	Operating cash flows from operating right-of-use assets	\$	732	\$	205	\$	1,378	\$	643
Initial recognition of operating right-of-use assets										Initial recognition of operating right-of-use assets	\$	933	\$	—	\$	933	\$	—
Remeasurement of operating right-of-use assets										Remeasurement of operating right-of-use assets	\$	520	\$	—	\$	1,280	\$	—
Remeasurement of operating right-of-use assets		\$	759	\$	—	\$	759	\$	—									

During the three months ended **June 30, 2023** September 30, 2023, the Company entered into a new lease for the relocation of its corporate office, which resulted in additional operating right-of-use asset and lease liability of approximately \$0.9 million. In addition, the Company remeasured its operating right-of-use assets due to a change in the lease terms term of the certain underlying leases, resulting in a net an increase in the related right-of-use assets and lease liabilities by of approximately \$0.8 million \$0.5 million.

In addition, the aggregate, during the three nine months ended **June 30, 2023** September 30, 2023, one the Company (i) recognized \$0.9 million of operating right-of-use assets and lease liabilities due to a new lease, discussed above, (ii) remeasured its operating right-of-use assets due to changes in the Company's lease terms of certain underlying leases, resulting in an aggregate increase in the related right-of-use assets and lease liabilities of approximately \$1.3 million, and (iii) settled certain operating leases, was which were either terminated or assumed by a third party, resulting in the settlement of the lease liability amount of approximately \$1.2 million \$0.4 million (presented in the unaudited condensed consolidated statements of cash flows) and recognition of a related net gain of approximately less than \$0.1 million included within gain (gain) loss on asset disposal of assets in the unaudited condensed consolidated statements of operations.

	As of	
	June 30, 2023	December 31, 2022
Weighted-average remaining lease term – operating leases (in months)	78.8	49.8
Weighted-average discount rate – operating leases	6.9 %	2.9 %

As of June 30, 2023 In addition, during the three and nine months ended September 30, 2023, the annual minimum lease payments of Company purchased the Company's operating equipment related to its existing finance leases for approximately \$0.1 million, thereby settling all outstanding finance lease liabilities were as follows (in thousands):

For The Years Ending December 31,	
2023 (excluding the six months ended June 30, 2023)	\$ 486
2024	961
2025	868
2026	870
2027	883
Total future minimum lease payments, undiscounted	6,641
Less: Imputed interest	(1,446)
Present value of future minimum lease payments	\$ 5,195

of September 30, 2023. The Company also recognized a related loss of approximately \$0.1 million included within (gain) loss on asset disposal in the unaudited condensed consolidated statements of operations.

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Notes to Unaudited Condensed Consolidated Financial Statements

As of	

	September 30, 2023	December 31, 2022
Weighted-average remaining lease term – operating leases (in months)	70.3	49.8
Weighted-average discount rate – operating leases	7.2 %	2.9 %

As of September 30, 2023, the annual minimum lease payments of the Company's operating lease liabilities were as follows (in thousands):

For The Years Ending December 31,	
2023 (excluding the nine months ended September 30, 2023)	\$ 360
2024	1,616
2025	1,270
2026	1,206
2027	1,258
Thereafter	3,164
Total future minimum lease payments, undiscounted	8,874
Less: Imputed interest	(1,744)
Present value of future minimum lease payments	\$ 7,130

Note 10. Fair Value Measurements

The Company uses various assumptions and methods in estimating the fair values of its financial instruments.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The Private Warrants were valued using a Black-Scholes model, pursuant to the inputs provided in the table below:

Input		Assumptions for Assets and Liabilities Measured at Fair Value on a Recurring Basis		Input		Assumptions for Assets and Liabilities Measured at Fair Value on a Recurring Basis	
		June 30, 2023	December 31, 2022			September 30, 2023	December 31, 2022
Risk-free rate	Risk-free rate	4.69 %	1.11 %	Risk-free rate	4.98 %	1.11 %	
Remaining term in years	Remaining term in years	2.47	3.98	Remaining term in years	2.23	3.98	
Expected volatility	Expected volatility	80.1 %	88.8 %	Expected volatility	81.2 %	88.8 %	
Exercise price	Exercise price	\$ 11.50	\$ 11.50	Exercise price	\$ 92.00	\$ 92.00	
Fair value of common stock	Fair value of common stock	\$ 0.81	\$ 3.31	Fair value of common stock	\$ 5.44	\$ 26.48	

The Company's interest rate swaps are not traded on a market exchange and the fair values are determined using a valuation model based on a discounted cash flow analysis. This analysis reflects the contractual terms of the interest rate swap agreements and uses observable market-based inputs, including estimated future SOFR interest rates. The fair value of the Company's interest rate swap is the net difference in the discounted future fixed cash payments and the discounted expected variable cash receipts. The variable cash receipts are based on the expectation of future interest rates and are observable inputs available to a market participant. The interest rate swap valuation is classified in Level 2 of the fair value hierarchy.

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Notes to Unaudited Condensed Consolidated Financial Statements

Note 10. Fair Value Measurements, continued

The Company's debt balances as presented on the unaudited condensed consolidated balance sheets approximate the fair value of the respective instruments as the debt is at a variable rate, the estimates of which are considered Level 2 fair value calculations within the fair value hierarchy.

The following table sets forth the Company's assets and liabilities which are measured at fair value on a recurring basis by level within the fair value hierarchy:

Fair Value Measurements as of June 30, 2023	Fair Value Measurements as of September 30, 2023
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<i>(Amounts in thousands)</i>	<i>(Amounts in thousands)</i>	Level I	Level II	Level III	Total	<i>(Amounts in thousands)</i>	Level I	Level II	Level III	Total
Asset:	Asset:					Asset:				
Interest rate swaps	Interest rate swaps	\$ —	\$ 35,458	\$ —	\$ 35,458	Interest rate swaps	\$ —	\$ 43,618	\$ —	\$ 43,618
Liabilities:	Liabilities:					Liabilities:				
Debt	Debt	\$ —	\$ 613,364	\$ —	\$ 613,364	Debt	\$ —	\$ 627,329	\$ —	\$ 627,329
Private Warrants	Private Warrants	—	—	109	109	Private Warrants	—	—	38	38
Total	Total	\$ —	\$ 613,364	\$ 109	\$ 613,473	Total	\$ —	\$ 627,329	\$ 38	\$ 627,367

Fair Value Measurements as of December 31, 2022				
<i>(Amounts in thousands)</i>	Level I	Level II	Level III	Total
Asset:				
Interest rate swaps	\$ —	\$ 32,252	\$ —	\$ 32,252
Liabilities:				
Debt	\$ —	\$ 499,755	\$ —	\$ 499,755
Private Warrants	—	—	256	256
Fair value of obligation to issue shares of common stock to sellers of World Energy	—	—	151	151
Total	\$ —	\$ 499,755	\$ 407	\$ 500,162

The following is a roll forward of the Company's Level 3 liability instruments:

	Three Months Ended September 30, 2023	Nine Months Ended September 30, 2023
<i>(Amounts in thousands)</i>		
Balance at the beginning of the period	\$ 109	\$ 407
Fair value adjustments – warrant liability	(71)	(218)
Share settlement of World Energy liability	—	(151)
Balance at the end of the period	\$ 38	\$ 38

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 10. Fair Value Measurements, continued

Fair Value Measurements as of December 31, 2022				
<i>(Amounts in thousands)</i>	Level I	Level II	Level III	Total
Asset:				
Interest rate swaps	\$ —	\$ 32,252	\$ —	\$ 32,252
Liabilities:				
Debt	\$ —	\$ 499,755	\$ —	\$ 499,755
Private Warrants	—	—	256	256
Fair value of obligation to issue shares of common stock to sellers of World Energy	—	—	151	151

Total	\$	—	\$	499,755	\$	407	\$	500,162
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The following is a rollforward of the Company's Level 3 liability instruments:

	Three Months Ended June 30, 2023	Six Months Ended June 30, 2023
<i>(Amounts in thousands)</i>		
Balance at the beginning of the period	\$ 142	\$ 407
Fair value adjustments – warrant liability	(33)	(147)
Share settlement of World Energy liability	—	(151)
Balance at the end of the period	\$ 109	\$ 109

Note 11. Stock-Based Compensation Expense

Stock-based compensation expense for stock options and restricted stock units for the three and six nine months ended June 30, 2023 September 30, 2023 were \$0.8 million \$0.9 million and \$1.6 million \$2.4 million, respectively, and for three and six nine months ended June 30, 2022 September 30, 2022 were \$1.1 million \$2.7 million and \$1.5 million \$4.1 million, respectively. As of June 30, 2023 September 30, 2023, there was \$9.2 million \$7.8 million of unrecognized compensation cost related to stock options and restricted stock units which is expected to be recognized over the remaining vesting periods, with a weighted-average period of 3.4 3.2 years.

Stock Options

The Company grants stock options to certain employees that will vest over a period of one to four years. A summary of stock option award activity for the six nine months ended June 30, 2023 September 30, 2023 was as follows:

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 11. Stock-Based Compensation Expense, continued

Options	Options	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Options	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term
Outstanding at December 31, 2022	Outstanding at December 31, 2022	6,091,271	\$ 1.39	2.7	Outstanding at December 31, 2022	761,408	\$ 11.12	2.7
Granted	Granted	—	—		Granted	—	—	
Exercised	Exercised	(1,974,772)	0.24		Exercised	(331,091)	1.95	
Cancelled or forfeited	Cancelled or forfeited	(630,382)	6.44		Cancelled or forfeited	(78,797)	51.48	
Outstanding at June 30, 2023		3,486,117	\$ 1.14	3.2				
Exercisable at June 30, 2023		3,422,297	\$ 1.10	3.2				
Outstanding at September 30, 2023	Outstanding at September 30, 2023				Outstanding at September 30, 2023	351,520	\$ 10.69	3.4
Exercisable at September 30, 2023	Exercisable at September 30, 2023				Exercisable at September 30, 2023	349,529	\$ 10.38	3.4

The aggregate intrinsic value of stock options outstanding as of June 30, 2023 September 30, 2023 was \$1.6 million \$1.0 million.

Restricted Stock Units

The Company grants restricted stock units to certain employees that will generally vest over a period of four years. The fair value of restricted stock unit awards is estimated by the fair value of the Company's common stock at the date of grant. Restricted stock units activity during the six nine months ended June 30, 2023 September 30, 2023 was as follows:

		Number of Shares	Weighted Average Grant Date Fair Value Per Share		Number of Shares	Weighted Average Grant Date Fair Value Per Share
Non-vested, at December 31, 2022	Non-vested, at December 31, 2022	9,832,707	\$ 1.30	Non-vested, at December 31, 2022	1,229,088	\$ 10.40
Granted	Granted	5,227,402	0.81	Granted	653,425	6.50
Vested	Vested	(3,587,346)	1.57	Vested	(521,313)	12.63
Cancelled or forfeited	Cancelled or forfeited	(1,624,916)	1.38	Cancelled or forfeited	(266,162)	10.32
Non-vested, at June 30, 2023		9,847,847	\$ 1.00			
Non-vested, at September 30, 2023				Non-vested, at September 30, 2023	1,095,038	\$ 7.88

CEO's Ladder Restricted Stock Unit Award

On September 9, 2022, in connection with the acquisition of Legacy Spruce Power and his appointment as the Company's President, the Company granted to its Chief Executive Officer ("CEO") CEO a restricted stock unit award (the "Ladder RSUs") of 1,666,666 208,333 shares of common stock. The Ladder RSUs vest in 10% increments on the dates the Plan administrator certifies the applicable milestone stock prices have been achieved or exceeded, provided that the CEO remains employed on the date of certification and such achievement occurs within ten years of the date of the grant.

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Notes to Unaudited Condensed Consolidated Financial Statements

Note 11. Stock-Based Compensation Expense, continued

The Company used a Monte Carlo simulation valuation model to determine the fair value of the award as of the Acquisition Date which is presently accounted for as a liability. The following inputs were used in the simulation: grant date stock price of \$1.17 \$9.36 per share, annual volatility of 85.0%, risk-free interest rate of 3.3% and dividend yield of 0.0%. For each tranche, a fair value was calculated as well as a derived service period which represents the median number of years it is expected to take for the Ladder RSUs to meet their corresponding milestone stock price excluding the simulation paths that result in the Ladder RSUs not vesting within the 10-year term of the agreement. Each tranche's fair value will be amortized ratably over the respective derived service period.

The Company recognized expense related to the Ladder RSUs of approximately \$0.1 million and \$0.2 million \$0.3 million, respectively, for the three and six nine months ended June 30, 2023 September 30, 2023 and \$0 for the three and six nine months ended June 30, 2022 September 30, 2022.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

(Dollars in thousands, except share and per share data)

Note 12. Interest Rate Swaps

The purpose of the swap agreements is to convert the floating interest rate on the Company's Credit Agreements to a fixed rate. As of June 30, 2023 September 30, 2023, the notional amount of the interest rate swaps covers approximately 96% of the balance of the Company's floating rate term loans.

During the three and six nine months ended June 30, 2023 September 30, 2023, the change in the fair value of the interest rate swaps were \$9.2 million \$8.1 million and \$3.6 million \$11.8 million, respectively, which are reflected as a component of other income (expense) within the unaudited condensed consolidated statements of operations. The Company also recognized \$3.5 million \$3.8 million and \$6.0 million \$9.7 million of realized gains for the three and six nine months ended June 30, 2023 September 30, 2023, respectively, both reflected within interest expense, net. See Note 10. Fair Value Measurements for the method used to determine fair value of interest rate swaps.

The amounts reflected above amounts also includes include the Deutsche Bank swap assumed by the Company as part of the SEMTH Acquisition. Acquisition and an additional swap related to the SP2 Facility Amendment transacted concurrently with the Tredegar Acquisition on August 18, 2023 (the "New SP2 Facility Swap") to hedge the floating rate of the incremental term loans (See Note 8. Long-Term Debt). The New SP2 Facility Swap has a notional amount of \$19.6 million, a fixed rate of 4.24% and a maturity date of January 31, 2032.

Note 13. Redeemable Noncontrolling Interest and Noncontrolling Interests

Effective August 31, 2023, the Company purchased the remaining membership interests in Level Solar Fund IV for approximately \$0.1 million, thereby owning a 100% of the membership interests and eliminating the related redeemable noncontrolling interest as of that date.

The following table summarizes redeemable noncontrolling interest and the Company's noncontrolling interests as of June 30, 2023 September 30, 2023:

Tax Equity Entity	Date Class A Member Admitted
Level Solar Fund IV LLC	December 2016
ORE F4 Holdco, LLC	August 2014
Volta Solar Owner II, LLC	August 2017

The tax equity entities were structured at inception so that the allocations of income and loss for tax purposes will flip at a future date. The terms of the tax equity entities' operating agreements contain allocations of taxable income (loss), Section 48(a) Investment Tax Credits ("ITCs") and cash distributions that vary over time and adjust between the members on an agreed date (referred to as the flip date). The operating agreements specify either a date certain flip date or an internal rate of return ("IRR") flip date. The date certain flip date is based on the passage of a fixed period of time as defined in the operating agreements for each entity. The IRR flip date is the date on which the tax equity investor has achieved a contractual rate of return. From inception through the flip date, the Class A members' allocation of taxable income (loss) and Section 48(a) ITCs is generally 99% and the Class B members' allocation of taxable income (loss) and Section 48(a) ITCs is generally 1%. After the related flip date (or, if the tax equity investor has a deficit capital account, typically after

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

such deficit has been eliminated), the Class A members' allocation of taxable income (loss) will typically decrease to 5% (or, in some cases, a higher percentage if required by the tax equity investor) and the Class B members' allocation of taxable income (loss) will increase by an inverse amount.

The historical redeemable noncontrolling interests and noncontrolling interests are comprised of Class A units, which represent the tax equity investors' interest in the tax equity entities. Both the Class A members and Class B members may have call options to allow either member to redeem the other member's interest in the tax equity entities upon the occurrence of certain contingent events, such as bankruptcy, dissolution/liquidation and forced divestitures of the tax equity entities. Additionally, the Class B members may have the option to purchase all Class A units, which is typically exercisable at any time during the periods specified under their respective governing documents, and, in regards to the tax equity entities historically classified as redeemable noncontrolling interests, also have they had the contingent obligation to purchase all Class A units if the Class A members exercise their right to withdraw, which is typically exercisable at any time during the nine-month period commencing upon the applicable flip date. The carrying values of the redeemable noncontrolling interests were equal to or greater than the estimated redemption values as of June 30, 2023 and December 31, 2022.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Total assets on the unaudited condensed consolidated balance sheets includes \$43.3 million \$39.2 million as of June 30, 2023 September 30, 2023 and \$47.8 million as of December 31, 2022 of assets held by the Company's VIEs, which can only be used to settle obligations of the VIEs.

Total liabilities on the unaudited condensed consolidated balance sheets includes \$0.6 million \$0.9 million as of June 30, 2023 September 30, 2023 and \$0.8 million as of December 31, 2022 of liabilities that are the obligations of the Company's VIEs.

Note 14. Restructuring

The following table summarizes the activity during the three and six nine months ended June 30, 2023 September 30, 2023 for the Company's restructuring liability related to employee termination charges, due to as a result of reduction in workforce efforts, that commenced in late 2022. There was were no such liability outstanding as of June 30, 2022 related activity or costs during the three months ended September 30, 2023.

(Amounts in thousands)

Three Months Ended June 30, 2023 Six Months Ended June 30, 2023

Balance at the beginning of the period	\$	1,174	\$	3,429
Employee termination charges		—		723
Payments made during the period		(1,174)		(4,152)
Balance, June 30, 2023	\$	—	\$	—

		Nine Months Ended September 30, 2023	
(Amounts in thousands)			
Balance at the beginning of the period	\$		3,429
Employee termination charges			723
Payments made during the period			(4,152)
Balance, September 30, 2023	\$		—

Note 15. Commitments and Contingencies

Sponsorship Commitment: Commitment

In February 2021, the Company agreed to a sponsorship agreement with several entities related to the UBS Arena, Belmont Park and the NY Islanders Hockey Club. Pursuant to that Agreement, agreement, the Company was designated an "Official Electric Transportation Partner of UBS Arena" with various associated marketing and branding rights, including the development of electric vehicle charging stations. The sponsorship agreement has had a term of three years with a sponsor fee of approximately \$0.5 million per year, of which approximately \$0.3 million was and \$0.2 million were paid in June 2021 and the second payment of \$0.3 million was accrued on December 31, 2021 and paid in January 2022, 2022, respectively. One of the Company's directors of the Company is a co-owner of the NY Islanders Hockey Club. In During the second quarter of 2022, the Company exercised its option to terminate the final two years of the agreement and will incur incurred no further sponsor fees.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 15. Commitments and Contingencies, continued

Legal proceedings: Proceedings

The Company is periodically involved in legal proceedings and claims arising in the normal course of business, including proceedings relating to intellectual property, employment and other matters. Management believes the outcome of these proceedings will not have a significant adverse effect on the Company's financial position, operating results, or cash flows. flow.

Putative securities class action complaints Securities Class Action Proceedings

On March 8, 2021, two putative securities class action complaints were filed against the Company, and certain of its current and former officers and directors in the federal district court for the Southern District of New York. Those cases were ultimately consolidated under C.A. No. 1:21-cv-2002, and a lead plaintiff was appointed in June 2021. On July 20, 2021, an amended complaint was filed alleging that certain public statements made by the defendants between October 2, 2020, and March 2, 2021, violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder. Following negotiations with a mediator, in September 2023, the Company and the plaintiffs agreed on a settlement in principle in the amount of \$19.5 million, which is subject to an agreement on documentation and approval by the federal district court for the Southern District of New York. The Company expects the settlement amount to be offset by approximately \$4.5 million of related loss recoveries from the Company's directors and officers liability insurance policy with third parties, of which the amount is vigorously defending included in prepaid expenses and other current assets on the lawsuit unaudited condensed consolidated balance sheet as it believes that of September 30, 2023. The Company accrued for the allegations asserted in the amended complaint are without merit. There can be no assurance, however, that the Company will be successful. Currently, the Company is unable to estimate potential losses, if any, regarding the claims at issue. \$19.5 million settlement amount as of September 30, 2023 (See Note 7. Accrued Expenses and Other Current Liabilities).

On September 20, 2021, and October 19, 2021, two class action complaints were filed in the Delaware Court of Chancery against certain of the Company's current officers and directors, and the Company's SPAC sponsor of its special purpose acquisition company merger, Pivotal Investment Holdings II LLC. The These actions were consolidated as in re XL Fleet (Pivotal) Stockholder Litigation, C.A. No. 2121-0808, 2021-0808, and an amended complaint was filed on January 31, 2022. The amended complaint alleges various breaches of fiduciary

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 15. Commitments and Contingencies, continued

duty against the Company and/or its officers, several allegedly misleading statements made in connection with the merger, and aiding and abetting breaches of fiduciary duty in connection with the negotiation and approval of the December 21, 2020 merger and organization of legacy XL Hybrids to become XL Fleet Corp. The Company believes that the allegations asserted in both class action complaints are without merit and is vigorously defending the lawsuit. At this time, the Company is unable to estimate potential losses, if any, related to the lawsuit.

In March 2023, two shareholder derivative actions were filed in the U.S. District Court for the District of Delaware. One action is captioned *Real v. Griffin, et al.*, Case No. 1:23-cv-00289 (the "Real Action"), and the other action is captioned *Tucci v. Ledecy, et al.*, 1:23-cv-00322 (the "Tucci Action"). The Company believes that the allegations asserted in both complaints are also without merit and is vigorously defending the lawsuits. At this time, the Company is unable to estimate potential losses, if any, related to the lawsuits.

Securities and Exchange Commission Subpoena

On January 6, 2022, the Company received a subpoena from the SEC requesting the production of certain documents related to, among other things, the Company's business combination with XL Hybrids and the related PIPE financing, the Company's sales pipeline and revenue projections, purchase orders, suppliers, CARB approvals, fuel economy from Drivetrain products, customer complaints, and disclosures and other matters in connection with the foregoing. The SEC has informed the Company that its current investigation is a fact-finding inquiry. The SEC has also informed the Company that the investigation does not mean that the SEC has concluded that anyone has violated the law and does not mean that it has a negative opinion of any person, entity or security. To date, the Company has provided the requested information and cooperated fully with the SEC investigation. In June 2023, the SEC proposed pursuing a settlement offer of this matter and currently estimates the potential loss to be \$0.3 million, which was rejected by Management. At this time, the Company is unable to estimate potential losses, if any, related to the investigation. However, an adverse outcome in this investigation could have a material impact on the Company's financial statements, currently accrued for as of September 30, 2023 (See Note 7. Accrued Expenses and Other Current Liabilities).

Val Kay derivatively on behalf of nominal defendant XL Fleet Corp.

Shareholder Derivative Actions

On June 23, 2022, the Company received a shareholder derivative complaint filed in the U.S. District Court for the District of Massachusetts, captioned *Val Kay derivatively on behalf of nominal defendant XL Fleet Corp.*, against all current directors and prior former officers and directors, directors, C.A. No. 1:22-cv-10977. The action was filed by a shareholder purportedly on XL Fleet Corp.'s behalf, and raises claims for contribution, as well as claims for breach of fiduciary duty, waste of corporate assets, unjust enrichment, and abuse of control. The factual allegations concern alleged false or misleading statements about

In March 2023, two shareholder derivative actions were filed in the Company's sales pipeline, supply chain issues, low reorder rates, U.S. District Court for the District of Delaware. One action is captioned *Real v. Griffin, et al.*, C.A. No. 1:23-cv-00289 and the Company's technology. other action is captioned *Tucci v. Ledecy, et al.*, C.A. 1:23-cv-00322.

In August 2023, an additional derivative action was filed in the U.S. District Court for the Southern District of New York, captioned *Boyce v. Ledecy, et al.*, C.A. No. 1:23-cv-8591.

The Company believes that the allegations asserted in the action are without merit is pursuing settlements of these shareholder derivative actions and is vigorously defending the lawsuit. At this time, the Company is unable to estimate potential losses, if any, related to these lawsuits.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 15. Commitments and Contingencies, continued

Securities and Exchange Commission Civil Enforcement Action

On January 6, 2022, the lawsuit. Company received a subpoena from the Division of Enforcement of the SEC requesting, among other things, information and documents concerning the Company's business combination with XL Hybrids, the Company's sales pipeline and revenue projections, California Air Resources Board approvals, and other related matters. In June 2023, the SEC proposed an Offer of Settlement for the purpose of resolving the proposed SEC action against the Company. Following negotiations with the SEC staff, in September 2023, the Company reached a settlement with the SEC pursuant to which the Company did not admit or deny the SEC's allegations regarding the above-referenced issues. In connection with the settlement, in October 2023, the Company (among other things) paid a civil monetary penalty of \$11.0 million which, subject to the discretion of the SEC, will be made available to eligible legacy shareholders through a Fair Fund, termed and administered by the SEC. The Company accrued for the settlement amount as of September 30, 2023 (See Note 7. Accrued Expenses and Other Current Liabilities).

US Bank

On February 9, 2023, US Bank, through its affiliate, Firststar Development, LLC ("Firststar"), filed a motion for summary judgment in lieu of a complaint in New York Supreme Court (the trial level in New York) alleging that the Company failed to fulfill its reimbursement obligations under a 2019 tax recapture guaranty agreement between the parties arising from the alleged recapture by the IRS Internal Revenue Service (the "IRS") of tax credits taken by Firststar Development LLC as an investor in the Company's subsidiary, Ampere Solar Owner I,

LLC. On May 23, 2023, the Company reached a settlement agreement was reached with Firstar, Development LLC, as the plaintiff, (an affiliate of US Bank), for \$2.3 million whereby the plaintiff discharged all claims filed against the Company.

BMZ USA, Inc.

On February 11, 2022, BMZ USA Inc. ("BMZ"), a battery manufacturer, sued XL Hybrids for breach of contract, alleging that XL Hybrids failed to timely purchase the full allotment of batteries required under a certain master supply agreement between the parties. BMZ seeks is currently seeking \$4.5 million in damages based on this alleged breach. The Company believes that the allegations asserted in this action lack substantial merit, and as a result, the Company is vigorously defending the lawsuit. At this time, the Company is unable to estimate potential losses, if any, related to the lawsuit.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 15. Commitments and Contingencies, continued

Plastic Omnium

Plastic Omnium is the assignee of the contractual rights of Actia Corp. under a certain battery purchase order between XL Hybrids and Actia Corp. On March 17, 2023, Plastic Omnium sued XL Hybrids and the Company for breach of contract, alleging that XL Hybrids ordered a total of 1,000 batteries from Plastic Omnium, paid for 455 of those batteries, and then reneged on 545 of those products. While Plastic Omnium admits that it never actually delivered the remaining 545 products, it claims that it purchased materials to complete the order, and as a result, XL Hybrids and the Company are liable for at least roughly approximately \$2.5 million. The Company believes that the allegations asserted in this action lack substantial merit, and as a result, the Company is vigorously defending the lawsuit. At this time, the Company is unable to estimate potential losses, if any, related to the lawsuit.

Master SREC purchase Purchase and sale agreement Sale Agreement

The Company has forward sales agreements, which are related to a certain number of SRECs, to be generated from the Company's solar energy systems located in Maryland, Massachusetts, Delaware, and New Jersey to be sold at fixed prices over varying terms of up to 20 years. In the event the Company does not deliver such SRECs to the counter-party, counterparty, the Company could be forced to pay additional penalties and fees as stipulated within the contracts.

Guarantees

In connection with the acquisition of RPV Holdco 1, LLC, a wholly-owned wholly owned subsidiary of the Company, guaranty agreements were established in May 2020 by and between Spruce Holding Company 1, LLC, Spruce Holding Company 2, LLC, and Spruce Holding Company 3, LLC ("Spruce Guarantors") and the investor members in the Funds in May 2020. Funds. The Spruce Guarantors entered into guarantees in favor of the tax equity investors under which wherein they guaranteed the payment and

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 15. Commitments and Contingencies, continued

performance of Solar Service Experts, LLC, a wholly owned subsidiary of the Company, under the Spruce Power 2 Maintenance Services Agreement and the Class B Member under the Limited Liability Company Agreement ("LLCA"). These guaranties are subject to a maximum of the aggregate amount of capital contributions made by the Class A Member under the LLCA.

Indemnities and guarantees Guarantees

During the normal course of business, Spruce Power the Company has made certain indemnities and guarantees under which it may be required to make payments in relation to certain transactions. The duration of Spruce Power's the Company's indemnities and guarantees varies, but however the majority of these indemnities and guarantees are limited in duration. Historically, Spruce Power the Company has not been obligated to make significant payments for these such obligations, does not anticipate future payments, and as such, no liabilities have been recorded for these indemnities and guarantees, guarantees as of September 30, 2023.

ITC recapture provisions Recapture Provisions

The IRS may disallow and recapture some, or all, of the Investment Tax Credits ITCs due to improperly calculated basis after a project was has been placed in service ("Recapture Event"). If a Recapture Event occurs, the Company is obligated to pay the applicable Class A Member a recapture adjustment, which includes the amounts the Class A Members are

required to repay the IRS, including interest and penalties, as well as any third-party legal and accounting fees incurred by the Class A Members in connection to with the Recapture Event, as specified in the operating agreements. Such a payment by the Company to the Class A Members are is not to be considered a capital contribution to the fund per the operating agreements, nor would it be considered a distribution to the Class A Members. With the exception of the tax matter related to Ampere Solar Owner I, LLC noted above, a Recapture Event was not deemed to be probable by the Company, therefore no related accrual has been recorded as of June 30, 2023 September 30, 2023.

Insurance Claims and Recoveries related to Maui Fires

In August 2023, a series of wildfires broke out in Hawaii, predominantly on the island of Maui, resulting in real and personal property and natural resource damage, personal injuries and loss of life and widespread power outages. The Company is currently assessing the impact of these wildfires on its home solar systems and customer contracts in the area; however the Company has not been able to validate the extent of the related damages due to limited access to the area. Based on the Company's current assessment, the Company wrote off approximately \$0.1 million during the three and nine months ended September 30, 2023, which is reflected within gain (loss) on asset disposal in the unaudited condensed consolidated statements of operations. No material loss claims have been reported to date or recognized within the unaudited condensed consolidated financial statements as of September 30, 2023. In addition, the Company has not recorded any related insurance recoveries as of September 30, 2023. The Company does not expect this event to have a material impact on its financial position, operating results or cash flows.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 16. Net Income (Loss) Loss Per Share

The following is a reconciliation of the numerator and denominator used to calculate basic earnings per share and diluted earnings per share for the three and six nine months period ended June 30, 2023 September 30, 2023, and 2022:

		Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
(Amounts in thousands, except share data)	(Amounts in thousands, except share data)					(Amounts in thousands, except share data)				
Numerator:	Numerator:					Numerator:				
Net income (loss) attributable to stockholders		\$ 3,065	\$ (12,698)	\$ (16,330)	\$ (28,775)					
Net loss attributable to stockholders						Net loss attributable to stockholders	\$ (19,313)	\$ (22,005)	\$ (35,643)	\$ (50,780)
Denominator:	Denominator:					Denominator:				
Weighted average shares outstanding, basic	Weighted average shares outstanding, basic	148,894,058	142,247,590	147,687,578	141,760,478	Weighted average shares outstanding, basic	17,351,796	17,861,935	18,072,115	17,767,871
Dilutive effect of stock options and restricted stock units	Dilutive effect of stock options and restricted stock units	12,712,600	—	—	—	Dilutive effect of stock options and restricted stock units	—	—	—	—
Weighted average shares outstanding, diluted	Weighted average shares outstanding, diluted	161,606,658	142,247,590	147,687,578	141,760,478	Weighted average shares outstanding, diluted	17,351,796	17,861,935	18,072,115	17,767,871
Net income (loss) attributable to stockholders per share, basic		\$ 0.02	\$ (0.09)	\$ (0.11)	\$ (0.20)					

Net (loss) attributable to stockholders per share, basic and diluted					Net (loss) attributable to stockholders per share, basic and diluted	\$ (1.11)	\$ (1.23)	\$ (1.97)	\$ (2.86)
Net income (loss) attributable to stockholders per share, diluted	\$ 0.02	\$ (0.09)	\$ (0.11)	\$ (0.20)					

For all the three months ended June 30, 2022 and the six months ended June 30, 2023 and 2022, periods presented, potentially dilutive outstanding securities, which include stock options, restricted stock units and warrants have been excluded from the computation of diluted net loss per share as their effect would be to anti-dilutive for the period presented. As such, the weighted average number of common shares outstanding used to calculate both basic and diluted net loss per share are the same for those periods.

Note 17. Discontinued Operations

In the fourth quarter of 2022, the Company discontinued the operations of its Drivetrain and XL Grid operations. The following table provides supplemental detail of the Company's discontinued operations contained within the unaudited condensed consolidated statements of operations for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022.

		Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
(Amounts in thousands)	(Amounts in thousands)					(Amounts in thousands)				
Net income (loss) from discontinued operations:										
Net loss from discontinued operations:										
XL Grid	XL Grid	\$ —	\$ (1,453)	\$ —	\$ (2,894)	XL Grid	\$ —	\$ (484)	\$ —	\$ (3,378)
Drivetrain	Drivetrain	(183)	\$ (3,398)	\$ (4,049)	\$ (9,294)	Drivetrain	(204)	(3,565)	(4,253)	(12,859)
Impairment of goodwill	Impairment of goodwill	—	—	—	(8,606)	Impairment of goodwill	—	—	—	(8,606)
Other						Other	—	(550)	—	(550)
Total	Total	\$ (183)	\$ (4,851)	\$ (4,049)	\$ (20,794)	Total	\$ (204)	\$ (4,599)	\$ (4,253)	\$ (25,393)

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

XL Grid

The following table presents financial results of XL Grid operations:

		Three Months Ended June 30,		Six Months Ended June 30,			Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022		2023	2022	2023	2022
(Amounts in thousands)	(Amounts in thousands)					(Amounts in thousands)				
Revenues	Revenues	\$ —	\$ 2,202	\$ 149	\$ 6,367	Revenues	\$ —	\$ 2,422	\$ 149	\$ 8,789
Operating expenses:	Operating expenses:					Operating expenses:				
Cost of revenues - inventory and other direct costs	Cost of revenues - inventory and other direct costs	—	1,529	148	4,517	Cost of revenues - inventory and other direct costs	—	1,557	148	6,074

Selling, general, and administrative expenses						Selling, general, and administrative expenses	—	1,349	743	6,093
Loss on asset disposal	Loss on asset disposal	—	—	(742)	—	Loss on asset disposal	—	—	(742)	—
Selling, general, and administrative expenses		—	2,126	743	4,744					
Total operating expenses	Total operating expenses	—	3,655	149	9,261	Total operating expenses	—	2,906	149	12,167
Net loss from discontinued operations	Net loss from discontinued operations	\$ —	\$ (1,453)	\$ —	\$ (2,894)	Net loss from discontinued operations	\$ —	\$ (484)	\$ —	\$ (3,378)

Drivetrain

The following table presents financial results of Drivetrain operations:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(Amounts in thousands)	2023	2022	2023	2022
Revenues	\$ 9	\$ 858	\$ 29	\$ 2,264
Operating expenses:				
Cost of revenues - inventory and other direct costs	34	1,145	63	4,269
Engineering, research, and development	—	2,348	—	7,741
Selling, general, and administrative expenses	—	979	742	3,178
Loss on asset disposal	179	—	3,489	—
Other	—	(49)	(12)	(65)
Total operating expenses	213	4,423	4,282	15,123
Net loss from discontinued operations	\$ (204)	\$ (3,565)	\$ (4,253)	\$ (12,859)

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Drivetrain

The following table presents financial results of Drivetrain operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
(Amounts in thousands)	2023	2022	2023	2022
Revenues	\$ 12	\$ 808	\$ 20	\$ 1,406
Operating expenses:				
Cost of revenues - inventory and other direct costs	168	916	29	3,124
Engineering, research, and development	—	2,404	—	5,393
Selling, general, and administrative expenses	—	902	—	2,199
Other	27	(16)	4,040	(16)
Total operating expenses	195	4,206	4,069	10,700

Net loss from discontinued operations	\$	(183)	\$	(3,398)	\$	(4,049)	\$	(9,294)
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The following table presents aggregate carrying amounts of assets and liabilities of discontinued operations contained within the unaudited condensed consolidated balance sheets:

(Amounts in thousands)	(Amounts in thousands)	As of		(Amounts in thousands)	As of	
		June 30, 2023	December 31, 2022		September 30, 2023	December 31, 2022
Assets from discontinued operations:	Assets from discontinued operations:			Assets from discontinued operations:		
Drivetrain	Drivetrain	\$ 37	\$ 3,604	Drivetrain	\$ 33	\$ 3,604
XL Grid	XL Grid	—	7,373	XL Grid	—	7,373
Total assets from discontinued operations	Total assets from discontinued operations	\$ 37	\$ 10,977	Total assets from discontinued operations	\$ 33	\$ 10,977
Liabilities from discontinued operations:	Liabilities from discontinued operations:			Liabilities from discontinued operations:		
Drivetrain	Drivetrain	\$ 191	\$ 5,743	Drivetrain	\$ 183	\$ 5,743
XL Grid	XL Grid	—	3,648	XL Grid	—	3,648
Total liabilities from discontinued operations	Total liabilities from discontinued operations	\$ 191	\$ 9,391	Total liabilities from discontinued operations	\$ 183	\$ 9,391

Note 18. Share Repurchase Program

On May 09, 2023 May 9, 2023, the Company's Board of Directors authorized a share repurchase program (the "Repurchase Program") for the repurchase of up to \$50.0 million of the Company's outstanding common stock through May 15, 2025. The shares may be repurchased from time to time in open market transactions or privately negotiated transactions at the Company's discretion, subject to market conditions and other factors, including regulatory considerations.

The Repurchase Program does not require the Company to purchase a minimum number of shares, and may be suspended, modified or discontinued at any time without prior notice. During the three and six nine months ended June 30, 2023 September 30, 2023, the Company repurchased 1.9 million 0.5 million and 0.7 million shares, respectively, of common stock under the Repurchase Program in open market transactions at a weighted-average price of \$0.87 \$7.04 and \$7.00, respectively, per share for an aggregate purchase price of \$1.6 million, \$3.5 million and \$5.1 million, respectively, inclusive of transaction costs. As of June 30, 2023 September 30, 2023, \$48.4 million \$44.9 million remained available for future share repurchases under the Repurchase Program.

Spruce Power Holding Corporation

Notes to Unaudited Condensed Consolidated Financial Statements

Note 19. Subsequent Event Events

Management has reviewed material events subsequent to June 30, 2023 September 30, 2023 and prior to the filing of financial statements, and except as referenced within this Form 10-Q, the Company has determined that there have been no events that have occurred that would require adjustments to the Company's or disclosures within the unaudited condensed consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations. Operations

The following discussion and analysis provides information which our management believes is relevant to an assessment and understanding of our financial condition and results of operations. This discussion and analysis should be read together with our results of operations and financial condition and the unaudited condensed consolidated financial statements and related notes that are included elsewhere in this Quarterly Report on Form 10-Q and the audited financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the U.S. Securities and Exchange Commission ("SEC") (the "SEC") on March 30, 2023 (the "Annual Report"). In addition to historical financial information, this discussion and analysis contains forward-looking statements based upon current expectations that involve risks, uncertainties and assumptions. See the section entitled "Cautionary Note Regarding Forward-Looking Statements." Actual results and timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of various factors. The following information and any forward-looking statements should be considered in light of factors discussed elsewhere in this Quarterly Report on Form 10-Q and under "Risk Factors" in Item 1A of the Annual Report.

Certain figures, such as interest rates and other percentages, included in this section have been rounded for ease of presentation. Percentage figures included in this section have not in all cases been calculated on the basis of such rounded figures but on the basis of such amounts prior to rounding. For this reason, percentage amounts in this section may vary slightly from those obtained by performing the same calculations using the figures in our unaudited condensed consolidated financial statements or in the associated text. Certain other amounts that appear in this section may similarly not sum due to rounding.

As used in this discussion and analysis, references to "SPRU," "the Company," "we," "us" or "our" refer only to Spruce Power Holding Corporation and its consolidated subsidiaries. Depending on the context, "Spruce Power" may refer to Legacy Spruce Power prior to its acquisition by the Company on September 9, 2022, or it may also refer to the operation of Legacy Spruce Power's business by the Company after such acquisition.

Overview

Spruce Power is a leading owner and operator of distributed solar energy assets across the United States, owning cash flows from approximately 72,000 75,000 home solar assets and contracts across the United States and making renewable energy more accessible to everyone. The Company generates revenues primarily through the sale of electricity generated by its residential home solar energy systems to homeowners pursuant to long-term agreements that obligate the Company's subscribers to make recurring monthly payments, and the servicing of those agreements for other institutional owners of residential home solar energy systems. In addition, the Company also earns interest income from the investment made under the master lease with SS Holdings 2017, LLC and its subsidiaries ("SEMTH").

Corporate Strategy

The Company's corporate strategy has three key elements:

a. Leveraging the Spruce Power platform to become a leading provider of subscription-based solutions for distributed energy resources: Spruce Power has more than a decade of experience owning and operating rooftop solar systems as well as energy efficiency upgrades. The Company believes that Spruce Power's proven platform for managing residential home solar can be extended to other categories of distributed energy resources. Through leveraging the Spruce Power platform, the Company intends to grow its revenues by providing subscription-based solutions for rooftop solar, energy storage, EV charging and other energy-related products to homeowners and small businesses. The Company is focused on delivering best-in-class customer service, with investment into process and platform improvement for on-site monitoring, customer billing and working with qualified partners for field services.

b. Profitably growing return on assets by focusing on channels with the lowest customer acquisition cost: The Company seeks to grow its subscriber revenues by focusing on the channels that have lowest customer acquisition costs and the ability to increase return on assets, including: acquiring existing systems from other companies or investment funds, selling additional services to existing subscribers, selling services to new customers online and partnering with selected independent installers to provide a subscription-based solution for their customers.

c. Increasing shareholder value by delivering predictable revenues, profits and cash flow: By focusing on subscription-based solutions with long-term customer agreements, the Company seeks to generate consistent revenues, profits and cash flow.

Background

The Company previously provided fleet electrification solutions for commercial vehicles in North America, offering its systems for vehicle electrification (the "Drivetrain" segment) and through its energy efficiency and infrastructure solutions business, including offering and installing charging stations to enable customers to effectively and cost-effectively develop the charging infrastructure required for their electrified vehicles (the "XL Grid" segment).

In the first quarter of 2022, the Company initiated a strategic review of its overall business operations which included assessing its offerings, strategy, processes and growth opportunities, which resulted in various restructuring actions. Following the strategic review and restructuring, the Company announced its decision to pursue transformational M&A which ultimately resulted in the Company acquiring Legacy Spruce Power in September 2022. Legacy Spruce Power was the largest privately held owner and operator of residential home rooftop solar systems in the U.S. at the time of the transaction, with more than 52,000 51,000 customer subscribers, and has grown by acquiring portfolios of residential home solar systems from other companies and investors rather than selling individual systems to homeowners through a direct-to-consumer salesforce like many of its

competitors. This approach allowed the company to keep its customer acquisition costs low and enabled it to generate consistent adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA").

In parallel with the change in strategy and acquisition of Legacy Spruce Power, the Company initiated a comprehensive review of strategic alternatives for its Drivetrain and XL Grid businesses with the goal of maximizing shareholder value which culminated in the discontinuing of the Company's Drivetrain and XL Grid operations in December 2022.

Recent Developments

Reverse Stock Split

On October 6, 2023, we effected a one-for-eight reverse stock split with respect to our issued and outstanding shares of common stock (the "Reverse Stock Split"). The par value and the number of authorized shares of our common stock were not adjusted in connection with the Reverse Stock Split. No fractional shares of our common stock were issued in connection with the Reverse Stock Split. In late October 2023, certain stockholders entitled to fractional shares of our common stock upon the Reverse Stock Split received aggregate cash payments of approximately \$0.01 million in lieu of receiving fractional shares.

SP2 Facility Amendment

In August 2023, the Company entered into a second amendment to its existing SP2 Facility, resulting in incremental term loans of approximately \$21.4 million, of which proceeds were primarily used to fund the Tredegar Acquisition (defined below). In addition, the Company entered into an interest rate swap agreement to hedge the floating rate of the incremental SP2 Facility term loans, which included a notional amount of \$19.6 million, a fixed rate of 4.24% and a maturity date of January 31, 2032.

Capital Investments, Acquisitions and Divestitures

In January 2023, the Company completed the exit of its legacy operations, including the Drivetrain and XL Grid businesses.

In March 2023, the Company completed the acquisition of all the issued and outstanding interests in SEMTH. Total consideration for the SEMTH acquisition included approximately \$23.0 million of cash, net of cash received, and the assumption of \$125.0 million of outstanding senior indebtedness held by SEMTH at the close of the acquisition.

In August 2023, the Company acquired 2,400 home solar assets and contracts for approximately \$20.9 million (the "Tredegar Acquisition"). The Tredegar Acquisition was concurrently funded by term loan proceeds from the SP2 Facility Amendment.

Common Share Repurchase Program

In May 2023, the Company's Board of Directors approved a share repurchase program (the "Repurchase Program") for the repurchase of up to \$50.0 million of the Company's outstanding common stock through May 15, 2025. The Company is not obligated to repurchase any specific number of shares or dollar amount and may discontinue this share repurchase program the Repurchase Program at any time.

During the three and six months ended June 30, 2023 September 30, 2023, the Company repurchased 1.9 million 0.5 million shares of common stock under its Repurchase Program, for a total purchase price of \$1.6 million, \$3.5 million, inclusive of transaction costs.

During the nine months ended September 30, 2023, the Company repurchased 0.7 million shares of common stock under its Repurchase Program, for a total purchase price of \$5.1 million, inclusive of transaction cost.

Key Factors Affecting Operating Results

The Company is a leading owner and operator of distributed solar energy assets across the United States, offering subscription-based solutions to homeowners for rooftop solar energy storage, EV chargers and other energy-related products. Additionally, the Company provides servicing functions for its assets and customers, as well as for other institutional owners of residential home solar energy systems. The Company's operating results and ability to grow its business over time could be impacted by certain factors and trends that affect our industry, as well as elements of the Company's strategy, such as:

Development of Distributed Energy Assets

The Company's future growth depends significantly on its ability to acquire operating residential home solar energy systems "in-bulk" from other companies. Industry data suggests there is a substantial existing base of operating residential home solar energy systems, providing the Company opportunity to pursue M&A, acquisitions. Over the long-term, the continued ability to pursue M&A acquisitions is dependent on development of distributed energy assets, namely home solar energy systems, by third parties, namely residential solar energy systems. parties. This

development may be impacted by numerous factors that influence homeowner demand for residential home solar energy systems including but not limited to macroeconomic dynamics, climate change impacts, and government policy and incentives.

Availability of Financing

The Company's ability to raise capital from third parties at reasonable terms is a critical element in supporting ownership of our existing residential home solar energy assets as well as enabling our future growth. The Company has historically utilized non-recourse, project-level debt as a primary source of capital for acquisitions. The Company's ability to raise debt either as means to refinance existing indebtedness or for future acquisitions may be impacted by general macroeconomic conditions, the health of debt capital markets, the interest rate environment, and general concerns over its industry or specific concerns over its business.

Results of Operations

Comparison of the Three Months Ended June 30, 2023 September 30, 2023 and Three Months Ended March 31, 2023 June 30, 2023

To enhance comparability and provide more meaningful insight for users of the financials, we have opted to compare the operating results of the current quarter with the previous quarter, considering the acquisition of Legacy Spruce Power and divestiture of existing business, as it offers a more relevant and accurate basis for analysis within Management's Discussion and Analysis ("MD&A"). The full unaudited condensed consolidated statement of operations for the three months ended March 31, 2023 June 30, 2023 is contained in the Company's Quarterly Report on Form 10-Q filed with the SEC on May 18, 2023 August 11, 2023.

The results of operations related to the Company's Drivetrain and XL Grid businesses, which were determined to be discontinued operations in the fourth quarter of 2022, are presented as net loss from discontinued operations in the Company's unaudited condensed consolidated statements of operations. As a result, the continuing operational results reflect the operations related to the Company's corporate functions and the results of operations for Spruce Power since its acquisition on September 9, 2022.

Information with respect to the unaudited condensed consolidated statements of operations for the three months ended June 30, 2023 September 30, 2023 and March 31, 2023 June 30, 2023 are presented below:

	Three Months Ended		\$	%
	June 30, 2023	March 31, 2023	Change	Change
<i>(Amounts in thousands, except per share amounts)</i>				
Revenues	\$ 22,813	\$ 18,095	\$ 4,718	26 %
Operating expenses:				
Cost of revenues	8,594	7,853	741	9 %
Selling, general and administrative expenses	15,985	15,717	268	2 %
Loss from operations	(1,766)	(5,475)	3,709	(68) %
Other (income) expense, net	(3,553)	9,503	(13,056)	(137) %
Net income (loss) from continuing operations	1,787	(14,978)	16,765	(112) %
Net loss from discontinued operations	(183)	(3,866)	3,683	(95) %
Net income (loss)	1,604	(18,844)	20,448	(109) %
Less: Net income (loss) attributable to redeemable noncontrolling interests and noncontrolling interests	(1,461)	551	(2,012)	(365) %
Net income (loss) attributable to stockholders	\$ 3,065	\$ (19,395)	\$ 22,460	(116) %
Net income (loss) per common share:				
Basic and diluted	\$ 0.02	\$ (0.13)	\$ 0.15	(116) %

	Three Months Ended		\$	%
	September 30, 2023	June 30, 2023	Change	Change
<i>(Amounts in thousands, except per share amounts)</i>				
Revenues	\$ 23,250	\$ 22,813	\$ 437	2 %
Operating expenses:				
Cost of revenues	9,810	8,594	1,216	14 %

Selling, general and administrative expenses	12,391	15,985	(3,594)	(22) %
Litigation settlements, net	26,339	—	26,339	100
Gain on asset disposal	(773)	(794)	21	(3)
Loss from operations	(24,517)	(972)	(23,545)	2422 %
Other income, net	(5,554)	(2,759)	(2,795)	101 %

Net income (loss) from continuing operations	(18,963)	1,787	(20,750)	(1161) %
Net loss from discontinued operations	(204)	(183)	(21)	11 %
Net income (loss)	(19,167)	1,604	(20,771)	(1295) %
Less: Net income (loss) attributable to redeemable noncontrolling interests and noncontrolling interests	146	(1,461)	1,607	(110) %
Net income (loss) attributable to stockholders	<u>\$ (19,313)</u>	<u>\$ 3,065</u>	<u>\$ (22,378)</u>	<u>(730) %</u>
Net income (loss) per common share:				
Basic and diluted	\$ (1.11)	\$ 0.02	\$ (1.13)	(5665) %

Revenues

Revenues increased by \$4.7 million \$0.4 million, or 26% 2%, to \$22.8 million \$23.3 million in the three months ended June 30, 2023 September 30, 2023. The increase was primarily due to higher incremental revenues related to the Tredegar Acquisition and increased sales of solar renewable energy credits. This increase was partially offset by lower production in PPA contractual revenue streams due to seasonality factors, which is consistent with historical seasonality patterns.

Cost of Revenues

Cost of revenues increased by \$0.7 million \$1.2 million, or 9% 14%, to \$8.6 million \$9.8 million in the three months ended June 30, 2023 September 30, 2023. The increase primarily relates to an increase in depreciation related to our solar energy systems, which includes solar assets acquired in the Tredegar Acquisition, and certain operation and maintenance costs, due including meter spend.

Selling, General and Administrative

Selling, general and administrative expenses decreased by \$3.6 million or 22%, to \$12.4 million in the meter upgrade campaign three months ended September 30, 2023. The decrease primarily relates to higher insurance recoveries related to litigation matters and underperformance decreases in certain professional fees during the current quarter.

Litigation Settlements, Net

Litigation settlements, net of precontracted solar renewable energy credits, \$26.3 million for the three months ended September 30, 2023 relates to costs incurred for settlements on the SEC inquiry and shareholder lawsuits, net of related insurance recoveries from third parties, for which the Company is currently pursuing settlements.

Other (Income) Expense, Income, Net

Other income, net was \$3.6 million \$5.6 million for the three months ended June 30, 2023 September 30, 2023 compared to \$9.5 million of net expense \$2.8 million for the three months ended March 31, 2023 June 30, 2023. Other income, net for the three months ended June 30, 2023 September 30, 2023 includes primarily \$7.2 million (i) \$2.9 million of interest expense, net, of which approximately \$6.3 million relates to interest income from the SEMTH master lease agreement executed in March 2023, and \$9.2 million (ii) \$8.1 million of income from the change in fair value of interest rate swaps utilized by the Company to reduce the effect of volatility of its variable interest rate debt. Both items primarily relate to debt and interest rate swap agreements the Company assumed with the September 2022 acquisition of Legacy Spruce Power and acquisition the acquisitions of SEMTH and Tredegar assets, both completed on March in 2023.

In comparison, other expense, income, net for the three months ended March 30, 2023 June 30, 2023 primarily included \$6.8 million (i) \$7.2 million of interest expense, net, of which approximately \$1.2 million relates to interest income from the SEMTH master lease agreement, and \$5.6 million (ii) \$9.2 million of expense income from the change in fair value of interest rate swaps. Higher interest expense associated with swaps utilized by the Company's debt is partially offset by higher Company to reduce the effect of volatility of its variable interest rate income associated with higher interest rates in the current quarter and recognition of three months of interest income related to SEMTH master lease agreement acquired on March 2023, debt.

Comparison of the Three Months Ended June 30, 2023 September 30, 2023 and Three Months Ended June 30, 2022 September 30, 2022

Information with respect to the unaudited condensed consolidated statements of operations for the three months ended June 30, 2023 September 30, 2023 and June 30, 2022 2022 are presented below:

(Amounts in thousands, except per share amounts).	(Amounts in thousands, except per share amounts).	Three Months Ended				(Amounts in thousands, except per share amounts).	Three Months Ended			
		June 30, 2023	June 30, 2022	\$ Change	% Change		September 30, 2023	September 30, 2022	\$ Change	% Change
Revenues	Revenues	\$ 22,813	\$ —	\$ 22,813	— %	Revenues	\$ 23,250	\$ 5,080	\$ 18,170	358 %

Operating expenses:	Operating expenses:					Operating expenses:					
Cost of revenues	Cost of revenues	8,594	—	8,594	— %	Cost of revenues	9,810	1,974	7,836	100 %	
Selling, general and administrative expenses	Selling, general and administrative expenses	15,985	9,782	6,203	63 %	Selling, general and administrative expenses	12,391	27,018	(14,627)	(54) %	
Litigation settlements, net						Litigation settlements, net	26,339	—	26,339	100 %	
(Gain) loss on asset disposal						(Gain) loss on asset disposal	(773)	270	(1,043)	(386) %	
Loss from operations	Loss from operations	(1,766)	(9,782)	8,016	(82) %	Loss from operations	(24,517)	(24,182)	(335)	1 %	
Other income, net	Other income, net	(3,553)	(1,935)	(1,618)	84 %	Other income, net	(5,554)	(7,195)	1,641	(23) %	
Net income (loss) from continuing operations		1,787	(7,847)	9,634	(123) %						
Net loss from continuing operations						Net loss from continuing operations	(18,963)	(16,987)	(1,976)	12 %	
Net loss from discontinued operations	Net loss from discontinued operations	(183)	(4,851)	4,668	(96) %	Net loss from discontinued operations	(204)	(4,599)	4,395	(96) %	
Net income (loss)		1,604	(12,698)	14,302	(113) %						
Less: Net loss attributable to redeemable noncontrolling interests and noncontrolling interests		(1,461)	—	(1,461)	— %						
Net income (loss) attributable to stockholders		\$ 3,065	\$ (12,698)	\$ 15,763	(124) %						
Net loss						Net loss	(19,167)	(21,586)	2,419	(11) %	
Less: Net income attributable to redeemable noncontrolling interests and noncontrolling interests						Less: Net income attributable to redeemable noncontrolling interests and noncontrolling interests	146	419	(273)	(65) %	
Net loss attributable to stockholders						Net loss attributable to stockholders	\$ (19,313)	\$ (22,005)	\$ 2,692	(12) %	
Net income (loss) per common share:											
Net loss per common share:						Net loss per common share:					
Basic and diluted	Basic and diluted	\$ 0.02	\$ (0.09)	\$ 0.11	(123) %	Basic and diluted	\$ (1.11)	\$ (1.23)	\$ 0.12	(10) %	

Revenues and Cost of Revenues

Revenues and cost of revenues represent the residential home solar energy revenues and related costs in connection with the acquisition of Legacy Spruce Power on September 9, 2022 and the Tredgar Acquisition completed on August 18, 2023. Revenues and cost of revenues related to the Company's Drivetrain and XL Grid operations are included in net loss from discontinued operations.

Selling, General and Administrative

Selling, general and administrative expenses decreased by \$14.6 million to \$12.4 million in the three months ended

September 30, 2023 from \$27.0 million for the three months ended September 30, 2022. Selling, general and administrative expenses for the three months ended September 30, 2023 include the ongoing operations of the Company's home solar business and corporate functions, as well as certain remaining costs associated with the Company's historic operations, including certain integration related costs. Selling, general and administrative expenses related to the Company's Drivetrain and XL Grid operations are included in net loss from discontinued operations.

Litigation Settlements, Net

Litigation settlements, net of \$26.3 million for the three months ended September 30, 2023 relates to costs incurred for settlements on the SEC inquiry and shareholder lawsuits, net of related insurance recoveries from third parties, for which the Company is currently pursuing settlements.

Other Income, Net

Other income, net of \$5.6 million for the three months ended September 30, 2023 is net of the change in fair value of interest rate swaps and interest expense, net, which includes interest income related to the SEMTH master lease agreement discussed above, while a majority of the balance for the comparable period in 2022 related to a change in the fair value of the interest rate swaps.

Comparison of the Nine Months Ended September 30, 2023 and Nine Months Ended September 30, 2022

Information with respect to the unaudited condensed consolidated statements of operations for the nine months ended September 30, 2023 and 2022 are presented below:

	Nine Months Ended		\$	%
	September 30, 2023	September 30, 2022	Change	Change
<i>(Amounts in thousands, except per share amounts)</i>				
Revenues	\$ 64,158	\$ 5,080	\$ 59,078	1163 %
Operating expenses:				
Cost of revenues	26,257	1,974	24,283	100 %
Selling, general and administrative expenses	44,093	44,534	(441)	(1) %
Litigation settlements, net	26,339	—	26,339	100 %
(Gain) loss on asset disposal	(4,225)	270	(4,495)	(1665) %
Loss from operations	(28,306)	(41,698)	13,392	(32) %
Other (income) expense, net	3,848	(16,730)	20,578	(123) %
Net loss from continuing operations	(32,154)	(24,968)	(7,186)	29 %
Net loss from discontinued operations	(4,253)	(25,393)	21,140	(83) %
Net loss	(36,407)	(50,361)	13,954	(28) %
Less: Net income (loss) attributable to redeemable noncontrolling interests and noncontrolling interests	(764)	419	(1,183)	(282) %
Net loss attributable to stockholders	\$ (35,643)	\$ (50,780)	\$ 15,137	(30) %
Net loss per common share:				
Basic and diluted	\$ (1.97)	\$ (2.86)	\$ 0.89	(31) %

Revenues and Cost of Revenues

Revenues and cost of revenues represent the home solar energy revenues and related costs in connection the acquisition of Legacy Spruce Power on September 9, 2022 and the Tredegar Acquisition completed on August 18, 2023. Revenues and cost of revenues related to the Company's Drivetrain and XL Grid operations are included in the net loss from discontinued operations.

Selling, General and Administrative

Selling, general and administrative expenses increased decreased by \$6.2 million \$0.4 million to \$16.0 million \$44.1 million in the three nine months ended June 30, 2023 September 30, 2023 from \$9.8 million \$44.5 million for the three nine months ended June 30, 2022 September 30, 2022. Selling, general and administrative expenses for the three nine months ended June 30, 2023 include September 30, 2023 included the ongoing operations of the Company's residential home solar business and corporate functions, as well as certain remaining costs associated with the Company's historic operations including certain integration related costs. Selling, general, and administrative expenses related to the Company's previous Drivetrain and XL Grid segments have been reclassified to discontinued operations.

Other Income, Net

Other income, net of \$3.6 million for the three months ended June 30, 2023 is net of the change in fair value of swaps and interest expense, net for the period, while a majority of the balance for the comparable period in 2022 relates to a change in the fair value of warrant liability.

Comparison of the Six Months Ended June 30, 2023 and Six Months Ended June 30, 2022

Information with respect to the unaudited condensed consolidated statements of operations for the six months ended June 30, 2023 and June 30, 2022 are presented below:

	Six Months Ended		\$	% Change
	June 30, 2023	June 30, 2022	Change	
<i>(Amounts in thousands, except per share amounts)</i>				
Revenues	\$ 40,908	\$ —	\$ 40,908	— %
Operating expenses:				
Cost of revenues	16,447	—	16,447	— %
Selling, general and administrative expenses	31,702	17,516	14,186	81 %
Loss from operations	(7,241)	(17,516)	10,275	(59) %
Other (income) expense, net	5,950	(9,535)	15,485	(162) %
Net loss from continuing operations	(13,191)	(7,981)	(5,210)	65 %
Net loss from discontinued operations	(4,049)	(20,794)	16,745	(81) %
Net loss	(17,240)	(28,775)	11,535	(40) %
Net loss from discontinued operations (including loss on disposal of \$(3,083) for the six months ended June 30, 2023)	(910)	—	(910)	— %
Net loss attributable to stockholders	\$ (16,330)	\$ (28,775)	\$ 12,445	(43) %
Net loss per common share:				
Basic and diluted	\$ (0.11)	\$ (0.20)	\$ 0.09	(46) %

Revenues and Cost of Revenues

Revenues and cost of revenues represent the residential solar energy revenues and related costs in connection the acquisition of Legacy Spruce Power on September 9, 2022. Revenues and cost of revenues related to the Company's Drivetrain and XL Grid operations are included in the net loss from discontinued operations.

Selling, General and Administrative

Selling, general, and administrative expenses increased by \$14.2 million to \$31.7 million in the six months ended June 30, 2023 from \$17.5 million for the six months ended June 30, 2022. Selling, general, and administrative expenses for the six months ended June 30, 2023 included the ongoing operations of the Company's residential solar business and corporate functions, as well as certain remaining costs associated with the Company's historic operations including certain integration related costs, legal costs related to an the SEC investigation and shareholder lawsuits. Selling, general and administrative expenses related to the Company's previous Drivetrain and XL Grid segments are included in the net loss from discontinued operations.

Litigation Settlements, Net

Litigation settlements, net of \$26.3 million for the nine months ended September 30, 2023 relates to costs incurred for settlements on the SEC inquiry and shareholder lawsuits, net of related insurance recoveries from third parties, for which the Company is currently pursuing settlements.

Other (Income) Expense, Net

Other expense, net of \$6.0 million \$3.8 million for the six nine months ended June 30, 2023 is September 30, 2023 includes primarily (i) \$17.0 million of interest expense, net, of which approximately \$7.7 million relates to interest income from the SEMTH master lease agreement executed in March 2023 and (ii) \$11.7 million of income from the change in fair value of interest rate swaps and interest expense, swaps. In comparison, other income, net for the period, while majority of the balance in \$16.7 million for the comparable period in of 2022 primarily relates to income from the change in the fair value of interest rate swaps of \$8.5 million, change in the fair value of warrant liability liabilities of \$5.1 million and a gain on extinguishment of debt, debt of \$4.5 million, partially offset by interest expense, net of \$2.1 million.

Liquidity and Capital Resources

The Company's cash requirements depend on many factors, including the execution of its business strategy. The Company remains focused on carefully managing costs, including capital expenditures, maintaining a strong balance sheet, and ensuring adequate liquidity. The Company's primary cash needs are for debt service, acquisition of solar systems, operating expenses, working capital and capital expenditures to support the growth in its business. Working capital is impacted by the timing and extent of the Company's business needs. As of June 30, 2023 September 30, 2023, the Company had net working capital of \$177.7 million \$146.8 million, including cash and cash equivalents and restricted cash of \$192.1 million \$192.7 million.

With the acquisition of Legacy Spruce Power in September 2022, the Company assumed all of the outstanding debt of Legacy Spruce Power, which had a principal balance of \$542.5 million on the date of the acquisition. With the SEMTH acquisition in the first quarter of 2023, the Company assumed \$125.0 million of debt. In addition, during the third quarter of 2023, the Company entered into a second amendment to its existing SP2 Credit Agreement resulting in incremental term loans of approximately \$21.4 million, proceeds of which were used to primarily fund the Tredegar Acquisition. As of June September 30, 2023, the Company has \$613.4 million had \$627.3 million of long-term debt, including current portions. The Company is required to complete debt service coverage ratio calculations on a quarterly basis as part of its debt covenants. All debt covenant requirements were satisfied as of the June 30, 2023 September 30, 2023 analyses.

Based on the Company's current liquidity, management believes that no additional capital will be needed to execute its current business plan over the next 12 months. The Company continually evaluates its cash needs to raise additional funds or seek alternative sources to invest in growth opportunities and other purposes.

Cash Flows Summary

Presented below is a summary of our operating, investing and financing cash flows:

(Amounts in thousands)	(Amounts in thousands)	Six Months Ended		(Amounts in thousands)	Nine Months Ended	
		June 30, 2023	June 30, 2022		September 30, 2023	September 30, 2022
Net cash provided by (used in)	Net cash provided by (used in)			Net cash provided by (used in)		
Continuing operating activities	Continuing operating activities	\$ (13,030)	\$ (22,332)	Continuing operating activities	\$ (10,737)	\$ (30,104)
Discontinued operating activities	Discontinued operating activities	(5,241)	(7,940)	Discontinued operating activities	(5,187)	(16,295)
Continuing investing activities	Continuing investing activities	(14,563)	—	Continuing investing activities	(25,126)	(32,336)
Discontinued investing activities	Discontinued investing activities	325	744	Discontinued investing activities	325	803
Continuing financing activities	Continuing financing activities	(15,525)	405	Continuing financing activities	(6,686)	(2,052)
Discontinued financing activities	Discontinued financing activities			Discontinued financing activities	—	(208)
Net change in cash and cash equivalents and restricted cash				Net change in cash and cash equivalents and restricted cash	\$ (47,411)	\$ (80,192)

Discontinued financing activities	—	(182)
Net change in cash and cash equivalents and restricted cash	\$ (48,034)	\$ (29,305)

Cash Flows Used in Operating Activities

The net cash used in continuing operations for the six nine months ended June 30, 2023 September 30, 2023 consists of the operations of Legacy Spruce Power, Tredegar assets acquired, corporate costs and certain other costs that were not allocated to our discontinued operations. The decrease in cash used in continuing operating activities, as compared to the same period in the prior year, is a reflection of the positive impact of our residential home solar business.

Cash Flows Used in Investing Activities

Cash used in investing activity related to continuing operations for the six nine months ended June 30, 2023 September 30, 2023 primarily includes \$23.4 million \$43.1 million of aggregate net cash paid net for acquisitions during 2023, consisting of cash acquired \$23.4 million for SEMTH and \$19.7 million for the SEMTH acquisition, Tredegar assets, both partially offset by \$5.3 million \$13.2 million of proceeds from the SEMTH investment and \$3.6 million \$5.1 million of proceeds from the sale of property and equipment, solar energy systems.

Cash Flows Used in Financing Activities

The net cash used in financing activities related to continuing operations for the six nine months ended June 30, 2023 September 30, 2023 primarily includes \$14.3 million \$22.8 million for the repayment of long-term debt and \$1.6 million \$5.1 million of shares repurchased under our Repurchase Program, both partially offset by \$0.5 million \$21.4 million of proceeds from the exercise issuance of stock options during long-term debt under the period.SP2 Facility Amendment to fund the Tredegar Acquisition.

Off-Balance Sheet Arrangements

The Company did not have any relationships with unconsolidated organizations or financial partnerships, such as structured finance or special purpose entities, which were established for the purpose of facilitating off-balance sheet arrangements.

Critical Accounting Policies and Estimates

The unaudited condensed consolidated financial statements have been prepared in accordance with the generally accepted accounting principles of the U.S. as set forth in the Financial Accounting Standards Board's Accounting Standards Codification, ("ASC"), and we evaluate the various staff accounting bulletins and other applicable guidance issued by the SEC. The preparation of these unaudited condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the consolidated balance sheet date, as well as the reported expenses incurred during the reporting periods. Management bases its estimates on historical experience and on various other assumptions believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates, and such differences could be material to our unaudited condensed consolidated financial statements.

The Company's significant accounting policies are consistent with those discussed in Note 2. Summary of Significant Accounting Policies of the consolidated financial statements and the MD&A section sections of the Company's Annual Report on form 10-K and Note 2. Summary of Significant Accounting Policies to its the accompanying unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q. The Company has identified the following accounting policies as its most critical since they require a greater degree of judgment and complexity:

- ☐ Deferred income taxes
- ☐ Warranty reserves
- ☐ Valuation of stock-based compensation
- ☐ Useful lives of certain assets and liabilities
- ☐ Valuation of redeemable noncontrolling interests and noncontrolling interests
- ☐ Allowance for current expected credit losses
- ☐ Asset acquisition transactions
- ☐ Valuation of business combinations, including the fair values and useful lives of acquired assets and assumed liabilities

New and Recently Adopted Accounting Pronouncements

For information with respect to recent accounting pronouncements and the impact of these pronouncements on the Company's unaudited condensed consolidated financial statements, see Note 2. Summary of Significant Accounting Policies to the accompanying unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report. Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures About Market Risk. Risk

The Company is a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and is not required to provide the information under this item.

Item 4. Controls and Procedures. Procedures

Evaluation of Disclosure Controls and Procedures

The term "disclosure controls and procedures" is defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act, as "controls and other procedures of an issuer that are designed to ensure that information required to be disclosed by the issuer in the reports that it files or submits under the Exchange Act are recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms." The Company's disclosure controls and procedures are designed to ensure that material information relating to the Company and its consolidated subsidiaries is accumulated and communicated to its Management, including its Chief Executive Officer and its Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures.

The Company's Management, with the participation of its Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of its disclosure controls and procedures as of March 31, 2023. Based upon that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were not effective as of that date, and subsequently as of **June 30, 2023** **September 30, 2023**, due to the material weaknesses in internal control over financial reporting described below.

Notwithstanding the identified material weaknesses, Management believes that the unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q present fairly, in all material respects, the Company's financial position, results of operations, and cash flows as of and for the periods presented in accordance with U.S. GAAP.

Material Weaknesses in Internal Control over Financial Reporting

A material weakness is a deficiency or combination of deficiencies in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of the financial statements would not be prevented or detected on a timely basis. These deficiencies could result in misstatements to the Company's consolidated financial statements that would be material and would not be prevented or detected on a timely basis.

As previously disclosed under "Item 9A – Controls and Procedures" in the Company's Annual Report, Management concluded that its internal control over financial reporting was not effective based on the material weakness identified related to the ineffective design and implementation of Information Technology General Controls ("ITGC"). The Company's ITGC deficiencies included improperly designed controls pertaining to user access rights and segregation of duties over systems that are critical to the Company's system of financial reporting.

In the course of preparing the financial statements for the three months ended March 31, 2023, Management identified a material weakness in internal control over financial reporting, which relates to review and approval of manual journal entries and related segregation of duties. The Company has not designed and maintained effective controls over the review and approval of manual journal entries, including implementing appropriate segregation of duties.

In addition, Management identified a material weakness in internal control over financial reporting related to the accounting for complex transactions. Specifically, Management determined that the Company did not maintain an effective control environment as it did not have sufficient resources, resulting in the lack of effectively designed controls to account for complex **transactions, transactions, inclusive of the accounting for the Company's investment related to the SEMTH master lease agreement and the related interest income, which resulted in the out of period misstatement discussed in Note 4.**

These deficiencies represent material weaknesses in the Company's internal control over financial reporting as there is a reasonable possibility that a material misstatement with respect to the Company's significant accounts and disclosures will not be prevented or detected on a timely basis.

Remediation Plan

Management continues its efforts to integrate Legacy Spruce Power's internal controls over financial reporting into the Company's financial reporting framework and to enhance the Company's remediation plan related to its ITGC material weakness. As disclosed in the Company's Annual Report, with the acquisition of Legacy Spruce Power and the evaluation of strategic alternatives for the Company's Drivetrain and XL Grid businesses, the Company exited the Drivetrain and XL Grid businesses and took certain restructuring actions to integrate and remove corporate function redundancies. Related to this integration, the Company has been evaluating all aspects of its internal control framework to identify and remediate any potential gaps and to identify any other opportunities to ensure the effectiveness of the Company's internal controls. Additionally, Management continues its efforts to remediate the material weaknesses over the review and approval of manual journal entries and segregation of duties and accounting for complex transactions. The Company has engaged third-party experts to assist with the remediation effort as the Company continuously evaluates all aspects of its internal control framework to identify and remediate any potential gaps and to identify any other opportunities to ensure the effectiveness of the Company's internal controls.

The material weaknesses will not be considered remediated until Management designs and implements effective controls that operate for a sufficient period of time and Management has concluded, through testing, that these controls are effective. Management will monitor the effectiveness of its integration and remediation plans and will make changes Management determines to be appropriate.

While Management believes that these efforts will improve the Company's internal controls over financial reporting, the implementation of these measures is ongoing and will require validation and testing of the design and operating effectiveness of internal controls over a sustained period of financial reporting cycles.

Management believes the Company is making progress toward achieving the effectiveness of its internal controls and disclosure controls. The actions that Management is taking are subject to ongoing Management review, as well as audit committee oversight. Management will not be able to conclude whether the steps it is taking will fully remediate these material weaknesses in the Company's internal control over financial reporting until Management has completed its remediation efforts and subsequent evaluation of their effectiveness. Management will continue to assess the effectiveness of its internal control over financial reporting and take steps to remediate the known material weaknesses expeditiously.

Inherent Limitations on Effectiveness of Controls

Internal control over financial reporting has inherent limitations which include but is not limited to the use of independent professionals for advice and guidance, interpretation of existing and/or changing rules and principles, segregation of management duties, scale of organization, and personnel factors. The Principal Financial and Accounting Officer and Chief Financial Officer are the same individual. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgement and breakdowns resulting from human failures. As a result of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of management override or improper acts, if any, have been detected. These include, for example, the possibility of human errors or mistakes, or of controls being circumvented by collusion or inappropriate management override. Controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. Due to their inherent limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. It is possible to design safeguards to reduce, but not eliminate, this risk. However, these inherent limitations are known features of the financial reporting process and it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting during the quarter ended **June 30, 2023** **September 30, 2023**, as such term is defined in Rules 13a-15(f) and 15(d)-15(f) promulgated under the Securities Exchange Act of 1934, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

For a description of our material pending legal proceedings, see Legal Proceedings in Note 15. Commitments and Contingencies to the unaudited condensed consolidated financial statements included elsewhere in this Quarterly Report on Form 10-Q and incorporated herein by reference.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in our Annual Report **on Form 10-K**, except as described below. Investors are encouraged to review these risk factors prior to making an investment in the Company and in conjunction with their review of this Quarterly Report on Form 10-Q.

Adverse developments affecting the financial services industry, such as actual events or concerns involving liquidity, defaults, or non-performance by financial institutions or transactional counterparties, could adversely impact our business, financial condition and results of operations.

Actual events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions or other companies in the financial services industry or the financial services industry generally, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems. We maintain deposits at financial institutions as a part of doing business that could be at risk if another similar event were to occur. Our ongoing cash management strategy is to maintain the majority of our deposit accounts in large "money center" financial institutions, but there can be no assurance this strategy will be successful. Increasing concerns regarding the U.S. or international financial systems, including bank failures and bailouts, and their potential broader effects and potential systemic risk on the banking sector generally, may adversely affect our access to capital. Any decline in available funding or access to our cash and liquidity resources could, among other risks, limit our ability to meet our capital needs and fund future growth or fulfill our other obligations, or result in breaches of our financial and/or contractual obligations. Any of these impacts, or any other impacts resulting from the factors described above or other related or similar factors not described above, could have material adverse impacts on our business, financial condition and results of operations.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds and Issuer Purchases of Equity Securities

Issuer Purchases of Equity Securities

Share Repurchase Program

The following table provides information with respect to the shares of common stock we repurchased under the Repurchase Program during the three months ended **June 30, 2023** **September 30, 2023**:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan or Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plan or Program (in '000s)
May 1 - May 31, 2023	35,600 \$	0.77	35,600 \$	49,972
June 1 - June 30, 2023	1,828,573 \$	0.83	1,828,573 \$	48,386
	<u>1,864,173</u>		<u>1,864,173</u>	

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan or Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plan or Program (in '000s)
July 1 - July 31, 2023	199,761	\$ 7.04	199,761	\$ 46,947
August 1 - August 31, 2023	153,350	\$ 6.88	153,350	\$ 45,833
September 1 - September 30, 2023	144,614	\$ 6.40	144,614	\$ 44,881
	497,725		497,725	

Item 3. Defaults Upon Senior Securities. Securities

None None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

Exhibit No.	Description	Included	Form	Filing Date
3.10 3.1	Second Amended and Restated Certificate of Incorporation.	By Reference	8-K	December 23, 2020
3.20 3.2	Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation	By Reference	8-K	October 6, 2023
3.3	Certificate of Amendment changing name of Registrant to Spruce Power Holding Corporation	By Reference	8-K	November 14, 2022
3.30 3.4	Amended and Restated Bylaws, as amended as of November 10, 2022	By Reference	8-K	November 14, 2022
10.1*	Amended and Restated Credit Agreement, dated August 18, 2023 among Spruce Power 2, LLC, as Borrower, Silicon Valley Bank, a division of First-Citizens Bank & Trust Company as Administrative Agent and the Issuing Bank, and the lenders from time to time party thereto.	Herewith		
31.1*	Certification of Principal Executive Officer Pursuant to Rule 13a- 14(a) and Rule 15d-14(a) of the Securities and Exchange Act of 1934, as amended, pursuant to Section 302 of the Sarbanes- Oxley Act of 2002.	Herewith		
31.2*	Certification of Principal Financial Officer Pursuant to Rule 13a- 14(a) and Rule 15d-14(a) of the Securities and Exchange Act of 1934, as amended, pursuant to Section 302 of the Sarbanes- Oxley Act of 2002.	Herewith		
32.1^*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Herewith		
32.2^*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Herewith		
101.INS*	Inline XBRL Instance Document	Herewith		
101.SCH*	Inline XBRL Taxonomy Extension Schema Document	Herewith		
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document			
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document	Herewith		
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document	Herewith		
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document	Herewith		
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).	Herewith		

- * Filed herewith
- + Indicates a management contract or compensatory plan or arrangement.
- In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release No. 34-47986, the certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed “filed” for purposes of Section 18 of the Exchange Act or deemed to be incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933 except to the extent that the registrant specifically incorporates it by reference.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SPRUCE POWER HOLDING CORPORATION

Date: August 10, 2023 November 13, 2023

By: /s/ Christian Fong
Name: Christian Fong
Title: Chief Executive Officer
(Principal Executive Officer)

Date: August 10, 2023 November 13, 2023

By: /s/ Sarah Weber Wells
Name: Sarah Weber Wells
Title: Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)



Execution Version SECOND AMENDED AND RESTATED CREDIT AGREEMENT among SPRUCE POWER 2, LLC, as Borrower, SILICON VALLEY BANK, a division of First-Citizens Bank & Trust Company as Administrative Agent, SILICON VALLEY BANK, a division of First-Citizens Bank & Trust Company as Issuing Bank, and The Lenders From Time to Time Party Hereto dated as of August 18, 2023 SILICON VALLEY BANK, a division of First-Citizens Bank & Trust Company as Sole Lead Arranger and Sole Bookrunner



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1. Second Amended and Restated Credit Agreement SECOND AMENDED AND RESTATED CREDIT AGREEMENT, dated as of August 18, 2023 (this "Agreement"), among Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"), the financial institutions as Lenders from time to time party hereto (each individually a "Lender" and, collectively, the "Lenders"), Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent for the Lenders (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its respective successors and permitted assigns, the "Issuing Bank"). RECITALS WHEREAS, pursuant to the Credit Agreement, dated as of May 14, 2020 (the "Initial Credit Agreement"), the Term Lenders provided the Borrower with a term loan facility in the amount of \$60,043,009.83 (the "Initial Term Loan Commitments") and the Issuing Bank agreed to issue a Letter of Credit in the amount of \$2,720,525.44 (the "Initial LC Commitments" and together with the Initial Term Loan Commitments, the "Initial Commitments"), the proceeds of which were used by the Borrower, among other things, to finance the Clearway Acquisition; WHEREAS, pursuant to the Amended and Restated Credit Agreement, dated as of July 12, 2022 (as amended, supplemented or modified prior to the date hereof, the "Existing Credit Agreement"), the Term Lenders agreed to increase their commitments under the term loan facility by an aggregate amount of \$20,293,427.05 (the "First Upsize Term Loan Commitments") and the Issuing Bank agreed to increase the letter of credit facility in an aggregate amount of \$1,260,104.37 (the "First Upsize LC Commitments" and together with the Initial Additional Term Loan Commitment, the "Initial Additional Commitment"), in order to, among other things, to finance the Level Solar Acquisition, WHEREAS, the Initial Term Loan Commitments and the First Upsize Term Loan Commitments have been fully funded and, as of the date hereof immediately prior to the effectiveness of this Agreement, \$66,006,914.57 of principal was currently outstanding in respect thereof, which principal obligations shall continue under this Agreement (the "Existing Term Loans"); WHEREAS, the Issuing Bank has issued a Letter of Credit under the Existing Credit Agreement in an amount equal to the Initial LC Commitments and the First Upsize LC Commitments, and as of the date hereof immediately prior to the effectiveness of this Agreement, the aggregate Stated Amount of such Letter of Credit is \$3,344,856.21, which Letter of Credit and reimbursement obligations with respect thereto, shall continue under this Agreement; WHEREAS, Spruce Holding Company 1 LLC, a Delaware limited liability company ("SHC 1"), Spruce Holding Company 2 LLC, a Delaware limited liability company ("SHC 2"), and Spruce Holding Company 3 LLC, a Delaware limited liability company ("SHC 3" and together with SHC 1 and SHC 2, the "Sponsors"), directly own 100% of the membership interests in each of KWS Solar Term Parent 1 LLC, a Delaware limited liability company ("KWS 1"), KWS Solar Term Parent 2 LLC, a Delaware limited liability company ("KWS 2"), and KWS Solar Term Parent 3 LLC, a Delaware limited liability company ("KWS 3" and, together with KWS 1 and KWS 2, the "Pledgors" and each a "Pledgor"), respectively;



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2 Second Amended and Restated Credit Agreement WHEREAS, the Pledgors collectively own 100% of the membership interests in the Borrower; WHEREAS, the Borrower desires to enter into that certain Membership Interest Purchase Agreement, dated as of the date hereof (the "Tredegear Solar Purchase and Sale Agreement"), by and among Dominion Alternative Energy Holdings, Inc., as seller (the "Tredegear Seller"), the Borrower, as buyer and Tredegear Solar Fund I, LLC, a Delaware limited liability company ("Tredegear Solar I"), relating to the purchase by the Borrower, directly or indirectly, of all the outstanding membership interests in Tredegear Solar I (the "Tredegear Solar Acquisition"); WHEREAS, Tredegear Solar I directly owns Projects (such Projects, "Additional Projects"), and immediately upon with the consummation of the Tredegear Solar Acquisition the Borrower will cause Tredegear Solar I to contribute the Additional Projects and related Customer Agreements to the Borrower; WHEREAS, the Borrower has requested the Lenders to make additional term loan commitments in an amount of \$21,395,567.98 (the "Additional Term Loan Commitments") in order to finance the Tredegear Solar Acquisition, and has also requested the LC Lenders to increase their Existing LC Commitments in an aggregate amount of \$2,654,795.45 (the "Additional LC Commitment") and the Issuing Bank to amend the existing Letter of Credit for purposes of satisfying the Debt Service Reserve Required Amount; WHEREAS, the Lenders have agreed to make Additional Term Loan Commitments and Additional LC Commitments; WHEREAS, the parties wish to amend and restate the Existing Credit Agreement and certain other Loan Documents in their entirety to, among other things, reflect such increase in the Existing Commitments, include the Additional Projects to the Project Pool and other changes requested by the Loan Parties; and WHEREAS, the parties hereto intend that this Agreement and the other Loan Documents executed in connection herewith not affect a novation of the obligations of the Loan Parties under the Existing Credit Agreement but merely a restatement, and where applicable, an amendment to the terms governing such obligations; NOW, THEREFORE, in consideration of the premises and the respective representations, warranties, covenants, agreements, and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Borrower, the Administrative Agent, the Lenders and the Issuing Banks hereby agree as follows: ARTICLE I. DEFINITIONS AND INCORPORATION BY REFERENCE SECTION 1.01 Definitions. Except as otherwise specified in this Agreement or as the context may otherwise require, the following terms have the respective meanings set forth below for all purposes of this Agreement (including in the Recitals hereto).



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3 Second Amended and Restated Credit Agreement. "Acceptable Bank" shall mean any bank, trust company or other financial institution which is organized or licensed under the applicable Laws of the United States of America or Canada or any state, province or territory thereof which has a Tangible Net Worth of at least \$500,000,000 and has at least two of the following Credit Ratings: "A-" or better by S&P, "A3" or better by Moody's and "A" or better by Fitch. "Acceptable DSR Guarantee" shall have the meaning given to such term in the Depository Agreement. "Acceptable DSR Letter of Credit" shall have the meaning given to such term in the Depository Agreement. "Acceptable REC Guaranty" shall mean a guaranty related to a REC Contract in form and substance reasonably acceptable to the Administrative Agent. "Acceptable Warranty" shall have the meaning given to such term in the Depository Agreement. "Account Control Agreement" shall mean, collectively and individually, as the context may require (a) that certain Deposit Account Control Agreement, dated as of November 4, 2022, among Borrower, Capital One, National Association, and the Collateral Agent, and (b) such other account control agreement or replacement thereof with respect to an account of a Relevant Party that is in form and substance reasonably acceptable to the Administrative Agent. "Acquisition" shall mean, collectively and individually, the Clearway Acquisition the Level Solar Acquisition and the Tredegar Solar Acquisition. "Acquisition Documents" shall mean, collectively and individually, the Clearway Acquisition Documents, the Level Solar Acquisition Documents and the Tredegar Solar Acquisition Documents. "Additional

Expenses" shall mean indemnification payments to the Administrative Agent, the Lenders, the Depository Agent, and certain other Persons related to the same as described under the Loan Documents. "Additional LC Commitment" shall have the meaning given to such term in the Recitals. "Additional Projects" shall have the meaning given to such term in the Recitals. "Additional Term Loan" shall mean the Term Loan made pursuant to Section 2.01(a). "Additional Term Loan Commitment" shall have the meaning given to such term in the Recitals. "Adjusted Term SOFR" shall mean, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment; provided



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4 Second Amended and Restated Credit Agreement that if Adjusted Term SOFR as so determined shall ever be less than the Floor, the Adjusted Term SOFR shall be deemed to be the Floor. "Administrative Agent" shall have the meaning given to such term in the preamble hereto, and include any successor Administrative Agents pursuant to Section 10.06. "Administrative Agent DSCR Comments" shall have the meaning given to such term in Section 5.01(a)(v). "Administrative Agent's Office" shall mean the Administrative Agent's address and, as appropriate, account as set forth on Schedule I, or such other address or account as the Administrative Agent may from time to time notify to the Borrower and the Lenders. "Administrative Questionnaire" shall mean an administrative questionnaire in the form furnished by the Administrative Agent. "Affected Financial Institution" shall mean (a) any EEA Financial Institution or (b) any UK Financial Institution. "Affiliate" shall mean, with respect to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. For the purposes of this definition, "control" when used with respect to any Person shall mean the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" shall have meanings correlative to the foregoing. For the avoidance of doubt, each of the Relevant Parties shall be an Affiliate of the other Relevant Parties and the Sponsors. In no event shall (a) the Administrative Agent be considered an Affiliate of another Person solely because any Loan Document contemplates that it shall act at the instruction of any such Person or such Person's Affiliate, or (b) any Tax Equity Member be considered an Affiliate of a Relevant Party. "Affiliate Transaction" shall have the meaning given to such term in Section 6.16. "Affiliated Lender" shall have the meaning given to such term in Section 11.05(b)(vii). "Agent" shall mean, collectively, the Administrative Agent, the Collateral Agent and the Depository Agent. "Agreement" shall have the meaning given to such term in the preamble hereto. "Amortization Period" shall mean the period commencing on the Closing Date through the date on which the initial term of all Customer Agreements shall have expired. "Amortization Schedule" shall have the meaning given to such term in Section 3.05(d). "Anti-Corruption Laws" shall have the meaning given to such term in Section 4.20(c).



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Second Amended and Restated Credit Agreement "Anti-Money Laundering Laws" shall have the meaning given to such term in Section 4.20(b). "Applicable Margin" shall mean (a) from the Effectiveness Date through (but excluding) May 14, 2026, 2.425% per annum and (b) from and after May 14, 2026, 2.55% per annum. "Applicable Percentage" shall mean, for any Term Lender, with respect to payments, computations and other matters relating to the Term Loan Commitments, a percentage equal to a fraction (a) the numerator of which is the Term Loan Commitment of such Term Lender and (b) the denominator of which is the total of the Term Loan Commitments. "Approved Fund" shall mean any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course of its business and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender. "Approved Manufacturer" shall mean any manufacturer on the Approved Vendor List. "Approved Vendor List" shall mean a list of approved panel and inverter manufacturers approved by the Administrative Agent and the Borrower in consultation with the Independent Engineer, which may be modified from time to time subject to the approval of the Administrative Agent and the Borrower in consultation with the Independent Engineer (such approval not to be unreasonably withheld, conditioned or delayed); provided, that, any manufacturer that is the subject of (a) an Involuntary Bankruptcy or (b) any voluntary case under the Bankruptcy Code or any applicable bankruptcy, insolvency or other similar Law now or hereafter in effect, shall be deemed removed from the Approved Vendor List. "Arranger" shall mean Silicon Valley Bank as sole lead arranger and sole bookrunner. "Assets" shall mean, with respect to any Person, all right, title and interest of such Person in land, Properties, buildings, improvements, fixtures, foundations, assets and rights of any kind, whether tangible or intangible, real, personal or mixed, including contracts, equipment, systems, books and records, proprietary rights, intellectual property, Permits, rights under or pursuant to all warranties, representations and guarantees, cash, accounts receivable, deposits and prepaid expenses. "Assignment and Assumption" shall mean an assignment and assumption entered into by a Lender and an assignee lender (with the consent of any party whose consent is required by Section 11.05), and accepted by the Administrative Agent, in substantially the form of Exhibit B or any other form approved by the Administrative Agent. "Authorized Officer" shall mean in relation to any Relevant Party or a Sponsor Party, any director, member or officer who is a natural Person authorized to act for or on behalf of the applicable Relevant Party or Sponsor Party in matters relating to such Relevant Party or



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6 Second Amended and Restated Credit Agreement Sponsor Party and who is identified on the list of Authorized Officers delivered by such Relevant Party or Sponsor Party to the Administrative Agent on the Closing Date (as such list may be modified or supplemented from time to time thereafter by delivery to the Administrative Agent of a duly executed Officer's Certificate and an incumbency certificate of such Relevant Party or Sponsor Party). "Available Tenor" shall mean, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 3.11(a)(iii)(D). "Backup Servicer" shall mean GreatAmerica Portfolio Services Group, LLC or such other provider of backup services as approved in writing by the Administrative Agent. "Backup Servicer Agreement" shall mean (a) that certain Backup and Successor Services Agreement, dated as of March 19, 2021, as amended on July 12, 2022 and as further amended on the date hereof, among the Borrower, ESE, the Backup Servicer and the Administrative Agent, and (b) any replacement thereof, in each case in a form and substance acceptable to the Administrative Agent. "Bail-In Action" shall mean the exercise of any Write-down and Conversion Powers by the applicable Resolution Authority in respect of any liability of any Affected Financial Institution. "Bail-In Legislation" shall mean (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation, rule, or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended, from time to time) and any other law, regulation, or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings). "Bankruptcy Code" shall mean Title 11 of the United States Code, as amended from time to time, and all rules and regulations promulgated thereunder. "Base Case Model" shall mean the comprehensive long-term financial model as updated from the initial Base Case Model delivered on the Effectiveness Date and attached as Exhibit F to this Agreement, reflecting among other things (a) quarterly payment periods ending on each Payment Date and (b) the projected Cash Available for Debt Service from the Eligible Projects, PBI Payments and the Eligible REC Contracts, and Operating Expenses from all other



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7. Second Amended and Restated Credit Agreement. Projects in the Project Pool, Debt Service after giving effect to the transactions contemplated by the Transaction Documents, the making of the Loans and changes to market interest rates and interest rate protection in respect thereof, covering the period from the Closing Date until the Deemed Final Repayment Date. All amounts determined in accordance with the Base Case Model shall be determined assuming the P50 Production and shall take into account (i) only Eligible Revenues and (ii) all Operating Expenses with respect to the Project Pool. The Base Case Model shall be updated in accordance with Section 5.01(e)(ii) in a form and substance reasonably satisfactory to the Administrative Agent, and each update shall reflect the Eligible Revenues and Operating Expenses from the Project Pool, any mandatory or voluntary prepayments on the Term Loans, the termination of any remaining Term Loan Commitments and other changes to Debt Service and to reflect changes to market interest rates and interest rate protection in respect thereof. "Base Rate" shall mean, at any time, the highest of (a) the Prime Lending Rate, (b) 1/2 of 1.00% per annum in excess of the overnight Federal Funds Effective Rate, and (c) the Adjusted Term

SOFR for a one-month tenor in effect on such day (taking into account the Floor set forth in the definition of "Adjusted Term SOFR") plus 1.00%, in each case as in effect for such day (or, if such day is not a Business Day, on the immediately preceding Business Day); provided, that if the Base Rate as so calculated is less than zero, such rate shall be deemed zero for purposes of this Agreement. Any change in the Base Rate due to a change in the Prime Lending Rate, the Federal Funds Effective Rate or Adjusted Term SOFR shall be effective from and including the effective date of the change in such rates. "Base Rate Loan" shall mean a Loan that bears interest based on the Base Rate. "Base Rate Term SOFR Determination Day" shall have the meaning set forth in the definition of "Term SOFR". "Benchmark" shall mean, initially, the Term SOFR Reference Rate, provided that if a Benchmark Transition Event has occurred with respect to the Term SOFR Reference Rate or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 3.11(a)(i). "Benchmark Loan" shall mean any Loan that bears interest at rates based upon the Benchmark. "Benchmark Replacement" shall mean, with respect to any Benchmark Transition Event, the first alternative set forth in the order below that can be determined by the Administrative Agent for the applicable Benchmark Replacement Date: (a) the sum of: (i) Daily Simple SOFR and (ii) the related Benchmark Replacement Adjustment; or (b) the sum of: (a) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current Benchmark for the applicable Corresponding Tenor giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant



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3 Second Amended and Restated Credit Agreement Governmental Body or (B) any evolving or then-prevailing market convention for determining such a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated syndicated credit facilities at such time and (ii) the related Benchmark Replacement Adjustment. If the Benchmark Replacement determined pursuant to clauses (a) or (b) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents. "Benchmark Replacement Adjustment" shall mean, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment (which may be positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities at such time. "Benchmark Replacement Date" shall mean the earliest to occur of the following events with respect to the then-current Benchmark: (a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); (b) in the case of clause (c) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announcement by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date. For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clauses (a) or (b) of this definition with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof). "Benchmark Transition Event" shall mean the occurrence of one or more of the following events with respect to the then-current Benchmark:



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9 Second Amended and Restated Credit Agreement (a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); (b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the U.S. Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component), or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or (c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative. For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof). "Benchmark Unavailability Period" shall mean, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.11(a)(ii) and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 3.11(a)(ii). "Beneficial Ownership Certification" means a certification regarding beneficial ownership as required by the Beneficial Ownership Regulation. "Beneficial Ownership Regulation" means 31 C.F.R. § 1010.230. "Blocked Person" shall mean any Person that is: (a) listed on, or owned or controlled by a Person listed on, a Sanctions List, (b) a government of a Sanctioned Country, (c) an agency or instrumentality of, or an entity directly or indirectly owned or controlled by, a government of a Sanctioned Country, (d) resident or located in, operating from, or incorporated under the laws of, a Sanctioned Country, or (e) to the knowledge of the Borrower (acting with due care and inquiry), otherwise the subject or target of Sanctions.



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10 Second Amended and Restated Credit Agreement "Borrower" shall have the meaning given to such term in the preamble. "Borrower Collections" shall mean (a) all distributions from Fund IV Holdco to the Borrower and (b) all Collections received by the Borrower, in each case derived from the Eligible Projects, PBI Payments and Eligible RECs owned by Fund IV Opco; provided, that Borrower Collections shall not include any Excluded Property. "Borrower Membership Interests" shall mean all of the outstanding limited liability company interests issued by the Borrower (including all Economic Interests and Voting Rights). "Borrowing Date" shall mean the date on which any Loan is made. "Borrowing Notice" shall mean a request for a Loan by the Borrower substantially in the form of Exhibit A. "Business Day" shall mean the hours between 9:00 a.m. - 4:00 p.m., Pacific time, Monday through Friday, other than the following days: (a) New Year's Day, Dr. Martin Luther King Jr. Day, Lincoln's Birthday, Washington's Birthday (celebrated on President's Day), Good Friday, Memorial Day, the day before Independence Day, Independence Day, Labor Day, Columbus Day, Election Day, Veterans' Day, the day before and after Thanksgiving Day, Thanksgiving Day, Christmas Eve, Christmas Day, and New Year's Eve and (b) any other day on which banks are required or authorized by Law to close in New York State; provided that for purposes hereof, if any day listed above as a day on which a bank is closed falls on a Saturday or Sunday, such day is celebrated on either the prior Friday or the following Monday. "Calculation Date" shall mean each March 31, June 30, September 30 and December 31 of each year falling after the Closing Date. "Capital Stock" shall mean: (a) in the case of a corporation, corporate stock; (b) in the case of an association or business entity, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock; (c) in the case of a partnership or limited liability company, partnership interests (whether general or limited) or membership interests; and (d) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of Assets of, the issuing Person including, all warrants, options or other rights to acquire any of the foregoing. "Cash Available for Debt Service" shall mean, in respect of any period, the amount of Operating Revenues received during such period less Operating Expenses paid during such period.



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11 Second Amended and Restated Credit Agreement "Cash Calculation Date" shall mean each April 15, July 15, October 15 and January 15 of each year falling after the Closing Date, or if any such day is not a Business Day, the immediately following Business Day. "Cash Collateralize" or "Cash Collateralization" shall mean, in respect of any Letter of Credit, the deposit of immediately available funds into a cash collateral account maintained with (or on behalf of) the Collateral Agent on terms satisfactory to the Administrative Agent and Issuing Bank, in an amount equal to 103% of the Stated Amount of such Letter of Credit. "Cash Diversion Guarantors" shall mean each Sponsor and ESE. "Cash Diversion Guaranty" shall mean that certain Second Amended and Restated Cash Diversion Guaranty, dated as of the Effectiveness Date, issued by the Cash Diversion Guarantors in favor of the Administrative Agent for the benefit of the Lender Parties and the Collateral Agent for the benefit of the Secured Parties. "CEG Transition Services Agreement" shall mean that certain Transition Services Agreement, dated as of the Closing Date, between Clearway Energy Group LLC and RPV Holding. "Change of Control" shall occur if (a) either the Sponsors collectively or a Permitted Transferee shall cease to indirectly beneficially own and control 50.1% of the equity interest in the Borrower or shall cease to retain control of the management of the Borrower, (b) the Pledgors collectively cease to directly beneficially own and control 100% of the Borrower Membership Interests in the Borrower, or (c) the Borrower ceases, collectively or individually, to directly or indirectly beneficially own and control 100% of the outstanding Opco Membership Interests and the Holdco Membership Interests. "Change of Law" shall mean the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority, or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change of Law", regardless of the date enacted, adopted or issued. "Claims" shall have the meaning given to such term in Section 5.12(a). "Class" shall have the meaning set forth in Section 1.04.



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12 Second Amended and Restated Credit Agreement "Clearway Acquisition" shall mean the purchase by the Borrower of 100% of the outstanding membership interests in RPV Holding from RPV Holding LLC and Clearway Energy Group LLC pursuant to the Clearway Purchase and Sale Agreement. "Clearway Acquisition Documents" shall mean the Clearway Purchase and Sale Agreement and all other documents relating to the Clearway Acquisition. "Clearway Purchase and Sale Agreement" shall mean that certain Purchase and Sale Agreement, dated as of May 14, 2020, among RPV Holding LLC and Clearway Energy Group LLC, as sellers, and the Borrower, as buyer. "Closing Date" shall mean May 14, 2020. "Closing Date Funds Flow Memorandum" shall have the meaning given to such term in the Depository Agreement. "Code" shall mean the United States Internal Revenue Code of 1986, and the regulations promulgated pursuant thereto, all as amended or as may be amended from time to time. "Collateral" shall mean the Assets and Property of, and equity interests in, the Borrower and each Guarantor, which is now owned or hereafter acquired upon which a Lien is or is purported to be created by any Collateral Document and shall include all Assets and Property within the terms "Collateral", "Depository Collateral", "Collateral Account" and "Pledged Collateral", as applicable, in the Collateral Documents all of which collectively constitute the "Collateral". "Collateral Accounts" shall have the meaning given to such term in the Depository Agreement. "Collateral Agency Agreement" shall mean the Amended and Restated Collateral Agency and Intercreditor Agreement, dated as of the Effectiveness Date, among the Borrower, the Administrative Agent, the Collateral Agent and each other Secured Party thereto from time to time. "Collateral Agent" shall mean Silicon Valley Bank a division of First-Citizen Bank & Trust Company and its successors and assigns in such capacity. "Collateral Documents" shall mean, collectively, the Pledge Agreement, the Pledge and Security Agreement, the Cash Diversion Guaranty, the Guaranty and Security Agreement, the Collateral Agency Agreement, the Depository Agreement, the Tax Equity Consent, the REC Contract Consent, the Account Control Agreement, the Standing Instructions and each other collateral document, pledge agreement or standing instruction delivered to the Administrative Agent pursuant to Section 5.08 and any other document or agreement that creates or purports to create a Lien in favor of the Collateral Agent for the benefit of the Secured Parties and all UCC or other financing statements, instruments or perfection and other filings, recordings and registrations required to be filed or made in respect of any of the foregoing. "Collections" shall mean without duplication, with respect to Fund IV Opco, the (a) Rents and PBI Payments, including all scheduled payments and prepayments under any



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(b) Second Amended and Restated Credit Agreement, Customer Agreement or PBI Document, (b) pending assumption of a Customer Agreement relating to a Project, payments of Rent relating to such Project by lenders with respect to, or subsequent owners of, the Property where such Project has been installed, (c) proceeds of the sale, assignment or other disposition of any Collateral, (d) proceeds from the sale of RECs, (e) insurance proceeds and proceeds of any warranty claims arising from manufacturer, installer and other warranties, in each case, with respect to any Projects, (f) all recoveries including all amounts received in respect of litigation, settlements and work-outs, (g) all purchase and lease prepayments received from a Customer with respect to any Project, and (h) all other revenues, receipts and other payments to Fund IV Opco of every kind whether arising from their ownership, operation or management of the Projects or otherwise; provided, that Collections shall not include any Excluded Property. "Collections Account" shall have the meaning given to such term in the Depository Agreement. "Collections Incentive Reserve Account" shall have the meaning given to such term in the Depository Agreement. "Collections Incentive Reserve Required Amount" shall have the meaning given to such term in the Depository Agreement. "Commitment" shall mean, as to each Lender, the aggregate of such Lender's Term Loan Commitment and LC Commitment. "Competitor" shall mean a Person that is in the business of developing, owning, installing, constructing or operating solar equipment and providing solar electricity from such solar equipment to residential customers located in jurisdictions where the Sponsors or any Subsidiary are then doing business, primarily through power purchase agreements, customer service or lease agreements or capital loan products and not through direct sales of solar panels or any Affiliate of such a Person, but shall not include any back-up servicer or transition manager (including U.S. Bank, National Association and Wells Fargo Bank, N.A.) or any Person engaged in the business of making passive ownership or tax equity investments in such solar equipment and associated businesses so long as such Person has in place procedures to prevent the distribution of confidential information that is prohibited under this Agreement. "Confidential Information" shall have the meaning given to such term in Section 11.11(a). "Conforming Changes" shall mean, with respect to either the use or administration of any Benchmark or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "U.S. Government Securities Business Day," the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "Interest period"), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides may



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14 Second Amended and Restated Credit Agreement be appropriate to reflect the adoption and implementation of any such rate and to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents). "Consequential Losses" shall have the meaning given to such term in Section 3.07(e). "Corresponding Tenor" shall mean with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor. "Credit Rating" shall mean, with respect to any Person, the rating by S&P, Moody's, Fitch or any other rating agency agreed to by the Parties then assigned to such Person's unsecured, senior long-term debt obligations (not supported by third party credit enhancements) or if such entity does not have a rating for its senior unsecured long-term debt, then the rating then assigned to such Person as an issuer rating by S&P, Moody's, Fitch or any other rating agency agreed by the Parties. "Credit Requirements" shall mean, with respect to any Person, that such Person has at least one of the following Credit Ratings: "Baa2" outlook stable or higher from Moody's, "BBB" outlook stable or higher from S&P or, other than in the case of a Person providing an Acceptable DSR Guarantee, "BBB" outlook stable or higher from Fitch. "CT Investor" shall mean CT Solar Fund 1, LLC, a Delaware limited liability company. "Customer" shall mean a natural person party to a Customer Agreement who leases, or agrees to purchase Energy produced by, a Project. "Customer Agreement" shall mean those power purchase agreements or customer lease agreements (together with all ancillary agreements and documents related thereto, including any assignment agreement to a replacement Customer) with respect to a Project between the Borrower or Fund IV Opco, as owner or lessor, and a Customer, whereby the Customer agrees to purchase the Energy produced by the related Project for a fixed fee per kWh, or agrees to lease the Project for monthly lease payments, as applicable, in each case for a specified term of years and including agreements where the Customer has the ability to prepay such amounts. "Customer Event" shall mean: (a) a Project experiences an Event of Loss and is not repaired, restored, replaced or rebuilt to substantially the same condition as existed immediately prior to the Event of Loss within one hundred twenty (120) days of such Event of Loss (an "Event of Loss Project");



(f) the Second Amended and Restated Credit Agreement (b) the early termination of any Customer Agreement (including, but not limited to, as a result of the occurrence of a default thereunder) without a replacement Customer Agreement being entered into within five (5) Business Days in respect of such Project such that it would continue to be meet the criteria for a Eligible Project, regardless of whether or not any Relevant Party is entitled to or actually receives a termination payment from the Customer in connection with such termination; (c) a Payment Facilitation Agreement is entered into; (d) the elective prepayment by the Customer of any future amounts due under a Customer Agreement; (e) the purchase of any Project by a Customer in accordance with the terms of the applicable Customer Agreement; and (f) an Ineligible Customer Reassignment, except to the extent any of the events in clauses (a) through (f) above occur in respect of an Excluded Prepaid Project. "Customer Event Certificate" shall mean a certificate from an Authorized Officer of the Borrower in the form attached to a Transfer Date Certificate, containing (a) a comprehensive report of each Customer Event occurring during the quarterly period ending on the applicable Calculation Date and (b) the Borrower's good faith, detailed calculation of the Customer Event Prepayment, together with such changes thereto as the Administrative Agent may from time to time reasonably request for the purpose of monitoring the Borrower's compliance with Section 3.03(b). "Customer Event Prepayment" shall mean, in respect of any Payment Date, the mandatory prepayment payable on such applicable Payment Date in accordance with Section 3.03(b). "Customer Purchase" means a purchase of a Project by a Customer pursuant to, and in accordance with, the applicable Customer Agreement that occurs during the five-year period beginning on the date that such Project is Placed in Service. "Daily Simple SOFR" shall mean, for any day (a "SOFR Rate Day"), a rate per annum equal to the greater of (a) SOFR for the day (such day a "SOFR Determination Day") that is five (5) U.S. Government Securities Business Days prior to (i) if such SOFR Rate Day is a U.S. Government Securities Business Day, such SOFR Rate Day or (ii) if such SOFR Rate Day is not a U.S. Government Securities Business Day, the U.S. Government Securities Business Day immediately preceding such SOFR Rate Day; in each case, as such SOFR is published by the SOFR Administrator on the SOFR Administrator's Website, and (b) the Floor. If by 5:00 p.m. (New York City time) on the second (2nd) U.S. Government Securities Business Day immediately following any SOFR Determination Day, the SOFR in respect of such SOFR Determination Day has not been published on the SOFR Administrator's Website and a Benchmark Replacement Date with respect to the Daily Simple SOFR has not occurred, then SOFR for such SOFR Determination Day will be SOFR as published in respect of the first preceding U.S. Government Securities



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16 Second Amended and Restated Credit Agreement. Business Day for which such SOFR was published on the SOFR Administrator's Website; provided that any SOFR determined pursuant to this sentence shall be utilized for purposes of calculation of Daily Simple SOFR for no more than three (3) consecutive SOFR Rate Days. Any change in Daily Simple SOFR due to a change in SOFR shall be effective from and including the effective date of such change in SOFR without notice to the Borrower. "Debt Service" shall mean, for any period, the aggregate amount of all principal, interest, payments in the nature of interest (including default interest and net payments under an Interest Rate Hedging Agreement), letter of credit fees, commitment fees, Agent fees, or any other recurrent analogous costs and damages (including gross-ups and increased cost payments) payable pursuant to any Loan Document. "Debt Service Coverage Ratio" shall mean, as determined in respect of any Payment Date, the ratio of: (a) the Cash Available for Debt Service for the twelve (12) month period ending on the Cash Calculation Date immediately prior to the applicable Payment Date (or, if shorter, the period following the Closing Date); to (b) the Debt Service (excluding (i) mandatory prepayments in respect of the Loans payable during such period pursuant to Section 3.03) for the twelve (12) month period ending on the applicable Payment Date (or, if shorter, the period following the Closing Date). "Debt Service Coverage Ratio Certificate" shall mean a certificate from an Authorized Officer of the Borrower in the form of Exhibit G, containing its good faith, detailed calculation of its Debt Service Coverage Ratio for the immediately following Payment Date. "Debt Service Reserve Account" shall have the meaning given to such term in the Depository Agreement. "Debt Service Reserve Required Amount" shall have the meaning given to such term in the Depository Agreement. "Debt Sizing Parameters" shall mean the following criteria, in each case as demonstrated by the Base Case Model: (a) the minimum and average Debt Service Coverage Ratio projected for each twelve month period ending on a fiscal quarter commencing on June 30, 2020 until the Deemed Final Repayment Date of at least 1.40 to 1.00, assuming the Obligations are repaid in full by the Deemed Final Repayment Date and, in the case of any update to the Base Case Model, demonstrating any assume prepayment necessary as of the date of such update to satisfy compliance with such condition; and (b) the principal outstanding under this Agreement (including any Loan being made as of the date of determination) is no greater than: (i) the lesser of (i) 72.5% multiplied by the Portfolio Value related to Eligible Projects and PBI Payments and (ii) the maximum amount of debt that will,



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17 Second Amended and Restated Credit Agreement in accordance with the Base Case Model, allow for a minimum and average Debt Service Coverage Ratio projected for each twelve-month period through the Amortization Period of at least 1.38 to 1.00; plus (ii) the lesser of (i) 68.0% multiplied by the Portfolio Value related to Eligible REC Contracts and (ii) the maximum amount of debt that will, in accordance with the Base Case Model, allow for a minimum and average Debt Service Coverage Ratio projected for each twelve-month period through the Amortization Period of at least 1.47 to 1.00; and (c) the quotient, expressed as a percentage, of (i) principal outstanding under the Loans on the Maturity Date divided by (ii) the Portfolio Value at the Maturity Date, shall not exceed 67%. "Debt Termination Date" shall mean the date on which the (a) the Commitments have expired or been terminated, (b) the principal of and interest on each Loan and all fees payable hereunder shall have been paid indefeasibly paid in cash in full and all Letters of Credit shall have expired or terminated and all Drawing Payments shall have been reimbursed (unless the outstanding amount of the LC Exposure related thereto has been Cash Collateralized), and (c) all other Obligations (other than any inchoate indemnification or expense reimbursement Obligations that expressly survive termination of the Agreement) shall have indefeasibly paid in cash in full. "Debtor Relief Laws" shall mean the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect. "Deemed Final Repayment Date" shall mean September 30, 2036. "Default" shall mean any event, occurrence or circumstance that is, or with notice or the lapse of time or both would become, an Event of Default. "Default Prepayment Project" shall mean, in respect of any Payment Date, an Eligible Project that became a Defaulted Project during the three month period ending on the immediately prior Calculation Date and after any Project Default Rate Threshold was exceeded for such three month period. "Default Rate" shall mean a rate of 2.00% per annum in excess of the rate otherwise applicable to any Loan or other Obligation, which rate shall apply in accordance with Section 3.05(b). "Defaulted Project" shall mean in respect of any Project and its related Customer Agreement, on the applicable date of calculation or determination, (a) the applicable Customer is more than one hundred twenty (120) days past due on any amount due under such Customer Agreement and (b) either (x) such Customer Agreement has not been brought current and/or the related Customer Agreement has not been reassigned (or an amendment to the Customer Agreement or a replacement Customer Agreement has not been executed) within sixty (60) days



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18 Second Amended and Restated Credit Agreement after the end of such one hundred twenty (120) day period or (y) the Provider has determined that such Customer Agreement should be written off in accordance with its Management Standard. "Defaulted Project Certificate" shall mean a certificate from an Authorized Officer of the Borrower in the form attached to a Transfer Date Certificate, containing (a) a comprehensive report of each Eligible Project that became a Defaulted Project and Defaulted Project Prepayment during the quarterly period ending on the applicable Calculation Date and (b) the Borrower's good faith, detailed calculation of (i) the Default Rate during the applicable calendar year and since the Closing Date and (ii) the Defaulted Project Prepayment, together with such changes thereto as the Administrative Agent may from time to time reasonably request for the purpose of monitoring the Borrower's compliance with Section 3.03(b). "Defaulted Project Prepayment" shall mean, in respect of any Payment Date, the mandatory prepayment payable on such applicable Payment Date in accordance with Section 3.03(b). "Defaulted REC Contract" shall mean any REC Contract with respect to which a default has occurred pursuant to the terms of such contract and such default has not been cured within any applicable grace period. "Defaulting Lender" shall mean a Lender that (a) has defaulted in its obligations to fund any Loan or otherwise failed to comply with its obligations under Section 2.01 or Section 2.02, unless (x) such default or failure is no longer continuing or has been cured within ten (10) days after such default or failure or (y) such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, (b) has notified the Borrower and/or the Administrative Agent that it does not intend to comply with its obligations under Section 2.01 or Section 2.02 or has made a public statement to that effect unless such Lender notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent shall be specifically identified in such writing) has not been satisfied, or (c) has, or has a direct or indirect parent company that, other than via an Undisclosed Administration (as defined below) (i) has become the subject of a proceeding under any Debtor Relief Laws, or (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee

for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or Assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity, or (iii) has become the subject of a Bail-In Action; provided that, for the avoidance of doubt, a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority. For purposes of this definition, "Undisclosed Administration" means, in relation to a Lender or its direct or indirect parent company that is a solvent person, the appointment of a receiver, custodian, conservator, trustee, administrator or similar Person by a supervisory authority or regulator under or based on the law in the country where such Lender or such parent company is subject to home jurisdiction, if applicable law requires that such appointment not be disclosed.



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19 Second Amended and Restated Credit Agreement "Deficient Project" shall mean a Project that is a "Deficient Project" (as such term or any similarly defined term is defined in the applicable Master Purchase Agreement for such Project). "Depository Agent" shall mean Wilmington Trust, N.A. and its successors and assigns in such capacity in accordance with the Depository Agreement. "Depository Agreement" shall mean the Second Amended and Restated Depository Agreement dated as of the Effectiveness Date, among the Borrower, the Administrative Agent, the Collateral Agent and the Depository Agent. "Distribution Conditions" shall have the meaning given to them in the Depository Agreement. "Distribution Trap" shall occur at any time where the Distribution Conditions are not satisfied as of the most recent Payment Date. "Distribution Trap Account" shall have the meaning given to such term in the Depository Agreement. "Dollars" shall mean U.S. dollars. "Drawing" shall mean a drawing on a Letter of Credit by the beneficiary thereof. "Drawing Payment" shall mean a payment in U.S. Dollars by the relevant Issuing Bank of all or any part of the Stated Amount in conjunction with a Drawing under any Letter of Credit. "Early Amortization Period" shall have the meaning given to such term in the Depository Agreement. "Economic Interest" shall mean the direct or indirect ownership by one Person of Capital Stock in another Person. A Person who directly holds all of the Capital Stock of another Person is understood to hold an Economic Interest of one hundred percent (100%) in such other Person. For purposes of determining the Economic Interest of one Person in another Person where there are one or more other Persons in the chain of ownership, the Economic Interest of the first Person in the second Person shall be deemed proportionately diluted by Economic Interests of less than one hundred percent (100%) held by such other Persons in the chain of ownership. For example, if Company A owns eighty percent (80%) of the Capital Stock of Company B, which in turn owns eighty percent (80%) of the partnership interests in Partnership C, which in turn owns fifty percent (50%) of the Capital Stock in Company D, then Company A would have an Economic Interest in Company D of thirty-two percent (32%). "EEA Financial Institution" shall mean (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA



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20 Second Amended and Restated Credit Agreement Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent. "EEA Member Country" shall mean any member state of the European Union, Iceland, Liechtenstein and Norway. "EEA Resolution Authority" shall mean any public administrative authority or any person entrusted with the resolution of any EEA Financial Institution. "Effectiveness Date" shall mean the date on which all conditions precedent set forth in Section 8.01 have been satisfied or waived by the Administrative Agent (acting on the instructions of the Lenders and the Issuing Banks). "Effectiveness Date Funds Flow Memorandum" shall have the meaning given to such term in Section 8.01(k). "Eligible Assignee" shall mean any Person that is a commercial bank, insurance company, investment or mutual fund or other Person that is an "accredited investor" (as defined in Regulation D of the Securities Act of 1933, as amended) or otherwise has a Tangible Net Worth not less than \$250,000,000. "Eligible Customer Agreement" shall mean a Customer Agreement in the form of one of the agreements provided by the Borrower to the Administrative Agent and the Lenders prior to the Closing Date or such other form of agreement as reasonably approved by the Administrative Agent (acting on the instructions of the Required Lenders) in writing, which forms may be modified in a manner permitted under the Tax Equity Documents to (a) comply with Law or to qualify for an applicable solar incentive program (provided such changes do not reallocate risk to the Borrower, Fund IV Opco, Fund IV Holdco or any of their Affiliates and otherwise could not reasonably be expected to have a Material Adverse Effect or a material adverse effect on compliance by the Borrower or Fund IV Opco with consumer leasing and protection Law), (b) incorporate nonsubstantive or immaterial changes reasonably agreed with a Customer, or (c) incorporate such changes as approved by the Administrative Agent acting on the instructions of the Required Lenders. "Eligible Project" shall mean a Project installed on a primary, secondary or townhome dwelling that is owned by the Borrower or Fund IV Opco and (a) has been Placed in Service, (b) is not (i) a Defaulted Project or (ii) the subject of any Customer Event described in clauses (a), (b), (e) and (f) of the definition thereof, (c) is not the subject of a Prepaid Customer Agreement, (d) is not a Deficient Project and (e) that the Customer under the Customer Agreement for such Project has a minimum FICO® Score of 650. "Eligible RECs" shall mean all RECs sold under Eligible REC Contracts. "Eligible REC Contract" shall mean collectively and individually, as the context may require, each REC Contract, together with any credit support agreements and documents, including any letters of credit, guarantees or collateral documents, provided in connection therewith, that (a) is a Permitted REC Contract, (b) is not a Defaulted REC Contract, (c) the REC



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21. Second Amended and Restated Credit Agreement Purchaser thereunder is a Qualified REC Purchaser, and (d) in the case of a REC Contract entered into by the Borrower or Fund IV Holdco, requiring the consent of the REC Purchaser for the collateral assignment of such contract to the Collateral Agent, the Administrative Agent has received REC Contract Consent, duly executed and delivered by each of the parties thereto. "Eligible REC Event" shall mean the early termination of any Eligible REC Contract (including, but not limited to, as a result of the occurrence of a default thereunder) without a replacement Eligible REC Contract being entered into within five (5) Business Days in respect of the Eligible RECs subject to such terminated Eligible REC Contract, regardless of whether or not any Relevant Party is entitled to or actually receives a termination payment from the REC Purchaser in connection with such termination. "Eligible REC Event Certificate" shall mean a certificate from an Authorized Officer of the Borrower in the form attached to a Transfer Date Certificate, containing (a) a comprehensive report of each Eligible REC Event occurring during the quarterly period ending on the applicable Calculation Date and (b) the Borrower's good faith, detailed calculation of the Eligible REC Event Prepayment, together with such changes thereto as the Administrative Agent may from time to time reasonably request for the purpose of monitoring the Borrower's compliance with Section 3.03(b). "Eligible REC Event Prepayment" shall mean, in respect of any Payment Date, the mandatory prepayment payable on such applicable Payment Date in accordance with Section 3.03(b). "Eligible Revenues" shall mean operating revenue from (a) Eligible Projects consisting of payments by Customers pursuant to the applicable Customer Agreement, (b) PBI Payments and (c) Eligible REC Contracts; "Employee Benefit Plan" shall mean any employee pension benefit plan within the meaning of Section 3(2) of ERISA (excluding any Multiemployer Plan) which is subject to Title IV of ERISA or to Section 412 of the Code; "Energy" shall mean physical electric energy, expressed in megawatt hours or kilowatt hours ("kWh"), of the character that passes through transformers and distribution or transmission wires, where it eventually becomes alternating current electric energy delivered at nominal voltage. "Environmental Laws" shall mean all present and future Laws pertaining to or imposing liability or standards of conduct concerning environmental protection, human health and safety, contamination or clean-up or the use, handling, generation, Release or storage of Hazardous Material, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, the Resource Conservation and Recovery Act, as amended, the Emergency Planning and Community Right-to-Know Act of 1986, as amended, the Hazardous Substances Transportation Act, as amended, the Solid Waste Disposal Act, as amended, the Clean Water Act, as amended, the Clean Air Act, as amended, the Toxic Substances Control Act, as amended, the Safe Drinking Water Act, as amended, the Occupational Safety and Health Act, as amended (to the extent relating to human exposure to Hazardous



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22 Second Amended and Restated Credit Agreement Materials), the National Environmental Policy Act, as amended, and all analogous state or local statutes, (including, with respect to the Projects located in the State of New York, the New York State Environmental Quality Review Act, as amended), any state superlien Law and environmental clean-up Laws and all regulations adopted in respect of the foregoing Laws whether now or hereafter in effect. "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended or as may be amended from time to time. "ERISA Affiliate" shall mean, in relation to any Person, any other Person under common control with the first Person, within the meaning of Section 4001(a)(14) of ERISA or Section 414 of the Code. "Erroneous Payment" has the meaning assigned to it in Section 10.12(a). "Erroneous

Payment Deficiency Assignment" has the meaning assigned to it in Section 10.12(d). "Erroneous Payment Impacted Class" has the meaning assigned to it in Section 10.12(d). "Erroneous Payment Return Deficiency" has the meaning assigned to it in Section 10.12(d). "Erroneous Payment Subrogation Rights" has the meaning assigned to it in Section 10.12(d). "ESE" shall mean Solar Services Experts, LLC, a Delaware limited liability company. "EU Bail-In Legislation Schedule" shall mean the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person) from time to time. "Event of Default" shall have the meaning given to such term in Section 9.01. "Event of Loss" shall mean (a) an event which causes all or a material portion of an Asset of a Relevant Party to be damaged, destroyed or rendered unfit for normal use for any reason whatsoever (including any covered loss under a casualty insurance policy) and (b) any compulsory transfer or taking, or transfer under threat of compulsory transfer, of any Asset of a Relevant Party pursuant to the power of eminent domain, condemnation or otherwise. "Event of Loss Project" shall have the meaning given to such term in the definition of "Customer Event." "Excluded Prepaid Customer Agreement" shall mean all Prepaid Customer Agreements where the applicable prepayment of energy or lease payments under such Customer Agreement is payable prior to or upon the respective Project associated with such Customer Agreement being Placed in Service.



23 Second Amended and Restated Credit Agreement "Excluded Prepaid Projects" shall mean all Projects subject to an Excluded Prepaid Customer Agreement. "Excluded Property" shall mean: (a) all cash proceeds from any upfront solar energy incentive programs, including proceeds pursuant to the California Solar Initiative (which are not subject to state income tax), or any other state or local solar power incentive program which provides incentives that are substantially similar to those provided under the California Solar Initiative (and which are similarly not subject to state income tax); and (b) all cash proceeds from any Excluded Prepaid Customer Agreements. "Excluded Taxes" shall mean any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to any Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the Laws of, or having its principal office in, or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a Law in effect on the date after the Closing Date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 3.10(b)) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 3.09(a), amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient's failure to comply with Section 3.09(e), and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA. "Exempt Customer Agreements" shall mean (a) any Customer Agreement which has unpaid Rents that are 120 days or more past due, (b) any Customer Agreement where (i) the Customer's interest in the underlying host Property for the applicable Project has been sold or otherwise transferred without either the Customer purchasing the Project or the new owner assuming such Customer Agreement and (ii) the applicable Provider reasonably determines that the current Customer will not make any purchase payment due under the Customer Agreement and the new owner will refuse to assume such Customer Agreement but for a Payment Facilitation Agreement in respect thereof, (c) any Customer Agreement subject to a dispute between the Borrower or Fund IV Opco and the Customer which, in light of the facts and circumstances known at the time of such dispute, the Provider reasonably determines the Customer under such Customer Agreement could reasonably be expected to stop making Rent payments due under the Customer Agreement but for a Payment Facilitation Agreement, or (d) any Customer Agreement which has a Customer that has become eligible for and is receiving an income-qualified discount on his or her electricity rate from the applicable local utility. "Existing Credit Agreement" shall have the meaning given to such term in the Recitals.



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24 Second Amended and Restated Credit Agreement "Existing Term Loans" shall have the meaning given to such term in the Recitals. "Expiration Date" shall mean, with respect to any Letter of Credit, the date of the expiration set forth therein. "Facility" shall mean each of (a) the Term Loan Commitments and the Term Loans made hereunder and (b) the LC Commitments and the LC Exposure hereunder. "FATCA" shall mean (i) Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, (ii) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in (i) above, (iii) any agreements entered into pursuant to Section 1471(b)(1) of the Code, and (iv) any other agreement pursuant to the implementation of any treaty, law or regulation referred to in (i) or (ii) above with any Governmental Authority in the U.S. or any other jurisdiction. "Federal Funds Effective Rate" means, for any period, a fluctuating interest rate equal for each day during such period to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent and from three Federal funds brokers of recognized standing selected by the Administrative Agent. "Fee Letter" shall mean, collectively, (a) that certain fee letter, dated as of the Effectiveness Date, among the Borrower, the Sponsors and Silicon Valley Bank, and (b) any other fee letter entered into by the Borrower and a Lender Party in connection with this Agreement. "FERC" shall mean the Federal Energy Regulatory Commission, and any successor authority. "FICO® Score" shall mean, in respect of any Customer, a credit score obtained from (a) Experian Information Solutions, Inc., (b) Transunion, LLC, or (c) Equifax Inc., in each case, as obtained on or about the date such Customer entered into, or took an assignment of, such Customer Agreement. "Financial Statements" shall mean in relationship to any Person, its consolidated statements of operations and members' equity, statements of cash flow and balance sheets. "First Amendment and Restatement Effectiveness Date" means July 19, 2022. "First Upsize LC Commitment" shall have the meaning given to such term in the Recitals. "First Upsize Term Loan Commitment" shall have the meaning given to such term in the Recitals.



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25 Second Amended and Restated Credit Agreement "Firststar" shall mean Firststar Development, LLC. "Fitch" shall mean Fitch, Inc. "Floor" shall mean a rate of interest equal to 0.0%. "Foreign Lender" shall mean a Lender that is not a U.S. Person. "FPA" shall mean the Federal Power Act, as amended, and FERC's regulations thereunder. "Fund IV Holdco" shall mean Level Solar Holdings IV LLC, a Delaware limited liability company. "Fund IV Model" shall mean the financial equity base case model agreed and accepted by Fund IV Opco, CT Investor and Firststar in respect of Firststar's tax equity investment in Fund IV Opco. "Fund IV Opco" shall mean Level Solar Fund IV LLC, a Delaware limited liability company. "Fund 11 Model" shall mean the financial equity base case model agreed and accepted by Fund 11 Opco and Firststar in respect of Firststar's tax equity investment in Fund 11 Opco. "Fund 11 Opco" shall mean RPV Fund 11 LLC, a Delaware limited liability company. "Fund 12 Opco" shall mean RPV Fund 12 LLC, a Delaware limited liability company. "Funding Account" shall have the meaning given to such term in the Depositary Agreement. "GAAP" shall mean United States Generally Accepted Accounting Principles. "Governmental Authority" shall mean with respect to any Person, any supra-national, national, federal or state or local government or other political subdivision thereof or any entity, including any regulatory or administrative authority, agency, department or court or central bank, exercising executive, legislative, judicial, taxing, regulatory or administrative or quasi-administrative functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank). "Grant" shall mean a cash grant under section 1603 of the American Recovery and Reinvestment Tax Act of 2009, as amended. "Guarantor" shall mean Fund IV Holdco and each Wholly-Owned Opco.



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26 Second Amended and Restated Credit Agreement "Guaranty and Security Agreement" shall mean that certain Second Amended and Restated Guaranty and Security Agreement, dated as of the Effectiveness Date, by and between Fund IV Holdco and the Collateral Agent, acting for the benefit of the Secured Parties. "Hazardous Material" shall mean any pollutant, contaminant or hazardous or toxic substance, material or waste that is regulated by or forms the basis of liability now or hereafter under, any Environmental Law, including any (a) petroleum, petroleum hydrocarbons, petroleum products, crude oil or any fraction or by-product derivatives; (b) flammable substances, explosives or radioactive materials; (c) asbestos or asbestos-containing materials in any form; (d) polychlorinated biphenyls; and (e) any other radioactive, hazardous, toxic or noxious substance, material, pollutant, emission or discharge or contaminant that, whether by its nature or its use, is subject to regulation or giving rise to liability or obligation under any Environmental Law. "Hedge Profile

"Repayment Date" shall mean the date upon which the Term Loans are shown to be finally repaid under the Base Case Model based on the assumption that all Cash Available for Debt Service is applied from the Maturity Date to pay Debt Service and otherwise prepay the Term Loans. "Holdco Membership Interests" shall mean all the outstanding limited liability company interests issued by Fund IV Holdco (including all Economic Interests and Voting Rights). "Illegality Notice" shall have the meaning given to such term in Section 3.11(a). "Indebtedness" shall mean, for any Person, without duplication: (a) all indebtedness of such Person for borrowed money, for amounts drawn under a letter of credit, or for the deferred purchase price of Property for which such Person or its Assets is liable, (b) all unfunded amounts under a loan agreement, letter of credit, surety bond or other similar instrument (unless secured in full by cash), or other credit facility for which such Person would be liable if such amounts were advanced thereunder, (c) all amounts required to be paid by such Person as a guaranteed payment to partners or a preferred or special dividend, including any mandatory redemption of shares or interests and any other payment required to be made in respect of any equity interests in any Person or rights or options to acquire any equity interests in any Person, but excluding any distributions required to be made (i) in respect of the outstanding class A membership interests issued by the Tax Equity Opco or (ii) to a Borrower or any Subsidiary in respect of the outstanding Opco Membership Interests or Holdco Membership Interests, (d) all obligations (including all amounts to be capitalized) under leases that constitute capital leases for which such Person is liable, (e) all obligations of such Person under interest rate swaps, caps, floors, collars and other interest hedge agreements, in each case whether such Person is liable contingently or otherwise, as borrower, guarantor or otherwise, or in respect of which obligations such Person otherwise assures a creditor against loss, (f) all obligations of such Person under conditional sale or other title retention agreements relating to Property or Assets acquired by such Person (even though the rights of the seller or lender thereunder may be limited in recourse), and (g) all guarantees of such Person in respect of any of the foregoing. The Indebtedness of a Person shall include the Indebtedness of any partnership in which such Person is a general partner, other than to the extent that the instrument or agreement evidencing such Indebtedness expressly limits the liability of such Person in respect thereof.



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27 Second Amended and Restated Credit Agreement "Indemnified Amounts" shall have the meaning given to such term in Section 3.08(a). "Indemnified Taxes" shall mean (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes. "Indemnitee" shall have the meaning given to such term in Section 3.08(a). "Independent" shall mean, when used with respect to any specified Person, that such Person (a) is in fact independent of each of the Relevant Parties and any Affiliate thereof, (b) does not have any direct financial interest or any material indirect financial interest in any of the Relevant Parties or any Affiliate thereof, and (c) is not connected with any of the Relevant Parties or any Affiliate thereof as an officer, employee, member, manager, contractor, promoter, underwriter, trustee, partner, director or person performing similar functions. "Independent Engineer" shall mean DNV GL or any other Person from time to time appointed by the Administrative Agent to act as "Independent Engineer" for the purposes of this Agreement. "Ineligible Customer Reassignment" shall mean a Customer Agreement has been assigned and the assignee Customer has a RICO® Score of less than 650 as of the date of such assignment. "Information" shall have the meaning given to such term in Section 4.25(a). "Initial Commitments" shall have the meaning given to such term in the Recitals. "Initial Credit Agreement" shall have the meaning given to such term in the Recitals. "Initial LC Commitment" shall have the meaning given to such term in the Recitals. "Initial Term Loan Commitment" shall have the meaning given to such term in the Recitals. "Insurance Consultant" shall mean STANCE Renewable Risk Partners LLC or any other Person from time to time appointed by the Administrative Agent to act as "Insurance Consultant" for the purposes of this Agreement. "Insurance Policies" shall have the meaning given to such term in Section 5.13(a). "Interest Period" shall mean, for each Payment Date, the period from and including the preceding Payment Date (or, with respect to the initial such period for the Additional Term Loans, the date on which the Lenders make the amount of their Additional Term Loans available to the Administrative Agent pursuant to Section 2.01(d)) to but excluding such Payment Date.



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28 Second Amended and Restated Credit Agreement "Interest Rate Determination Date" shall mean, with respect to any Interest Period, the second Business Day prior to the commencement of such Interest Period. "Interest Rate Hedging Agreement" shall mean any Swap Agreement entered into by the Borrower in the ordinary course of business and not for speculative purposes in order to effectively cap, collar or exchange interest rates (from floating to fixed rates) with respect to any interest-bearing liability or investment of the Borrower. "Investment Company Act" shall mean the United States Investment Company Act of 1940, as amended or as may be amended from time to time. "Involuntary Bankruptcy" shall mean any involuntary case under the Bankruptcy Code or any applicable bankruptcy, insolvency or other similar Law now or hereafter in effect, in which any Sponsor or any Relevant Party is a debtor or any Assets of any such entity is property of the estate therein. "IRS" means the United States Internal Revenue Service. "Issuing Banks" shall mean (a) Silicon Valley Bank, a division of First-Citizens Bank & Trust Company and (b) each other LC Lender as the Borrower may from time to time select as an Issuing Bank hereunder (provided that such LC Lender meets the Credit Requirements, shall be reasonably acceptable to the Administrative Agent and has agreed to be an Issuing Bank hereunder in a writing reasonably satisfactory to the Administrative Agent), each in its capacity as an issuer of Letters of Credit hereunder, in either case together with its permitted successors and assigns in such capacity. "ITC" shall mean the 30% investment tax credit under Section 48 of the Code. "ITC Basis Notification" shall mean the receipt by any Relevant Party or any Affiliate thereof of (a) any notification of any audit, examination, administrative proceeding or investigation by any Governmental Authority, or any "Information Document Request" or similar information or document request from the IRS or the Treasury, concerning the fair market value or eligible basis of any solar projects the Borrower or Fund IV Opco acquired, sold, leased, developed, constructed or operated or (b) written guidance directed to any Relevant Party or any Affiliate thereof from the IRS or the Treasury setting forth recommended values for any solar projects the Borrower or Fund IV Opco acquired, sold, leased, developed, constructed or operated. "Knowledge" whenever used in this Agreement or any of the Loan Documents, or in any document or certificate executed pursuant to this Agreement or any of the Loan Documents, (whether by use of the words "knowledge" or "known", or other words of similar meaning, and whether or not the same are capitalized), shall mean, with respect to a Sponsor Party or any Relevant Party: (a) actual knowledge (which shall be deemed to include knowledge that would have been discovered after reasonable inquiry) of the Chief Executive Officer, Chief Financial Officer, and General Counsel of a Sponsor Party or any Authorized Officer of a Relevant Party, and (b) actual knowledge (which shall be deemed to include knowledge that would have been discovered after reasonable inquiry) of those officers, employees or other persons responsible for the day-to-day administration of the Projects, and the individuals who have responsibility for any



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29 Second Amended and Restated Credit Agreement policy making, major decisions or financial affairs, or primary management or supervisory responsibilities, of any Sponsor Party or any Relevant Party. The Borrower shall cause each of its Subsidiaries to promptly notify it of any event or circumstance that would require the Borrower to provide notice to a Lender Party under the Loan Documents upon Knowledge of the Borrower. Any notice delivered to the Sponsor Parties or any Relevant Party by a Secured Party shall provide such Person with Knowledge of the facts included therein. "KWS 1" shall have the meaning given to such term in the Recitals. "KWS 2" shall have the meaning given to such term in the Recitals. "KWS 3" shall have the meaning given to such term in the Recitals. "Laws" shall mean, collectively, all international, foreign, Federal, state and local statutes, common law, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority, and all applicable administrative orders, decrees, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law. "LC Application" shall mean an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the applicable Issuing Bank, together with a Notice of LC Activity. "LC Availability Period" shall mean the period from the Closing Date to 30 days prior to the Maturity Date. "LC Commitment" shall mean, as to each LC Lender, its obligation to make an LC Loan to the Borrower pursuant to Section 2.02 in an aggregate principal amount of such LC Lender's Existing LC Commitment and Additional LC Commitment at any one time outstanding, not to exceed the amount set forth opposite such Lender's name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such LC Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement; provided, that the aggregate principal amount of the LC Lenders' LC Commitments on the Effectiveness Date shall not exceed \$6,965,073.13. "LC Commitment Fee" shall mean an amount equal to the product of 0.5% per annum and the average unused LC Commitment (regardless of whether any conditions for issuance, extension or increase of the Stated Amount of a Letter of Credit could then be met and determined as of the close of business on any date of determination), for each day from the Closing Date through the expiration or earlier termination of the LC Availability Period. "LC Documents" shall mean, as to any Letter of Credit, each LC Application and any other document, agreement and instrument entered into by the applicable Issuing Bank and the Borrower or in favor of such Issuing Bank and relating to such Letter of Credit. "LC Exposure" shall mean, with respect to any LC Lender as of the date of determination, the sum of the aggregate amount of all participations by that Lender in (a) the Stated



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30 Second Amended and Restated Credit Agreement Amount of all Letters of Credit issued and outstanding at such time that have not been Cash Collateralized, plus (b) the aggregate amount of all unreimbursed Drawing Payments made in respect of Letters of Credit at such time, plus (c) the aggregate outstanding principal amount of all LC Loans at such time. "LC Lender" shall mean a Lender with an LC Commitment, which as of the Effectiveness Date is as set forth on Schedule 2.01. "LC Loan" shall have the meaning set forth in Section 2.02(c)(ii). "Lender" shall have the meaning given to such term in the preamble hereto and shall include any Term Lender and LC Lender (other than any Person that has ceased to be a party hereto pursuant to an Assignment and Assumption) and any other Person that shall have become a party hereto as a Lender pursuant to an Assignment and Assumption. "Lender Parties" shall mean any Agent, each Lender and each Issuing Bank. "Lending Office" shall mean, with respect to each Lender, such Lender's address and, as appropriate, account on file with the Administrative Agent, or such other address or account as such Lender may from time to time notify to the Administrative Agent. "Level Solar Acquisition" shall have the meaning given to such term in the Recitals. "Level Solar Acquisition Documents" shall mean the Level Solar Purchase and Sale Agreement and all other documents relating to the Level Solar Acquisition. "Level Solar Purchase and Sale Agreement" shall mean that certain Secured Creditor Membership Interest Sale and Purchase Agreement, dated as of July 12, 2022, among NY Green Bank, a division of the New York State Energy Research and Development Authority, and the Borrower, as buyer. "Letter of Credit" shall mean a standby letter of credit substantially in the form of Exhibit K governed by the laws of the State of New York and issued by the Issuing Bank under the total aggregate LC Commitment pursuant to Section 2.02(a)(i). "Lien" shall mean, with respect to any Property or Assets, any lien, hypothecation, encumbrance, assignment for security, charge, mortgage, pledge, security interest, conditional sale or other title retention agreement or similar lien. "Limited Liability Company Agreement" shall mean the respective limited liability company agreement or operating agreement of the Borrower, each Wholly-Owned Opco and the Tax Equity Opco. "Loan Documents" shall mean, collectively, this Agreement, the Notes, if any, each Fee Letter, the Collateral Documents, the Secured Interest Rate Hedging Agreements, the Backup Servicer Agreement, and all other documents, agreements or instruments executed in connection with the Obligations. For the avoidance of doubt, the term "Loan Documents" shall not include the Portfolio Documents.



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31 Second Amended and Restated Credit Agreement "Loan Parties" shall mean the Borrower, each Pledgor, and each Guarantor. "Loans" shall mean the Term Loans and the LC Loans. "Lockbox Account" shall mean a deposit account or securities account in the name of the Borrower or Fund IV Opco into which all Rents and other operating revenues paid to the Borrower or Fund IV Opco, as applicable, shall be deposited. "Loss Proceeds" shall mean all amounts and proceeds (including instruments) from an Event of Loss received by the Loan Parties, including without limitation, insurance proceeds or other amounts actually received, except proceeds of business interruption insurance. "Maintenance Services Agreements" shall mean individually and collectively, as the context requires, (a) each agreement listed on Schedule 4.25(e), (b) each Transition Services Agreement, and (c) any replacement thereof in form and substance satisfactory to the Administrative Agent. "Major Decision" shall mean, as to Fund IV Opco, any of the decisions contemplated to be made in any the Limited Liability Company Agreement for Fund IV Opco which require a vote by or the consent or approval of all or a supermajority or majority of the members or the Tax Equity Members of Fund IV Opco. "Major Maintenance Reserve Account" shall have the meaning given to it in the Depository Agreement. "Management Standard" shall mean, with respect to a Provider, the requirement for such Provider to perform its duties in accordance with applicable Law and in accordance with Prudent Industry Practice. "Managing Member Membership Interests" shall mean all of the outstanding managing member membership interests issued by the Tax Equity Opco (including all Economic Interests and Voting Rights applicable to the managing member). "Master Purchase Agreements" shall mean individually and collectively, as the context requires, (a) that certain Master Engineering, Procurement and Construction Agreement, dated as of April 9, 2015, by and between NRG Residential Solar Solutions, LLC and RPV Fund 11, LLC and (b) that certain Development, EPC and Construction Purchase Agreement, dated as of April 30, 2015, by and between NRG Residential Solar Solutions, LLC and RPV Fund 13, LLC. "Material Adverse Effect" shall mean, (a) a material adverse effect upon the business, operations, Property, Assets or condition (financial or otherwise) of the Borrower or any Loan Party, or (b) the material impairment of the ability of any Loan Party or any Sponsor Party to perform its obligations under any Loan Document, (c) a material adverse effect on the legality, validity or enforceability of any of the (i) Loan Documents or the rights and remedies of any Secured Party under any of the Loan Documents (including the validity, perfection or priority of the Collateral Agent's Liens on the Collateral) or (ii) Limited Liability Company Agreements or Sponsor Guaranties, or (d) a material adverse effect on the use, value or operation of the Projects owned or leased by Fund IV Opco.



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32. Second Amended and Restated Credit Agreement "Maturity Date" shall mean the seventh (7th) anniversary of the Closing Date; "Maximum Rate" shall have the meaning given to such term in Section 11.18; "Membership Interests" shall mean the Borrower Membership Interests, the Holdco Membership Interests and the Opco Membership Interests; "Moody's" shall mean Moody's Investors Service, Inc.; "Multiemployer Plan" shall mean a "multiemployer plan" as defined in Section 3(37) or Section 4001(a)(3) of ERISA; "Net Available Amount" shall mean, with respect to (a) any Asset sale by a Relevant Party or (b) the issuance or incurrence of any Indebtedness by any Relevant Party, the sale proceeds, debt proceeds or other amounts received in connection therewith net of any (i) such sale proceeds, debt proceeds or other amounts required to be allocated to a Tax Equity Member pursuant to a Tax Equity Document and (ii) reasonable and documented transaction or collection expenses (as applicable); "Non-Agreed System Services" shall, with respect to a Project, have the meaning given to it in each applicable Maintenance Services Agreement or, if not defined in such Maintenance Service Agreement, mean any services relating to such Project that are outside the scope of services to be provided by the Provider under such Maintenance Service Agreement; "Non-Consenting Lender" shall mean any Lender that does not approve any consent, waiver or amendment that, in each case, (a) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 11.01 and (b) otherwise has been approved by the Required Lenders; "Non-Routine Services" shall, with respect to a Project, have the meaning given to it in each applicable Maintenance Services Agreement or, if not defined in such Maintenance Service Agreement, mean any non-routine services relating to such Project described under such Maintenance Service Agreement; "Non-Routine Services Account" shall mean (a) each "Non-Routine Services Account", "Non-Agreed Services Account" or similar such accounts as described and/or defined in the applicable Tax Equity Documents for the Tax Equity Opco and (b) the Spruce Non-Routine Services Account; "Note" shall have the meaning given to such term in Section 2.04; "Notice of LC Activity" shall have the meaning set forth in Section 2.02(b)(i); "NRG Transition Services Agreement" shall mean that certain Transition Services Agreement, dated as of the Closing Date, between NRG Residential Solar Solutions, LLC and RPV Holding.



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33 Second Amended and Restated Credit Agreement "Obligations" shall mean the principal amount of the Loans, accrued interest thereon and all advances to, fees, costs, expenses and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document (including the Secured Hedging Obligations, Erroneous Payment Subrogation Rights, any premium, reimbursements, Drawing Payments, damages, expenses, fees, costs, charges, disbursements, indemnities, and other liabilities) or otherwise with respect to any Loan, Letter of Credit or Secured Interest Rate Hedging Agreement, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest that would accrue on any of the foregoing during the pendency of any bankruptcy or related proceeding with respect to any Loan Party. "Officer's Certificate" shall mean a certificate signed by any Authorized Officer of the Borrower and delivered to the Administrative Agent. "OID" shall have the meaning given to such term in Section 3.09(g). "Opcos" shall mean the Borrower and Fund IV Opco. "Opco Membership Interests" shall mean (a) all of the Wholly-Owned Membership Interests, (b) all of the Managing Member Membership Interests, and (c) all other membership interests issued by Fund IV Opco that have been acquired by Fund IV Holdco or where the Tax Equity Member has withdrawn (including all acquired Economic Interests and Voting Rights). "Opco Representations" shall mean the representations set forth in Annex B-1. "Operating Account" shall have the meaning given to such term in the Depository Agreement. "Operating Budget" shall mean the operating budget for the Relevant Parties set out under Section 5.01(e)(i) and as approved when required by the Administrative Agent. "Operating Expenses" shall mean for any applicable period, all expenses and other amounts in the nature of expenses incurred by the Borrower, the Wholly-Owned Opco and, except (in order to avoid double counting) where used in the definition of "Cash Available for Debt Service," Fund IV Opco during that period on a cash basis, including (without duplication) (a) payments under the Backup Services Agreement, the Maintenance Services Agreements (other than the Tredgar Maintenance Services Agreement) and the other Project Documents (including, without duplication, all Services Fees, amounts funded into a Non-Routine Services Account and capital expenditures but, to avoid double counting, excluding Service Fees paid with amounts disbursed from a Non-Routine Services Account), (b) payments to comply with Laws (including Environmental Laws), (c) insurance premiums to the extent not covered in the Services Fees under the Maintenance Services Agreements, (d) Taxes (including payments in lieu of taxes), and (e) any other fee, cost and expense incurred in connection with (i) ownership, leasing and operation of the Projects held by the Wholly-Owned Opco and, except (in order to avoid double counting) where used in the definition of "Cash Available for Debt Service," Fund IV Opco and (ii) the ownership of the Membership Interests (including Additional Expenses and fees, costs, indemnities and expenses payable to the Secured Parties pursuant to Section 4.02(a)(i) of the Depository



34 Second Amended and Restated Credit Agreement Agreement), but excluding (A) Debt Service and (B) expenses and amounts in the nature of expenses which are paid with the proceeds of Excluded Property or a contribution by or on behalf of the Cash Diversion Guarantors or Pledgors as required pursuant to the Cash Diversion Guaranty. "Operating Revenues" shall mean for any applicable period, all Borrower Collections during that period on a cash basis but excluding (without duplication) any Borrower Collections consisting of, or derived from, the following: (a) any capital contribution or any other amounts contributed to the Relevant Parties by the Sponsors, the Pledgors or their Affiliates; (b) the proceeds of the Loans or any other Indebtedness incurred by a Relevant Party; (c) any net payments to the Borrower under an Interest Rate Hedging Agreement; (d) the proceeds of the sale, assignment or other disposition of any Collateral or other Asset of a Relevant Party (other than (i) ordinary course sales of power or the leasing of a photovoltaic system pursuant to the Customer Agreements and (ii) PBI Payments); (e) proceeds of any Customer Event, Defaulted Project or Defaulted REC Contract, including any termination payment, elective prepayment or purchase payments; (f) Loss Proceeds and any other insurance proceeds (other than business interruption proceeds) and proceeds of any warranty claims arising from manufacturer, installer and other warranties; (g) any other proceeds or other amounts that are required to be mandatorily prepaid pursuant to Section 3.03; and (h) any Excluded Property and the proceeds thereof. "Other Connection Taxes" shall mean, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising solely from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document). "Other Taxes" shall mean all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 3.10(b)).



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35 Second Amended and Restated Credit Agreement. "P50 Production" shall mean the production volume based on the P50 one (1) year confidence levels for Eligible Projects in the Project Pool reflected in the Base Case Model. "Participant" shall have the meaning given to such term in Section 11.05(d)(i). "Participant Register" shall have the meaning given to such term in Section 11.05(d)(ii). "Party" shall mean the Borrower, the Lenders, the Administrative Agent and the Issuing Banks. "PATRIOT Act" shall have the meaning given to such term in Section 11.12. "Payment Date" shall mean (a) each January 31, April 30, July 31 and October 31 of each year falling after the Closing Date, or if any such day is not a Business Day, the immediately preceding Business Day and (b) the Maturity Date. "Payment Facilitation Agreement" shall have the meaning given to such term in Section 6.10(a)(i). "Payment Recipient" shall have the meaning given to such term in Section 10.12(a). "PBI Documents" shall mean (a) all applications, forms and other filings required to be submitted to a PBI Obligor in connection with the performance based incentive program maintained by such PBI Obligor and the procurement of PBI Payments and (b) all approvals, agreements and other writings evidencing (i) that all conditions to the payment of PBI Payments by the PBI Obligor have been met, (ii) that the PBI Obligor is obligated to pay PBI Payments, and (iii) the rate and timing of such PBI Payments. "PBI Obligor" shall mean any utility or Governmental Authority maintaining or administering a renewable energy program designed to incentivize the installation of photovoltaic systems and use of solar generated electricity that has approved and is obligated to make PBI Payments to the owner of the related photovoltaic system. "PBI Payments" shall mean all payments due by the related PBI Obligor under or in respect of such PBI Documents. "Periodic Term SOFR Determination Day" shall have the meaning given to such term in the definition of "Term SOFR". "Permits" shall mean any and all franchises, licenses, leases, permits, approvals, notifications, certifications, registrations, authorizations, exemptions, qualifications, easements, rights of way, Liens and other rights, privileges and approvals required to be obtained from a Governmental Authority under any Law, rule or regulation (including those required to interconnect a Project to the applicable distribution or transmission grid). "Permitted Indebtedness" shall have the meaning given to such term in Section 6.01.



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36 Second Amended and Restated Credit Agreement "Permitted Liens" shall mean: (a) Liens imposed by any Governmental Authority for taxes, assessments or other governmental charges (i) that are not yet due or (ii) that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted (and enforcement of such Lien shall have been stayed) so long as (A) such proceeding shall not involve any material risk of the sale, forfeiture or loss of any part of any Project and shall not interfere with the use or disposition of any Project and (B) the payment thereof is fully covered by adequate reserves in accordance with GAAP, bonds or other security, (b) mechanics', materialmen's, repairmen's and other similar liens arising in the ordinary course of business or incident to the construction, improvement or restoration of a Project in respect of obligations (i) that are not yet due or (ii) that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted (and enforcement of such Lien shall have been stayed) so long as (A) such proceedings shall not involve any material risk of forfeiture, sale or loss of any part of such Project and shall not interfere with the use or disposition of any Project, and (B) the payment thereof is fully covered by adequate reserves in accordance with GAAP, bonds or other security, (c) minor defects, easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business and that are not incurred to secure Indebtedness and encumbrances, licenses, restrictions on the use of Property or minor imperfections in title that do not materially impair the Property affected thereby for the purpose for which title was acquired or interfere with the operation and maintenance of a Project; (d) judgment Liens that (i) do not involve any material risk of the sale, forfeiture or loss of any part of any Project and do not interfere with the use or disposition of any Project, (ii) are being contested in good faith and by appropriate appeal or review proceedings (and execution thereof is stayed pending such appeal or review), (iii) the payment thereof is fully covered by adequate reserves in accordance with GAAP, bonds or other security, and (iv) could not reasonably be expected to result in an Event of Default; (e) deposits or pledges required to secure the performance of statutory obligations, appeals, supersedes and other bonds in connection with judicial or administrative proceedings and other obligations of a like nature not in excess of \$50,000 in the aggregate; (f) zoning, entitlement, conservation restrictions and other land use and environmental Laws by Governmental Authorities that do not involve any material risk of the sale, forfeiture or loss of any part of any Project and do not interfere with the use or disposition of any Project; and provided that the relevant owner of legal title to a Project is not in violation thereof; (g) statutory Liens of banks (and rights of set off) not securing Indebtedness and incurred in the ordinary course of business; (h) Liens created pursuant to the Loan Documents; and (i) in respect of the Tax Equity Opco only, Liens permitted under the terms of the Tax Equity Documents to the extent not included in clauses (a) through (h) of this definition



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37 Second Amended and Restated Credit Agreement of "Permitted Liens" that (i) have been approved in writing by the Administrative Agent or (ii) subject to Section 6.15, when taken together, could not reasonably be expected to result in a material adverse effect upon the business, operations, Assets or condition (financial or otherwise) of the Tax Equity Opco. "Permitted REC Contract" shall mean any (i) each REC Contract set forth on Schedule 4.25(c) and Schedule 4.25(d) and (ii) any REC Contract (including any spot sale of RECs) entered into by the Borrower, Fund IV Opco or Fund IV Holdco with a REC Purchaser for the sale of RECs that meet the following conditions: (a) the RECs sold under such REC Contract shall be limited to the RECs actually produced by the Projects owned by such Person and shall not include any RECs contracted to be sold under any other REC Contract, (b) the RECs sold under such REC Contract shall be subject to an irrevocable forward transfer (or other equivalent transfer) in favor of the REC Purchaser, (c) the recourse of the applicable REC Purchaser to such Person shall be expressly limited to the RECs sold under such REC Contract and the proceeds thereof, (d) such REC Contract shall include a covenant from the REC Purchaser not to petition for the bankruptcy of the applicable Person, and (e) other than in respect of any spot sale of RECs entered into in the ordinary course of business, no Default or Event of Default has occurred and is continuing at the time such REC Contract is entered into. "Permitted Transferee" shall mean a Person that either is: (a) a public company with (i) a market capitalization of at least \$1,000,000,000, (ii) renewable power assets of at least 200 MW, and (iii) at least three (3) years of experience owning or managing either (A) 100 MW of non-utility solar projects (e.g., residential, commercial and industrial, and community solar projects) or (B) 50 MW of non-utility solar projects (e.g., residential, commercial and industrial, and community solar projects); provided that this clause (B) shall be available only if such Person has renewable power assets of at least 500 MW; (b) a Person with (i) assets under management of at least \$1,000,000,000, (ii) renewable power assets of at least 200 MW, and (iii) at least three (3) years of experience owning or managing either (A) 100 MW of non-utility solar projects (e.g., residential, commercial and industrial, and community solar projects) or (B) 50 MW of non-utility solar projects (e.g., residential, commercial and industrial, and community solar projects); provided that this clause (B) shall be available only if such Person has renewable power assets of at least 500 MW; or (c) Tesla, Inc., Sunnova Energy Corporation, Sunrun, Inc. or Vivint Solar, Inc.; and such Person is (x) not a Blocked Person, (y) has provided a guarantee in favor of the Collateral Agent in substantially the same form and consisting of the same terms as the Cash Diversion Guaranty and (z) satisfies customary "know your customer" requirements of



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38 Second Amended and Restated Credit Agreement "Placed in Service" shall mean, in respect of a Project, that it has been placed in service for U.S. federal tax purposes, including that it has been placed in a condition of readiness and availability for its specifically assigned function of generating electricity from solar energy and specifically that (a) all necessary Permits for operating such Project have been obtained, (b) all critical tests necessary for proper operation of such Project have been performed, (c) legal title to such Project is held by a Subsidiary (and title to such Project has been handed over by the installer under the applicable installation agreement), (d) initial synchronization of such Project to the grid has occurred, and (e) daily operation of such Project has begun. "Plan" shall mean an "employee benefit plan" within the meaning of Section 3(3) of ERISA which is subject to Title I of ERISA; a plan, individual retirement account or other arrangement that is subject to Section 4975 of the Code or provisions under any Similar Laws; and an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement. "Pledge Agreement" shall mean that certain Pledge Agreement, dated as of the Closing Date, by and among the Pledgors and the Collateral Agent, acting for the benefit of the Lenders. "Pledge and Security Agreement" shall mean that certain Amended and Restated Pledge and Security Agreement, dated as of the Effectiveness Date, by and among the Borrower and the other Loan Parties party thereto and the Collateral Agent, acting for the benefit of the Secured Parties. "Pledgor" and "Pledgors" shall have the meaning given to such term in the Recitals. "Portfolio Concentration Limits" shall mean, with respect to Eligible Projects (a) the capacity weighted average FICO® Score of all Customers under the Customer Agreements for such Eligible Projects is less than 750 and (ii) no greater than twenty percent (20%) of all Customers under the Customer Agreements for such Eligible Projects have a capacity weighted average FICO® Score of between 650 and 699. "Portfolio Documents" shall mean (a) the Project Documents, (b) the Tax Equity Documents, and (c) the Wholly-Owned Documents. "Portfolio Value" shall mean, as of the date of determination, the remaining present value of the projected Cash Available for Debt Service from the Eligible Projects, PBI Payments and Eligible REC Contracts, and Operating Expenses from all other Projects, in the Project Pool as set forth in the Base Case Model (updated as of such determination date) for each quarterly payment period during the remaining term of the Customer Agreements (not to exceed twenty (20) years and assuming no contract renewals), discounted at the higher of (a) six percent (6.0%) per annum and (b) the swapped interest rate of the Loans plus the Applicable Margin. "Prepaid Customer Agreement" shall mean a Customer Agreement with respect to which the amounts due from the Customer over the initial term of such Customer Agreement in respect of the delivery of Energy, or the lease of the Project, have been prepaid.



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39 Second Amended and Restated Credit Agreement "Prime Lending Rate" shall mean the rate which the Administrative Agent or one of its bank affiliates announces from time to time as its prime lending rate, the Prime Lending Rate to change when and as such prime lending rate changes. The Prime Lending Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer by the Administrative Agent or its bank affiliates, which may make commercial loans or other loans at rates of interest at, above or below the Prime Lending Rate. "Project" shall mean a residential photovoltaic system, including photovoltaic panels, racking systems, wiring and other electrical devices, conduit, weatherproof housings, hardware, inverters, remote operating equipment, connectors, meters, disconnects, over current devices and battery storage (including any replacement or additional parts included from time to time) and, unless the context otherwise requires a reference to such residential photovoltaic system only, shall include the applicable Customer Agreement and PBI Documents related to such photovoltaic system and all other related rights, Permits and manufacturer, installer and other warranties applicable thereto. "Project Default Rate" shall mean, from the Effectiveness Date through the date of calculation, a ratio, expressed as a percentage, the numerator of which is the number of Projects owned by the Opcos that are Defaulted Projects as of the applicable date of calculation and the denominator of which is the number of Eligible Projects owned by the Opcos during such period. "Project Default Rate Threshold" shall mean, for any period ending on a Calculation Date, a Project Default Rate of 0.4% per annum calculated on a cumulative basis for each such period from the Closing Date through such Calculation Date. "Project Documents" shall mean (a) each Customer Agreement (including any Payment Facilitation Agreement), (b) all PBI Documents, (c) all REC Contracts, and (d) each Master Purchase Agreement. "Project Information" shall mean the information listed on Schedule A, to be provided and updated in connection with each Project owned by the Opcos in accordance with Section 8.01. "Project Pool" shall mean all the Projects owned by the Opcos. "Project State" shall mean each state of the United States of America listed under Schedule 4.23(i). "Project Transfer Agreement" shall mean individually and collectively, as the context requires, each "Assignment, Assumption and Transfer Agreement" providing for the transfer of Projects to the Tax Equity Opco which have been sold pursuant to a Capital Contribution Agreement or a Master Purchase Agreement, as applicable, inclusive of all supplements thereto in respect of the Projects in the Project Pool. "Property" shall mean any right or interest in or to property of any kind whatsoever, whether real, personal or mixed and whether tangible or intangible.



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40 Second Amended and Restated Credit Agreement "Provider" shall mean, individually and collectively, (a) each Transition Services Provider, (b) any provider under any Maintenance Services Agreement, (c) or any replacement provider appointed in accordance with the terms and conditions herein. "Prudent Industry Practices" shall mean, with respect to any Project, those practices, methods, acts, equipment, specifications and standards of safety and performance, as they may change from time to time, that (a) are commonly used to own, manage, repair, operate, maintain and improve distributed solar energy generating facilities and associated facilities of the type that are similar to such Project, safely, reliably, prudently and efficiently and in material compliance with applicable requirements of Law and manufacturer, installer and other warranties and (b) are consistent with the exercise of the reasonable judgment, skill, diligence, foresight and care expected of a distributed solar energy generating facility operator or manager in order to accomplish the desired result in material compliance with applicable safety standards, applicable requirements of Law, manufacturer, installer and other warranties and the applicable Customer Agreement, in each case, taking into account the location of such Project, including climate change-related, environmental and general conditions. "Prudent Industry Practices" are not intended to be limited to certain practices or methods to the exclusion of others, but are rather intended to include a broad range of acceptable practices, methods, equipment specifications and standards used in the photovoltaic solar power industry during the relevant time period. "PUHCA" shall mean the Public Utility Holding Company Act of 2005, as amended, and FERC's regulations thereunder. "Purchase and Sale Agreements" shall mean the Clearway Purchase and Sale Agreement and the Level Solar Purchase and Sale Agreement. "Qualified REC Purchaser" shall mean (a) NRG Residential Solar Solutions, LLC and (b) any REC Purchaser that (i) has received a credit rating from one or more of S&P or Moody's and neither such credit rating is respectively lower than BBB- or Baa3 or, if such Person has a credit rating from one or more of S&P or Moody's respectively lower than BBB- or Baa3, such Person's obligations under the REC Contract are guaranteed by an Acceptable REC Guaranty from a Person who has received a credit rating from one or more of S&P or Moody's, neither of which is respectively lower than BBB- or Baa3, (ii) has provided a letter of credit from an Acceptable Bank, which is in form and substance satisfactory to the Administrative Agent, to support its obligations under the REC Contract and such letter of credit is in full force and effect, or (iii) is otherwise acceptable to the Administrative Agent and the Lenders in their sole discretion. "Qualifying Facility" shall mean a "qualifying facility" as defined in the regulations of FERC at 18 C.F.R. § 292.101(b)(1) that also qualifies for the regulatory exemptions from the FPA set forth at 18 C.F.R. § 292.601(c), including the exemption from regulation under Sections 205 and 206 of the FPA set forth at 18 C.F.R. § 292.601(c)(1), the regulatory exemptions from PUHCA set forth at 18 C.F.R. § 292.602(b) and the exemptions from certain state laws and regulations set forth at 18 C.F.R. § 292.602(c). "Quarterly Portfolio Report" shall have the meaning given to such term in Section 5.01(a)(iii)(A).



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41 Second Amended and Restated Credit Agreement "REC" shall mean a renewable energy certificate representing any and all environmental credits, benefits, emissions reductions, offsets and allowances, howsoever entitled, that are created or otherwise arise from a Project's generation of electricity, including, but not limited to, a solar renewable energy certificate issued to comply with a state's renewable portfolio standard and in each case resulting from the avoidance of the emission of any gas, chemical, or other substance attributable to the generation of solar energy by a Project (including renewable energy credits sold under a forward sale agreement), but specifically excluding any and all production tax credits, investment tax credits, grants in-lieu of tax credits and other tax benefits and any performance based incentives paid under a program

maintained or administered by a PBI Obligor (including any renewable energy certificates that are the basis for PBI Payments or to which a PBI Obligor is given title to under a performance based incentive program). "REC Contract" shall mean a contract for the purchase of RECs and/or the related Reporting Rights; "REC Contract Consent" shall mean for each REC Contract entered into by the Borrower, Fund IV Holdco or a Wholly-Owned Opco requiring the consent of the REC Purchaser for the collateral assignment of such contract to the Collateral Agent, a consent to collateral assignment in form and substance satisfactory to the Administrative Agent and the Collateral Agent. "REC Purchaser" shall mean the purchaser of RECs and/or the related Reporting Rights under a REC Contract. "Recapture End Date" shall mean, in respect of any Opco, the end of the applicable Recapture Period for the last Project owned or leased by such Opco to be Placed in Service. "Recapture Period" shall mean, in respect of a Project, the period from the Closing Date through the fifth anniversary of the date that the applicable Project is Placed in Service. "Recipient" shall mean (a) an Agent, (b) any Lender, (c) an Issuing Bank, or (d) any other Secured Party, as applicable. "Register" shall have the meaning given to such term in Section 11.05(c). "Reimbursement Date" shall have the meaning set forth in Section 2.02(c)(ii). "Related Party" shall mean, with respect to any Person, each of such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates. "Release" shall mean any disposing, discharging, injecting, spilling, leaking, leaching, dumping, pumping, pouring, emitting, escaping, emptying, seeping, migrating, placing and the like, into, under, through or upon any land or water or air, or otherwise entering into the environment, or the threat thereof. "Relevant Member Action" means, with respect to any matter relating to the Tax Equity Opco with respect to which the organizational documents of such Tax Equity Opco (or any



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42 Second Amended and Restated Credit Agreement (other contract, agreement, or instrument) grant voting, approval or consent rights to the Fund IV Holdco, or otherwise provide Fund IV Holdco with the ability, or otherwise permit Fund IV Holdco, to cause the Tax Equity Opco to take, or restrict the Tax Equity Opco from taking, any action, the exercise by any Loan Party, in its capacity as sole member of Fund IV Holdco, of such voting, approval, consent or other rights; provided that for purposes of Article V and Article VI, if any voting, approval, or consent is required to be taken pursuant to the organizational documents of the Tax Equity Opco, Fund IV Holdco's fiduciary duties (to the extent applicable given any elections set forth in such organizational documents) or as otherwise required by applicable Laws, the "Relevant Member Action" shall be deemed to have been taken; provided further, that for purposes of Article VII, if any voting, approval, or consent is required to be taken pursuant to the organizational documents of the Tax Equity Opco, Fund IV Holdco's fiduciary duties (to the extent applicable given any elections set forth in such organizational documents) or as otherwise required by applicable Laws, the "Relevant Member Action" shall not be deemed to have been taken. "Relevant Governmental Body" shall mean the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York or any successor thereto. "Relevant Party" shall mean each of the Loan Parties and the Tax Equity Opco. "Rents" shall mean the monies owed to the applicable Relevant Party by the Customers pursuant to the Customer Agreements, including any lease payments under any solar lease agreement and power purchase payments under any solar power service agreement or solar power purchase agreement that is a Customer Agreement. "Replaced Hedge Provider" shall have the meaning given to such term in Section 3.10(b). "Replacement Hedge Provider" shall have the meaning given to such term in Section 3.10(b). "Reporting Right" shall mean the right of a Person that owns a REC to report that it owns such REC (a) to any Governmental Authority or other Person under any emissions trading or reporting program, public or private, having jurisdiction over, or otherwise charged with overseeing or reviewing the activities of, such Person in respect of such REC, and (b) to customers or potential customers for the purposes of marketing and advertising. "Required Facility Lenders" shall mean, with respect to any Facility, at least two Lenders (or all Lenders if there is only one Lender), other than Defaulting Lenders, representing more than 50% of the Commitments, Loans and LC Exposure, as the case may be, outstanding under such Facility. "Required Lenders" shall mean at least two Lenders (or all Lenders if there is only one Lender), other than Defaulting Lenders, representing more than 50% of the aggregate amount of (and for the avoidance of doubt, taken together) Commitments, Loans and LC Exposure outstanding.



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43 Second Amended and Restated Credit Agreement "Required Non-Routine Services Amount" shall have the meaning given to such term in the Depository Agreement. "Resignation Effective Date" shall have the meaning given to such term in Section 10.06(a). "Resolution Authority" shall mean an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority. "Restricted Payment" shall mean (a) any dividend or make any distribution (by reduction of capital or otherwise), whether in cash, Property, securities or a combination thereof, to an owner of a beneficial interest in such Person or otherwise with respect to any ownership or equity interest or security in or of such Person and (b) any payments on subordinated debt contemplated by Section 6.01(d). "RPV 1" shall mean RPV 1 LLC, a Delaware limited liability company. "RPV 2" shall mean RPV 2 LLC, a Delaware limited liability company. "RPV Holding" shall mean RPV 1 Holdco LLC, a Delaware limited liability company. "S&P" shall mean Standard & Poor's Financial Services LLC, a subsidiary of the McGraw-Hill Companies, Inc. "Sanctioned Country" shall mean any country or territory that is the subject of a general export, import, financial or investment embargo under any Sanctions. "Sanctions" shall mean economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by any Sanctions Authority. "Sanctions Authority" shall mean (a) the United States, (b) the United Nations Security Council, (c) the European Union, (d) the United Kingdom, or (e) the respective governmental institutions of any of the foregoing including, without limitation, Her Majesty's Treasury, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of Commerce, the U.S. Department of State and any other agency of the U.S. government. "Sanctions List" shall mean any of the lists of specifically designated nationals or designated or sanctioned individuals or entities (or equivalent) issued by any Sanctions Authority, each as amended, supplemented or substituted from time to time (including the list of Specially Designated Nationals and Blocked Persons published by the Office of Foreign Assets Control of the U.S. Department of the Treasury). "Secured Hedge Provider" shall have the meaning given to such term in the Collateral Agency Agreement.



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44 Second Amended and Restated Credit Agreement "Secured Hedging Obligations" shall mean the obligations of the Borrower under the Secured Interest Rate Hedging Agreements. "Secured Interest Rate Hedging Agreement" shall mean each Interest Rate Hedging Agreement entered into by the Borrower with a Secured Hedge Provider. "Secured Party" shall have the meaning given to such term in the Collateral Agency Agreement. "Serial Defect" shall have the meaning given to such term in the Depository Agreement. "Services Fee" shall mean for each Opco the sum of (a) all periodic payments for included services under the Maintenance Service Agreements for such Opco, and (b) any amounts paid to Provider under a Maintenance Services Agreement as reimbursement for any Non-Routine Services or Non-Agreed System Services. "Services Termination Event" shall mean: (a) failure by the Provider to make any payment, transfer or deposit required to be made under terms of Section 5.16 or a Maintenance Services Agreement within five (5) Business Days of the date required; (b) failure by the Provider to deliver the Provider's reports referred to in Section 5.01(a)(iv) within ten (10) Business Days of date required to be delivered; (c) an event of default (howsoever described) or right or cause to remove the Provider arises under a Maintenance Services Agreement; (d) an event described in Section 9.01(e) or 9.01(f) occurs with respect to a Provider; (e) any (i) representation or warranty made by the Provider in the Maintenance Services Agreements, or any Financial Statement or certificate, report or other writing furnished pursuant thereto, or (ii) certificate, report, any Financial Statement or other writing made or prepared by, under the control of or on behalf of the Provider shall prove to have been untrue or misleading in any material respect as of the date made; provided, however, that if any such misstatement is capable of being remedied and has not caused a Material Adverse Effect, such Provider may correct such misstatement by curing such misstatement (or the effect thereof) and delivering a written correction of such misstatement, in a form and substance satisfactory to the Administrative Agent, within thirty (30) days of (x) obtaining Knowledge of such misstatement or (y) receipt of written notice from a Relevant Party or the Administrative Agent of such default; (f) the Provider ceases to be in business of monitoring or maintaining energy equipment of a type comparable to the Projects; (g) at all times that an Affiliate of the Sponsors is the Provider, an Event of Default shall have occurred and is continuing.



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45 Second Amended and Restated Credit Agreement (h) the Debt Service Coverage Ratio is less than 1.05 to 1.00 on any Payment Date; and (i) Termination of a Maintenance Services Agreement by an Opco (including by a Tax Equity Member on its behalf) other than at its normal expiry date in accordance with its terms. "SHC 1" shall have the meaning given to such term in the Recitals. "SHC 2" shall have the meaning given to such term in the Recitals. "SHC 3" shall have the meaning given to such term in the Recitals. "Similar Law" shall mean the provisions under any federal, state, local, non-U.S. or other Laws or regulations that are similar to

the fiduciary responsibility provisions of Title I of ERISA or prohibited transaction provisions of Title I of ERISA or Section 4975 of the Code, "SOFR" shall mean a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator. "SOFR Administrator" shall mean the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate). "SOFR Administrator's Website" shall mean the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time. "SOFR Determination Day" shall have the meaning set forth in the definition of "Daily Simple SOFR"; "SOFR Loan" shall mean a Loan that bears interest at a rate based on Adjusted Term SOFR, other than, pursuant to clause (c) of the definition of "Base Rate Loan"; "SOFR Rate Day" shall have the meaning set forth in the definition of "Daily Simple SOFR"; "Sponsor Guaranty" shall mean individually and collectively, each guaranty in favor of a Tax Equity Member listed on Schedule 4.25(c). "Sponsor Parties" shall mean each Cash Diversion Guarantor and each Provider that is an Affiliate of the Borrower. "Spruce Non-Routine Services Account" shall have the meaning given to such term in the Depository Agreement. "Standard Rate" shall mean (a) for any Benchmark Loan, during each Interest Period applicable thereto, the per annum rate equal to the sum of the then-current Benchmark plus the Applicable Margin and (b) for any Base Rate Loan, during each Interest Period applicable



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46 Second Amended and Restated Credit Agreement thereto, the per annum rate equal to the sum of the Base Rate for such Interest Period plus the Applicable Margin. "Standing Instructions" shall have the meaning assigned to such term in Section 5.25(g). "Stated Amount" shall mean, with respect to any Letter of Credit at any time, the total amount in U.S. Dollars available to be drawn under such Letter of Credit at such time. "Subsidiaries" shall mean Fund IV Holdco and Fund IV Opco. "Swap Agreement" shall mean any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions. "Tangible Net Worth" shall mean with respect to any Person, (a) all shareholders' equity in such Person and its wholly-owned subsidiaries, determined on a consolidated basis in accordance with GAAP (less the value of all assets properly classified as intangible assets under GAAP) or (b) if such Person is a fund or similar entity, (i) partners' equity in such Person (determined in accordance with GAAP) plus (ii) the unfunded or uncalled capital commitments of the partners in such Person determined in accordance with such Person's limited partnership agreement or equivalent constituent documents, other than the unfunded or uncalled capital commitment of any defaulting partner or any partner whose commitment cannot be called in respect of the obligations or any guaranty of those obligations being provided by such Person in connection herewith, less (iii) the sum of (A) the amount of any liabilities of such Person, determined in accordance with GAAP, and (B) without duplication, the full amount of unfunded obligations of such Person to or related to investments and other activities of such Person (including amounts committed to be funded on a conditional or contingent basis). "Tax Equity Consent" shall mean that certain Consent Agreement, dated as of the July 12, 2022, among Firstar, CT Investor, Fund IV Holdco, Fund IV Opco, and the Collateral Agent. "Tax Equity Documents" shall mean for the Tax Equity Opco, the Limited Liability Company Agreement, Master Purchase Agreement, Project Transfer Agreement, Maintenance Services Agreement, Backup Services Agreement, Sponsor Guaranty, and any other documents reflecting an agreement between a Sponsor (or any Affiliate of a Sponsor) and any of the Tax Equity Members relating to such Tax Equity Members' investment in a Project or the Tax Equity Opco. "Tax Equity Member" shall mean Firstar and CT Investor. "Tax Equity Opco" shall mean Fund IV Opco. "Tax Equity Opco Covenants" shall mean the covenants set forth in Annex B-2.



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47 Second Amended and Restated Credit Agreement "Tax Equity Opco Model" shall the Fund IV Model. "Tax Equity Opco Representations" shall mean the representations set forth in Part 1 of Annex B-1. "Tax Equity Withdrawal Date" shall mean, with respect to the Tax Equity Opco, such date under the Tax Equity Documents for such Tax Equity Opco after which the "class B" member is required to purchase the outstanding "class A" membership interests of the Tax Equity Opco or any membership interests held by a Tax Equity Member in such Opco. "Tax Exempt Person" shall mean (a) the United States, any state or political subdivision thereof, any possession of the United States or any agency or instrumentality of any of the foregoing, (b) any organization which is exempt from tax imposed by the Code (including any former tax-exempt organization within the meaning of Section 168(h)(2)(E) of the Code), (c) any Person who is not a United States Person, (d) any Indian tribal government described in Section 7701(a)(40) of the Code, (e) any "tax-exempt controlled entity" under Section 168(h)(6)(F) of the Code, and (f) a partnership or other pass-through entity (including a disregarded entity) a direct owner of which is described in clauses (a) - (e) or this clause (f); provided, however, that any such Person shall not be considered a Tax Exempt Person to the extent that (i) the exception under Section 168(h)(1)(D) of the Code applies with respect to the income from the applicable Projects for that Person, (ii) the Person is described within clause (c) of this definition, and the exception under Section 168(h)(2)(B)(i) of the Code applies with respect to the income from the applicable Projects for that Person, or (iii) such Person avoids being a "tax-exempt controlled entity" under Section 168(h)(6)(F) of the Code by making an election under Section 168(h)(6)(F)(ii) of the Code. A Person shall cease to be a Tax Exempt Person if (A) such Person ceases to be a "tax-exempt entity" within the meaning of Section 168(h)(2) of the Code or any successor provision thereto, by virtue of a change in such section or provision of the Code; or (B) such Person ceases to be a "tax-exempt controlled entity" within the meaning of Section 168(h)(6)(F) of the Code or any successor provision thereto, by virtue of a change in such section or provision of the Code. "Taxes" shall mean all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto. "Term Lender" shall mean a Lender with a Term Loan Commitment, which as of the Effectiveness Date is as set forth on Schedule 2.01. "Term Loan" shall mean, individually and collectively, an Existing Term Loan and the Additional Term Loan. "Term Loan Commitment" shall mean, as to each Lender, such Lender's Existing Term Loan Commitment and Additional Term Loan Commitment in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 2.01; provided, that the aggregate principal amount of the Lenders' Term Loan Commitments on the Effectiveness Date shall not exceed \$80,336,446.88.



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48 Second Amended and Restated Credit Agreement "Term SOFR" shall mean: (a) for any calculation with respect to a SOFR Loan, the Term SOFR Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the "Periodic Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Periodic Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Periodic Term SOFR Determination Day; and (b) for any calculation with respect to a Base Rate Loan on any day, the Term SOFR Reference Rate for a tenor of one month on the day (such day, the "Base Rate Term SOFR Determination Day") that is two (2) U.S. Government Securities Business Days prior to such day, as such rate is published by the Term SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Base Rate Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Base Rate SOFR Term Determination Day. "Term SOFR Adjustment" shall mean for any calculation with respect to a Base Rate Loan or a SOFR Loan, a percentage per annum as set forth below for the applicable Type of such Loan and (if applicable) Interest Period thereon: Base Rate Loans: 0.236% SOFR Loans: Interest Period Percentage One month 0.236% Three months 0.236% "Term SOFR Administrator" shall mean the CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR reference Rate selected by the Administrative Agent in its reasonable discretion).



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49 Second Amended and Restated Credit Agreement "Term SOFR Borrowing" shall mean as to any Borrowing, the Loans bearing interest at a rate based on Adjusted Term SOFR comprising such Borrowing other than pursuant to clause (c) of the definition of "Base Rate". "Term SOFR Reference Rate" shall mean the forward-looking term rate based on SOFR. "Trade Date" shall have the meaning given to such term in Section 11.05(b)(i).

(B). "Transaction Documents" shall mean, collectively, each Loan Document, each Portfolio Document and the Acquisition Documents. "Transfer Date Certificate" shall have the meaning given to "Executed Withdrawal/Transfer Instructions" in the Depository Agreement. "Transition Services Agreements" shall mean the NRG Transition Services Agreement and the CEG Transition Services Agreement. "Transition Services Provider" shall mean (a) with respect to the NRG Transition Services Agreement, NRG Residential Solar Solutions LLC, a Delaware limited liability company, and (b) with respect to the CEG Transition Services Agreement, Clearway Energy Group, LLC, a Delaware limited liability company. "Treasury" means the U.S. Department of the Treasury. "Tredegat Maintenance Services Agreement" shall mean the Maintenance Services Agreement, dated as of January 1, 2018 (as amended and restated), between Tredegat Solar I and Solar Service Experts, LLC as Provider. "Tredegat Seller" shall have the meaning given to such term in the Recitals. "Tredegat Solar I" shall have the meaning given to such term in the Recitals. "Tredegat Solar Acquisition" shall have the meaning given to such term in the Recitals. "Tredegat Solar Acquisition Documents" shall mean the Tredegat Solar Purchase and Sale Agreement and all other documents relating to the Tredegat Solar Acquisition. "Tredegat Solar Purchase and Sale Agreement" shall have the meaning given to such term in the Recitals. "UCC" shall mean the Uniform Commercial Code as in effect from time to time in the State of New York. "Unadjusted Benchmark Replacement" shall mean the Benchmark Replacement excluding the Benchmark Replacement Adjustment.



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50 Second Amended and Restated Credit Agreement "UK Financial Institution" shall mean any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended from time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended, from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms. "UK Resolution Authority" shall mean the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution. "U.S. Government Securities Business Day" shall mean any day except for (a) a Saturday, (b) a Sunday, or (c) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments or its members be closed for the entire day for purposes of trading in United States government securities. "U.S. Person" shall mean any Person that is a "United States person" as defined in Section 7701(a)(30) of the Code. "U.S. Tax Compliance Certificate" shall have the meaning given to such term in Section 3.09(e)(ii)(B)(3). "Voting Rights" shall mean the right, directly or indirectly, to vote on or cause the direction of the management and policies of a Person in ordinary and extraordinary matters through the ownership of voting securities, provided, however, that a Person shall not be deemed to hold Voting Rights if by contract or by order, decree or regulation of any Governmental Authority, such Person has effectively ceded or been divested of the power to exercise such vote on, or cause the direction of, such management and policies. "Warranty Event" shall have the meaning given to such term in the Depository Agreement. "Wholly-Owned Documents" shall mean for each Wholly-Owned Opco (a) the applicable Limited Liability Company Agreement, Master Purchase Agreement, Maintenance Services Agreement, Backup Servicer Agreement, and REC Contracts and (b) any agreement entered into with a Tax Equity Member in connection with the buy-out or withdrawal of the applicable Tax Equity Member from such Opco. "Wholly-Owned Membership Interests" shall mean all of the outstanding membership interests of each Wholly-Owned Opco. "Wholly-Owned Opco Collection Accounts" shall mean each account held or maintained by a Wholly-Owned Opco into which any Collections are deposited and subject to an Account Control Agreement. "Wholly-Owned Opco" shall mean (a) the Borrower, to the extent that it directly owns or leases Projects, (b) each Opco that is wholly-owned, directly or indirectly, by the Borrower, and (c) any Tax Equity Opco after the buy-out or withdrawal of the Tax Equity Member.



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51 Second Amended and Restated Credit Agreement "Wholly-Owned Opco Representations" shall mean the representations set forth in Part 2 of Annex B. "Write-down and Conversion Powers" shall mean (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities, or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers. SECTION 1.02 Rules of Construction. Unless the context otherwise requires: (a) a term has the meaning assigned to it; (b) an accounting term not otherwise defined herein and accounting terms partly defined herein, to the extent not defined, shall have the respective meanings given to them under GAAP as in effect from time to time; (c) "or" is not exclusive; (d) "including" shall mean including without limitation; (e) words in the singular include the plural and words in the plural include the singular; (f) all references to "\$" are to United States dollars unless otherwise stated; (g) any agreement, instrument or statute defined or referred to in this Agreement or in any instrument or certificate delivered in connection herewith means such agreement, instrument or statute as from time to time amended, modified or supplemented and includes (in the case of agreements or instruments) references to all attachments thereto and instruments incorporated therein; references to a Person are also to its successors and permitted assigns; and (h) the words "hereof", "herein" and "hereunder" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Schedule and Exhibit references are to this Agreement unless otherwise specified. SECTION 1.03 Time of Day. Unless otherwise specified, all references herein to times of day shall be references to Pacific time (daylight or standard, as applicable).



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52 Second Amended and Restated Credit Agreement SECTION 1.04 Class of Loan. For purposes of this Agreement, Loans may be classified and referred to by class ("Class"). The "Class" of a Loan refers to whether such Loan is a Term Loan or an LC Loan and, when used in reference to any Commitment, refers to whether such Commitment is a Term Loan Commitment or a LC Commitment. SECTION 1.05 Subsidiary Actions. Unless otherwise specified, any reference in this Agreement requiring the Borrower to cause its Subsidiaries to take any action shall, with respect to the Tax Equity Opco, be interpreted to mean that the Borrower has taken all Relevant Member Action to cause the Tax Equity Opco to take such action. SECTION 1.06 Rates. The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to, (a) the continuation of, administration of, submission of, calculation of or any other matter related to the Base Rate, Term SOFR Reference Rate, Adjusted Term SOFR, or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the Base Rate, Term SOFR Reference Rate, Adjusted Term SOFR or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Administrative Agent and its affiliates or other related entities may engage in transactions that affect the calculation of the Base Rate, Term SOFR Reference Rate, Adjusted Term SOFR, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain the Base Rate, Term SOFR Reference Rate, Adjusted Term SOFR or any other Benchmark, in each case, pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other Person for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service. ARTICLE II. THE LOANS SECTION 2.01 The Term Loans. (a) On the Closing Date, the Term Lenders made the Term Loans to the Borrower in accordance with the terms of the Initial Credit Agreement and all Initial Term Loan Commitments terminated on the Closing Date. On the First Amendment and Restatement Effectiveness Date, the Term Lenders made Term Loans to the Borrower in accordance with the terms of the Existing Credit Agreement and all First Upsize Term Loan Commitments terminated on the First Amendment and Restated Effectiveness Date. Subject to the terms and conditions set forth in this Agreement, each Term Lender agrees severally, and not jointly, to make an Additional Term Loan to the Borrower in a single borrowing on the Effectiveness Date in a principal amount equal to its Additional Term Loan Commitment (the "Additional Term Loans"). In no event shall the aggregate principal amount of the Term Loans outstanding on the Effectiveness Date exceed



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53 Second Amended and Restated Credit Agreement the total aggregate Term Loan Commitments of all Term Lenders. Each Term Lender's Additional Term Loan Commitment shall terminate without further action on the Effectiveness Date after giving effect to any funding of such Term Lender's Additional Term Loan Commitment on such date pursuant to the Effectiveness Date Funds Flow Memorandum. Once terminated the Additional Term Loan Commitments cannot be reinstated. (b) The Borrower may only make one borrowing under the Additional Term Loan Commitments, which shall be on the Effectiveness Date. The Borrower shall deliver a Borrowing Notice to the Administrative Agent no later than 10:00 a.m. (Pacific time) at least three (3) U.S. Government Securities Business Days in advance of the proposed Borrowing Date (or such shorter timeframe as may be agreed by the Administrative Agent in its sole discretion, but in no event less than one (1) Business Day in advance of the proposed Borrowing Date). The Borrowing Notice shall be irrevocable, shall be signed by an Authorized Officer of the Borrower and shall specify the following information in compliance with this Section 2.01: (i) the aggregate amount of the requested Additional Term Loan; (ii) the proposed Borrowing Date, which shall be a Business Day; and (iii) the account(s) to which the proceeds of the Additional Term Loan are to be disbursed (if applicable). (c) The Borrower shall use the proceeds of the Additional Term Loan borrowed under this Section 2.01 solely (i) to finance the Tredegar Solar Acquisition, (ii) except to the extent funded with a Letter of Credit, to fund the Debt Service Reserve Account in an amount equal to the Debt Service Reserve Required Amount, (ii) to fund any other reserves required under the Loan Documents, and (iv) to pay fees due pursuant to the Loan Documents and costs and expenses incurred pursuant to the Loan Documents or otherwise in connection with such Additional Term Loan. (d) Subject to the terms and conditions set forth herein (including the prior satisfaction or waiver of the applicable conditions precedent under Article VIII), each Term Lender shall make the amount of its Additional Term Loan (which amounts may be net of any fees owed to such Lender in connection with such Additional Term Loan pursuant to a Fee Letter) available to the Administrative Agent (or such Person directed by the Administrative Agent) not later than 12:00 p.m. (Pacific time) on the Borrowing Date by wire transfer of same day funds, in Dollars to the account specified by the Administrative Agent. Upon satisfaction or waiver of the conditions precedent specified herein, the Administrative Agent shall make the proceeds of the Additional Term Loans available to the Borrower on the Borrowing Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Additional Term Loans received into such account from the Term Lenders by 2:00 p.m. (Pacific time) on the Borrowing Date to be credited to the account of the Borrower designated in the Borrowing Notice delivered pursuant to Section 2.01(b). Amounts borrowed under this Section 2.01 and subsequently repaid or prepaid may not be reborrowed.



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54 Second Amended and Restated Credit Agreement SECTION 2.02 Letters of Credit. (a) Issuance. (i) Subject to and upon the terms and conditions set forth herein, the Borrower may request the issuance of, and the Issuing Banks hereby agree to issue Letters of Credit, for the Borrower's account, at any time during the LC Availability Period solely for the purposes of satisfying the Debt Service Reserve Required Amount (and the Issuing Banks shall refuse to issue a Letter of Credit for any other purpose). Letters of Credit issued hereunder shall constitute utilization of the total aggregate LC Commitment and at any time the LC Exposure of all LC Lenders at such time shall not exceed the total aggregate LC Commitment of all LC Lenders. The Issuing Banks will make available to the beneficiary thereof the original of the Letter of Credit issued by it hereunder, (ii) Notwithstanding any provision herein to the contrary, Letters of Credit shall be issued pro rata among the LC Lenders in accordance with their respective LC Commitment, or if no LC Commitment remains, then in accordance with their respective LC Exposure, such that the aggregated Stated Amount of all Letters of Credit issued in connection with a request by the Borrower shall equal the aggregate Stated Amount for Letters of Credit required to be provided by the Borrower. After issuance, the Borrower shall be permitted to increase or decrease the Stated Amount of any Letter of Credit only if it increases or decreases, as applicable, all other Letters of Credit pro rata in accordance with the LC Lenders' respective LC Commitment (or if no LC Commitment remains, then in accordance with such LC Lender's LC Exposure). Additionally, except in the case of (x) any amendment extending the Expiration Date (as defined therein) of any Letter of Credit or (y) any ministerial or administrative amendments, no Letter of Credit shall be amended, renewed, reinstated or extended, unless each Letter of Credit is amended, renewed, reinstated or extended, as the case may be, on the same basis. (iii) Immediately upon the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) by an Issuing Bank and without any further action on the part of such Issuing Bank or the LC Lenders, each LC Lender shall be deemed to have purchased, and hereby agrees to irrevocably purchase, from such Issuing Bank a participation in such Letter of Credit and any drawings honored thereunder in an amount equal to such LC Lender's pro rata share (determined as the percentage which such LC Lender's LC Commitment then constitutes of the aggregate LC Commitments) of the Stated Amount under such Letter of Credit. (iv) Each Letter of Credit (A) shall be denominated in Dollars, (B) expire no later than the earlier of (x) the seventh (7th) anniversary of its date of issuance and (y) the Maturity Date, and (C) be issued subject to "Uniform Customs and Practice for Documentary Credits" (2007 Revision), International Chamber of Commerce, Publication No. 600 or "International Standby Practices 1998", International Chamber of Commerce, Publication No. 590, as mutually agreed among the Borrower, the Administrative Agent and the applicable Issuing Bank.



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55 Second Amended and Restated Credit Agreement (b) Notice of LC Activity. (i) Subject to Section 2.02(d), the Borrower may request (A) the issuance or extension of any Letter of Credit and (B) any decrease or increase in the Stated Amount thereof by delivering to the Administrative Agent and the applicable Issuing Bank an irrevocable written notice in the form of Exhibit C, appropriately completed (a "Notice of LC Activity"), which shall specify, among other things: the particulars of the Letter of Credit to be issued, extended or amended, including (1) the proposed issuance, extension or amendment date of the requested Letter of Credit (which shall be a Business Day); (2) the requested Stated Amount of the Letter of Credit or the amount by which such Stated Amount is to be decreased or increased (as applicable); (3) the expiry date thereof; (4) the name and address of the beneficiary thereof; (5) the documents to be presented by such beneficiary in case of any drawing thereunder; (6) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; and (7) and, in the case of an amendment, the Letter of Credit to be amended, the nature of the amendment and the written confirmation of the beneficiary of such Letter of Credit confirming a decrease or increase in the Stated Amount of such Letter of Credit; provided, however, that in no instance may any request for a Letter of Credit or the increase in the Stated Amount of a Letter of Credit cause the LC Exposure of all LC Lenders to exceed the total aggregate LC Commitment. The Borrower shall deliver the Notice of LC Activity to the Administrative Agent (with a copy to the Issuing Bank) by 10:00 a.m. (Pacific time) at least five (5) Business Days before the date of issuance, extension, increase or decrease of the Stated Amount of the Letter of Credit (or such shorter timeframe as may be agreed by the Issuing Banks in their sole discretion, but in no event less than one (1) Business Day in advance of the proposed date of such issuance, extension, increase or decrease). Additionally, the Borrower shall furnish to the applicable Issuing Bank and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance, extension or amendment, including any LC Documents, as such Issuing Bank or the Administrative Agent may reasonably require. (ii) Promptly after receipt of any LC Application, the applicable Issuing Bank will confirm with the Administrative Agent that the Administrative Agent has received a copy of such LC Application from the Borrower and, if not, such Issuing Bank will provide the Administrative Agent with a copy thereof. Upon receipt by such Issuing Bank of confirmation from the Administrative Agent that the requested issuance or amendment is permitted in accordance with the terms hereof, then, upon (x) the amendment date, in the case of a requested increase or decrease of the Stated Amount under a Letter of Credit, or (y) the date specified as being the date requested for issuance or extension, in the case of the issuance or extension of a Letter of Credit, in each case as the applicable date is specified in such Notice of LC Activity, subject to the terms and conditions set forth in this Agreement (including Section 2.02(d) and the applicable conditions precedent set forth in Section 8.03), the Issuing Bank shall, by amendment to the Letter of Credit, adjust the Stated Amount thereof downward or upward, as applicable, to reflect the decrease or increase, as applicable, or issue or extend the Letter of Credit, in each case as specified in such Notice of LC Activity. Upon the issuance of any Letter of Credit by an Issuing Bank or amendment or modification to a Letter of Credit, (1) such Issuing Bank shall promptly notify the Administrative Agent of such issuance, extension or amendment and (2) the



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56. Second Amended and Restated Credit Agreement. Administrative Agent shall then promptly notify each applicable LC Lender of such issuance, extension or amendment and each such notice shall be accompanied by a copy of such Letter of Credit or amendment or modification to a Letter of Credit and the amount of each applicable LC Lender's respective participation in such Letter of Credit. (c) Drawing Payment, Funding or Participations, Funding LC Loans and Reimbursement. (i) An Issuing Bank shall, within a reasonable time following its receipt thereof, examine all documents purporting to represent a demand for payment under its Letter of Credit so as to ascertain whether such documents appear on their face to be in accordance with the terms and conditions of such Letter of Credit. Any Drawing Payment with respect to a Letter of Credit shall reduce the Stated Amount thereof dollar for dollar. As between the Borrower and an Issuing Bank, the Borrower assumes all risks of the acts and omissions of, or misuse of the Letters of Credit issued by an Issuing Bank, by the respective beneficiaries of such Letters of Credit. In furtherance and not in limitation of the foregoing, an Issuing Bank shall not be responsible for: (A) the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for and issuance of any such Letter of Credit, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged; (B) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any such Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason; (C) failure of the beneficiary of any such Letter of Credit to comply fully with any conditions required in order to draw upon such Letter of Credit; (D) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher; (E) errors in interpretation of

technical terms; (F) any loss or delay in the transmission or otherwise of any document required in order to make a drawing under any such Letter of Credit or of the proceeds thereof; (G) the misapplication by the beneficiary of any such Letter of Credit of the proceeds of any drawing under such Letter of Credit; or (H) any consequences arising from causes beyond the control of the Issuing Bank, including any acts or omissions by any Governmental Authority; none of the above shall affect or impair, or prevent the vesting of, any of an Issuing Bank's rights or powers hereunder. Without limiting the foregoing and in furtherance thereof, any action taken or omitted by an Issuing Bank under or in connection with the Letters of Credit or any documents and certificates delivered thereunder, if taken or omitted in good faith, shall not give rise to any liability on the part of such Issuing Bank to the Borrower. Notwithstanding anything to the contrary contained in this Section 2.02(c)(i), the Borrower shall retain any and all rights it may have against an Issuing Bank for any liability arising solely out of the gross negligence or willful misconduct of such Issuing Bank as determined by a final, non-appealable judgment of a court of competent jurisdiction. (ii) If an Issuing Bank shall make any Drawing Payment, it shall provide notice thereof to the Borrower and the Administrative Agent by telephone (confirmed teletype) (provided that the failure to deliver such notice shall not relieve the Borrower of its obligation to reimburse such Issuing Bank in accordance with this Agreement), that such



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57 Second Amended and Restated Credit Agreement Drawing Payment has been made and the Borrower shall reimburse the Issuing Bank in respect of such Drawing Payment by paying to the Administrative Agent an amount equal to such Drawing Payment and any interest accrued pursuant to Section 2.02(g) not later than 10:00 a.m. (Pacific time), on the Business Day (the "Reimbursement Date") that is one Business Day following the date on which the Drawing Payment is made; provided, anything contained herein to the contrary notwithstanding, unless the Borrower shall have notified Administrative Agent and the Issuing Bank prior to 11:00 a.m. (Pacific time) on the date such Drawing Payment is made that the Borrower intends to reimburse the Issuing Bank for the amount of such Drawing Payment with funds other than the proceeds of LC Loans, the Borrower shall be deemed to have requested on the date that such Drawing Payment is made that its obligation to reimburse such Drawing Payment be financed by the LC Lenders through a borrowing of LC Loans on the Reimbursement Date in an amount in Dollars equal to the amount of such Drawing Payment and, subject to no Event of Default provided under Section 9.01(a), (e) or (f) having occurred, each LC Lender shall, on the Reimbursement Date with respect to such Drawing Payment make loans ("LC Loans") ratably (based on the percentage which such LC Lender's LC Commitment then constitutes of the total aggregate LC Commitments) in an aggregate amount equal to such Drawing Payment, the proceeds of which shall be applied directly by the Administrative Agent to reimburse the Issuing Bank for the amount of such honored drawing; and provided further, if for any reason proceeds of LC Loans are not received by the Issuing Bank on the date of such Drawing Payment in an amount equal to the amount of such Drawing Payment, the Borrower shall reimburse the Issuing Bank, on demand, in an amount in same day funds equal to the excess of the amount of such Drawing Payment over the aggregate amount of such applicable LC Loans, if any, which are so received. All such LC Loans shall be secured by the Collateral Documents as if made directly to the Borrower. (iii) Immediately upon the issuance of each Letter of Credit, each LC Lender shall be deemed to have purchased, and hereby agrees to irrevocably purchase, from Issuing Bank a participation in such Letter of Credit and any drawings honored thereunder in an amount equal to such LC Lender's pro rata share (determined as the percentage which such LC Lender's LC Commitment then constitutes of the aggregate LC Commitments) of the maximum amount which is or at any time may become available to be drawn thereunder. In the event that the Borrower shall fail for any reason to reimburse the Issuing Bank as provided in clause (ii) above on the applicable Reimbursement Date (including where an Event of Default provided under Section 9.01(a), (e) or (f) has occurred), the (A) Issuing Bank shall promptly notify the Administrative Agent of the unreimbursed amount of such Drawing Payment with respect to a Letter of Credit and each LC Lender's respective participation therein and (B) then the Administrative Agent shall promptly notify each LC Lender of the unreimbursed amount of such Drawing Payment with respect to a Letter of Credit and such LC Lender's respective participation therein. Each LC Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the Issuing Bank such LC Lender's pro rata share (determined as the percentage which such LC Lender's LC Commitment then constitutes of the aggregate LC Commitments) of each such Drawing Payment on a Letter of Credit within one Business Day after receiving notice. Each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. In the event that any LC Lender fails to make available to the Issuing Bank on such Business Day the amount of such LC



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58 Second Amended and Restated Credit Agreement Lender's participation in such Letter of Credit as provided in this Section 2.02(c)(iii), the Issuing Bank shall be entitled to recover such amount on demand from such Lender together with interest thereon for three (3) Business Days at the rate customarily used by the Issuing Bank for the correction of errors among banks and thereafter at the Benchmark. Nothing in this Section 2.02(c)(iii) shall be deemed to prejudice the right of any LC Lender to recover from an Issuing Bank any amounts made available by such LC Lender to such Issuing Bank pursuant to this Section 2.02(c)(iii) in the event that the payment with respect to a Letter of Credit in respect of which payment was made by such LC Lender constituted gross negligence or willful misconduct on the part of such Issuing Bank. In the event an Issuing Bank shall have been reimbursed by other LC Lenders pursuant to this Section 2.02(c)(iii) for all or any portion of any drawing honored by such Issuing Bank under a Letter of Credit, such Issuing Bank shall distribute to each LC Lender which has paid all amounts payable by it under this Section 2.02(c)(iii) with respect to such honored drawing such LC Lender's pro rata share (determined as the percentage which such LC Lender's participation in the reimbursed Drawing Payment then constitutes of the aggregate reimbursed Drawing Payment) of all payments subsequently received by such Issuing Bank from the Borrower in reimbursement of such honored drawing when such payments are received. Any such distribution shall be made to an LC Lender at its primary address set forth below its name on Appendix B or at such other address as such Lender may request. (d) Other Reductions of Stated Amount; Cancellation or Return. (i) The Borrower may, from time to time upon five (5) Business Days' notice and the delivery of a Notice of LC Activity pursuant to clause (b) above to the Administrative Agent, the Issuing Banks and the LC Lenders, permanently reduce (A) the total aggregate LC Commitment or (B) the Stated Amount of any Letter of Credit, in each case by the amount of \$50,000, or an integral multiple thereof, or, the Borrower may, from time to time upon five (5) Business Days' prior notice to the Administrative Agent, the Issuing Banks and the LC Lenders, cancel any Letter of Credit in its entirety, provided, however, that (x) so long as any Obligations remain outstanding, the Administrative Agent shall be satisfied that no reduction or cancellation would result in the amounts available under the Debt Service Reserve Account being less than the Debt Service Reserve Required Amount at such time or cause a violation of any provision of this Agreement or a breach of any provision of any other Loan Document and (y) in the event of a reduction or cancellation of an issued Letter of Credit, the Administrative Agent shall have received written notice from the applicable beneficiary of such Letter of Credit, confirming such reduction or cancellation. The total aggregate LC Commitment shall not be reduced if the effect thereof would be to cause the LC Exposure of all LC Lenders to exceed the total aggregate LC Commitment. Upon the expiration or cancellation of a Letter of Credit, the Stated Amount in respect of such Letter of Credit shall be permanently reduced to zero. (ii) Once reduced or cancelled solely pursuant to clause (i) above, the total aggregate LC Commitment may not be increased. (iii) Any reductions to the total aggregate LC Commitment shall be applied ratably to each applicable LC Lender's Commitment.



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59 Second Amended and Restated Credit Agreement (iv) The Letters of Credit shall expire on their respective Expiration Dates, or on such earlier date if canceled pursuant to the terms of the Agreement or the applicable Letter of Credit. (e) Commercial Practices; Obligations Absolute. The Borrower assumes all risks of the acts or omissions of beneficiary or transferee of any Letter of Credit with respect to the use of such Letter of Credit. The obligations of the Borrower to reimburse the Issuing Banks for any Drawing Payments and to repay any Loans made by the applicable LC Lenders pursuant to Section 2.02(c) and the obligations of the applicable LC Lenders under Section 2.02(c) shall be unconditional and irrevocable and shall be paid strictly in accordance with the terms hereof under all circumstances regardless of: (i) the use which may be made of the Letters of Credit or for any acts or omissions of any beneficiary or transferee in connection therewith; (ii) any reference which may be made to the Agreement or to the Letters of Credit in any agreements, instruments or other documents; (iii) the validity, sufficiency or genuineness of documents (including this Agreement) other than the Letters of Credit, or of any endorsement(s) thereon, which appear on their face to be valid, sufficient or genuine, as the case may be, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged or any statement therein prove to be untrue or inaccurate in any respect whatsoever; (iv) payment by the Issuing Banks against presentation of documents which do not strictly comply with the terms of the Letters of Credit, including failure of any documents to bear any reference or adequate reference to such Letters of Credit so long as such documents substantially comply with the terms of the Letter of Credit; (v) any amendment or waiver of or any consent to departure from all or any terms of any of the Loan Documents; (vi) the existence of any claim, setoff, defense or other right which the Borrower may have at any time against any beneficiary or transferee of any Letter of Credit (or any Persons for whom any such beneficiary or transferee may be acting), the Administrative Agent, the Issuing Banks, any Lender or any other Person, whether in connection with the Agreement, the transactions contemplated herein or in the other Loan Documents, or in any unrelated transaction; (vii) any breach of contract or dispute among or between the Borrower, the Administrative Agent, the Issuing Banks, any Lender, or any other Person; (viii) any demand, statement, certificate, draft or other document presented under the Letters of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; (ix) any extension of time for or delay, renewal or compromise of or other indulgence or modification to a Drawing Payment or a Loan granted or agreed to by the Administrative Agent, the Issuing Banks, or any applicable Lender in accordance with the terms of the Agreement; (x) any failure to preserve or protect any Collateral, any failure to perfect or preserve the perfection of any Lien thereon, or the release of any of the Collateral securing the performance or observance of the terms of this the Agreement or any of the other Loan Documents; or (xi) any other circumstances whatsoever in making or failing to make payment under the Letters of Credit, except that, in each case, payment by the Issuing Banks under the applicable Letter of Credit shall not have constituted gross negligence or willful misconduct of the Issuing Banks under the circumstances in question as determined by a final, non-appealable judgment of a court of competent jurisdiction. (f) Indemnification. Without duplication of any obligation of

the Borrower under Section 3.06, in addition to amounts payable as provided herein, the Borrower hereby agrees to protect, indemnify, pay and save harmless the Issuing Banks from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable fees



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60 Second Amended and Restated Credit Agreement expenses and disbursements of counsel) which an Issuing Bank may incur or be subject to as a consequence, direct or indirect, of (i) the issuance of any Letter of Credit by such Issuing Bank, other than as a result of (1) the gross negligence or willful misconduct of such Issuing Bank as determined by a final, non-appealable judgment of a court of competent jurisdiction or (2) the wrongful dishonor by an Issuing Bank of a proper demand for payment made under any Letter of Credit issued by it, or (ii) the failure of an Issuing Bank to honor a drawing under any such Letter of Credit as a result of any act or omission by any Governmental Authority. (g) Interim Interest. If an Issuing Bank shall make any Drawing Payment, then, unless the Borrower reimburses such Drawing Payment in full on the date such Drawing Payment is made, the unpaid amount thereof shall bear interest, for each day from and including the date such Drawing Payment is made to but excluding the date that the Borrower reimburses such Drawing Payment in full, at a rate equal to the Benchmark, in effect from time to time, plus the Applicable Margin; provided that, if the Borrower fails to reimburse such Drawing Payment on the Reimbursement Date applicable thereto pursuant to Section 2.02(c)(ii) through the conversion to an LC Loan, or otherwise, then such overdue amount shall bear interest (after as well as before judgment) at a rate equal to the Benchmark, in effect from time to time, plus the Applicable Margin, plus 2.00% per annum. Interest accrued pursuant to this paragraph shall be for the account of the Issuing Bank. SECTION 2.03 Computation of Interest and Fees; Conforming Changes. (a) All computations of interest shall be made on the basis of a year of 360 days and actual days elapsed. Interest shall accrue on each Loan at an interest rate per annum equal to the Standard Rate from the day on which the Loan is made until, but not including the day on which the Loan is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 3.01(b), bear interest for one day; and provided further that in the event of any conversion of (x) the Existing Term Loans to a SOFR Loan on the Effectiveness Date or (y) any SOFR Loan prior to the end of the Interest Period therefor, in each case accrued interest on such Loan shall be payable on the effective date of such conversion. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error. (b) In connection with the use or administration of any Benchmark, the Administrative Agent shall have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes shall become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Administrative Agent will promptly notify the Borrower and the Lenders of the effectiveness of any Conforming Changes in connection with the use or administration of such Benchmark. SECTION 2.04 Evidence of Debt. The Loans made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Loans made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the



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3.01 Second Amended and Restated Credit Agreement obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a promissory note substantially in the form of Exhibit E-1 (in the case of a Term Loan) and Exhibit E-2 (in the case of an LC Loan), (each, a "Note"), which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, amount and maturity of its Loans and payments with respect thereto. ARTICLE III. ALLOCATION OF COLLECTIONS; PAYMENTS TO LENDERS SECTION 3.01 Payments. (a) At least three (3) Business Days prior to each Payment Date, the Borrower shall deliver to the Administrative Agent, Collateral Agent and Depository Agent, a Transfer Date Certificate in the form attached as Exhibit B to the Depository Agreement. All withdrawals and transfers will be made based upon the information provided in the Transfer Date Certificate. (b) Payments Generally. All payments to be made by the Borrower shall be made free and clear of any Liens and without restriction, condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise provided below, all payments made with respect to the Loans on each Payment Date shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in Dollars and in immediately available funds not later than 10:00 a.m. (Pacific time) on the date specified herein. The Administrative Agent will promptly distribute to each Lender its pro rata share of the principal amount paid according to the outstanding principal amounts of the applicable Loan held by the Lenders (or other applicable share of such payment as expressly provided herein) in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 1:00 p.m. (Pacific time) shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be. SECTION 3.02 Optional Prepayments. The Borrower (or Sponsors on the Borrower's behalf) may, upon irrevocable written notice to the Administrative Agent at any time or from time to time, voluntarily prepay Loans in whole or in part in minimum amounts of not less than \$1,000,000; provided that such notice must be received by the Administrative Agent not later than 10:00 a.m. (Pacific time) five (5) U.S. Government Securities Business Days (or such shorter period as is acceptable to the Administrative Agent) prior to any date of prepayment. Each such notice shall specify the date and amount of such prepayment. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's pro rata share of such prepayment. Upon giving of the notice, the Borrower shall make such



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62. Second Amended and Restated Credit Agreement prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. SECTION 3.03 Mandatory Principal Payments. The Borrower shall make the following mandatory prepayments on the Loans: (a) On the date of receipt thereof, the Borrower shall apply towards the mandatory prepayment of the Loans in accordance with Section 3.04, 100% of the Net Available Amount of all proceeds in cash and cash equivalents (including any cash received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when so received) to the Borrower or any other Loan Party from: (i) without limitation to Article IX, the issuance or incurrence of any Indebtedness by any Relevant Party (other than Permitted Indebtedness); (ii) the sale, assignment or other disposition of any Asset of a Relevant Party (other than (A) ordinary course sales of power or the leasing of a photovoltaic system pursuant to the Customer Agreements, (B) PBI Payments, (C) the sale of Excluded Property, (D) a sale or assignment of an Asset that is a Customer Event, (E) the sale of Excluded Prepaid Projects, or (F) the sale of RECs subject to a REC Contract); (iii) any indemnity payment, purchase price adjustment, remediation payment or similar payment, or seller guaranty thereof, in connection with the Acquisitions. (b) On each Payment Date, the Borrower shall apply towards the mandatory prepayment of the Loans in accordance with Section 3.04, an amount determined by multiplying 0.725 by the present value of the reduction of future Borrower Collections resulting from or attributable to each Customer Event occurring during the calendar quarter ending on the immediately prior Calculation Date (disregarding any proceeds received in respect of such Customer Event and assuming that no future Borrower Collections will be received in respect of any Event of Loss Project or a Project in respect of which an Ineligible Customer Reassignment has occurred) discounted at a rate that is the higher of (i) six percent (6.0%) per annum and (ii) the swapped interest rate of the Loans plus the Applicable Margin; provided that, notwithstanding anything to the contrary herein, the Sponsors may, but shall not be required to, contribute capital to the Borrower to satisfy its prepayment obligations under this Section 3.03(b). (c) On each Payment Date, the Borrower shall apply towards the mandatory prepayment of the Loans in accordance with Section 3.04, an amount determined by multiplying 0.725 by the present value of the reduction of future Borrower Collections resulting from or attributable to each applicable Default Prepayment Project for such Payment Date (disregarding any proceeds received in respect of such Default Prepayment Project and assuming that no future Borrower Collections will be received in respect of such Default Prepayment Project) discounted at a rate that is the higher of (i) six percent (6.0%) per annum and (ii) the swapped interest rate of the Loans plus the Applicable Margin; provided that, notwithstanding anything to the contrary herein, the Sponsors may, but shall not be required to, contribute capital to the Borrower to satisfy its prepayment obligations under this Section 3.03(c).



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3.03 Second Amended and Restated Credit Agreement (d) On each Payment Date during an Early Amortization Period, the Borrower shall apply towards the mandatory prepayment of the Loans in accordance with Section 3.04, 100% of the amounts deposited in and standing to the credit of the Collections Account and the Distribution Trap Account after giving effect to all prior withdrawals and transfers pursuant to Section 4.02(b) of the Depository Agreement. (e) On each Payment Date, the Borrower shall apply towards the mandatory prepayment of the Loans in accordance with Section 3.04, an amount determined by multiplying 0.725 by the present value of the reduction of future Borrower Collections resulting from or attributable to each Eligible REC Event occurring during the calendar quarter ending on the immediately prior Calculation Date (disregarding any proceeds received in respect of such Eligible REC Event) discounted at a rate that is the higher of (i) six percent (6.0%) per annum and (ii) the swapped interest rate of the Loans plus the Applicable Margin; provided, that, notwithstanding anything to the contrary herein, the Sponsors may, but shall not be required to, contribute capital to the Borrower to satisfy its prepayment obligations under this Section 3.03(b). (f) Concurrently with any prepayment of the Loans pursuant to Section 3.03(a), the Borrower shall deliver to Administrative Agent a certificate of an Authorized Officer of the Borrower demonstrating the calculation of the amount of the applicable net cash proceeds or other amounts to be prepaid, as the case may be. In the event that the Borrower shall subsequently determine that the actual amount received exceeded the amount set forth in such certificate, the Borrower shall promptly make an additional prepayment of the Loans in an amount equal to such excess, and the Borrower shall concurrently therewith deliver to Administrative Agent a certificate of an Authorized Officer of the Borrower demonstrating the derivation of such excess. (g) At the same time as a Transfer Date Certificate is provided prior to each Payment Date, the Borrower shall provide to Administrative Agent a Customer Event Certificate, a Defaulted Project Certificate and, to the extent an Eligible REC Event has occurred, an Eligible REC Event Certificate. The Administrative Agent may notify the Borrower in writing of any suggested corrections, changes or adjustments to a Customer Event Certificate, a Defaulted Project Certificate or Eligible REC Event Certificate that are not inconsistent with the terms of this Agreement. SECTION 3.04 Application of Prepayments. Amounts prepaid pursuant to Section 3.02 shall be applied to the outstanding Term Loans and LC Loans, on a pro rata basis, in the order directed by the Borrower. Amounts prepaid pursuant to Section 3.03 shall be applied on a pro rata basis to (i) the outstanding Term Loans to be applied pro rata to remaining scheduled installments thereof and (ii) to prepay any outstanding LC Loans. Any Letter of Credit outstanding after payment of the Loans in full and cancellation of the Commitments shall be cancelled. Any prepayment of a Loan shall be accompanied by all accrued but unpaid interest on the principal amount prepaid and any amounts due pursuant to Section 3.11(d). Each prepayment shall be paid to the Lenders in accordance with their respective pro rata share of the outstanding principal amount of such Loan.



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3.04 Second Amended and Restated Credit Agreement SECTION 3.05 Payments of Interest and Principal. (a) Subject to the provisions of Section 3.05(b) below, each Loan shall bear interest on the outstanding principal amount thereof for the Interest Period at a rate per annum equal to the Standard Rate for the Interest Period. (b) If (i) any amount payable by the Borrower under any Loan Document is not paid when due, whether at stated maturity, by acceleration or otherwise or (ii) an Event of Default occurs pursuant to Section 9.01(e) or Section 9.01(f) all outstanding Obligations shall thereafter bear interest (including post-petition interest in any proceeding under any Debtor Relief Law), payable on demand, at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws until such defaulted amount shall have been paid in full. Payment or acceptance of the increased rates of interest provided for in this Section 3.05(b) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of any Secured Party. (c) Interest on each Loan shall be due and payable in arrears (i) on each Payment Date, (ii) on the Maturity Date, (iii) upon prepayment of any Loans in accordance with Section 3.02 or Section 3.03 and (iv) at maturity (whether by acceleration or otherwise), provided, that interest payable pursuant to Section 3.05(b) shall be payable on demand. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law. (d) On each Payment Date, the Borrower shall pay principal then due on the Loans. The principal due in respect of the Term Loans on each Payment Date is set forth on Annex A, as such Annex is amended from time to time in accordance with the terms of this Agreement (the "Amortization Schedule"). The Amortization Schedule shall be updated (i) to reflect the scheduled amortization shown under each updated Base Case Model delivered pursuant to this Agreement and approved by the Administrative Agent and (ii) as necessary on or prior to each Payment Date to take into account the reduction of principal in connection with any voluntary prepayment or mandatory prepayment on the Term Loans pursuant to Section 3.02 or Section 3.03 occurring since the last Payment Date. An updated Amortization Schedule shall be delivered by the Borrower to the Administrative Agent in connection with each updated Base Case Model and within five (5) U.S. Government Securities Business Days of the date of any such voluntary prepayment or mandatory prepayment of Term Loans, as applicable. The Administrative Agent may (but shall not be required to) notify the Borrower of any corrections to the Amortization Schedule that are not inconsistent with the terms of this Agreement and, once a revised Amortization Schedule has been approved by the Administrative Agent, it shall be deemed to be attached to this Agreement as the revised Amortization Schedule. (e) To the extent not previously paid, the Borrower shall repay to the Administrative Agent, for the account of the Term Lenders, each Term Loan in full, together with all accrued and unpaid interest thereon and fees and costs and other amounts due and payable under the Loan Documents with respect to such Term Loans, on the Maturity Date.



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65 Second Amended and Restated Credit Agreement (f) Subject to the limitations set forth in Section 9.03, the Sponsors may, but shall be under no obligation to, make capital contributions to the Borrower to enable it to pay the interest due or principal on any Payment Date. (g) To the extent not previously paid from cash applied on a Payment Date pursuant to the Depository Agreement, the Borrower shall repay to the Administrative Agent, for the account of the LC Lenders, each LC Loan in full, together with all accrued and unpaid interest thereon and fees and costs and other amounts due and payable under the Loan Documents, with respect to such LC Loans, on the Maturity Date. SECTION 3.06 Fees. (a) The Borrower shall pay to the Administrative Agent, for the account of each LC Lender pro rata to their participation in any Letter of Credit, Letter of credit fees equal to (i) the Applicable Margin times (ii) the average aggregate daily maximum amount available to be drawn under all such Letters of Credit (regardless of whether any conditions for drawing could then be met and determined as of the close of business on any date of determination), payable quarterly in arrears on (A) each Payment Date and (B) the Maturity Date. (b) The Borrower shall pay directly to each Issuing Bank, for its own account, such documentary and processing charges for any issuance, amendment, transfer or payment of a Letter of Credit as are in accordance with such Issuing Bank's standard schedule for such charges and as in effect at the time of such issuance, amendment, transfer or payment, as the case may be. (c) The Borrower shall pay to each Lender Party the fees in accordance with the Fee Letters. (d) The Borrower shall pay to the Administrative Agent, for the account of each LC Lender pro rata to their LC Commitments, the LC Commitment Fee, payable quarterly in arrears on (i) each Payment Date and (ii) the final day of the LC Availability Period. (e) In addition to any of the foregoing fees, the Borrower shall pay to the Agents such other fees in the amounts and at the times separately agreed upon between the Borrower and the applicable Agent. SECTION 3.07 Expenses, etc. (a) The Borrower shall pay to the Secured Parties (i) all reasonable and documented out-of-pocket costs and expenses in connection with the preparation, execution, and delivery of this Agreement and the other documents to be delivered hereunder or in connection herewith, including the reasonable and documented third-party fees and out-of-pocket expenses of its counsel, its insurance consultant, any independent engineers and other advisors or consultants retained by it, (ii) all reasonable and documented costs and expenses in connection with any actual or proposed amendments of, or modifications of or waivers or consents under, this Agreement or the other Loan Documents, including in each case the reasonable and documented fees and out-of-pocket expenses of counsel and consultants with respect thereto; provided, that, at the request of the Borrower, the Administrative Agent shall consult with the Borrower regarding the estimated amount of expenses that would be incurred, (iii) all reasonable and documented costs and expenses



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66 Second Amended and Restated Credit Agreement (including fees and expenses of counsel) incurred by any Secured Party (for the account of such Secured Party), if any, in connection with any restructuring or workout proceedings (whether or not consummated) and the other documents delivered thereunder or in connection therewith, and (iv) all Additional Expenses; (b) The Borrower shall timely pay in accordance with applicable law any and all present or future stamp, transfer, recording, filing, court, documentary and other similar Taxes payable in connection with the execution, delivery, filing, recording of, from the receipt or perfection of a Security interest under, or otherwise with respect to, any of the Loan Documents, and agree to indemnify and hold harmless the Lenders and the Administrative Agent harmless from and against any liabilities with respect to or resulting from any delay in paying or any omission to pay such Taxes, in each case, as the same are incurred; (c) Once paid, all fees or other amounts or any part thereof payable under this Agreement, the other Loan Documents or the transactions contemplated hereby or thereby shall not be refundable under any circumstances, regardless of whether any such transactions are consummated. All fees and other amounts payable hereunder shall be paid in Dollars and in immediately available funds; (d) Reimbursement by Lenders. To the extent that the Borrower for any reason fails to indefeasibly pay any amount required under Section 3.07(a) or Section 3.08 to be paid by it to the Administrative Agent (or any sub-agent thereof) or any Related Party, and without limitation of the obligations of the Borrower and such Related Parties to pay such amounts, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or such Related Party, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on such Lender's percentage of the Commitments, Loans and LC Exposure outstanding) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), provided, further, that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) in its capacity as such, or against any Related Party, acting for the Administrative Agent (or any such sub-agent) in connection with such capacity. The obligations of the Lenders hereunder to make payments pursuant to this Section 3.07(d) are several and not joint. The failure of any Lender to make any payment under this Section 3.07(d) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its payment under this Section 3.07(d). Each Lender's

obligation under this Section 3.07(d) shall survive the resignation or replacement or removal of any Agent or any assignment of rights by or replacement of a Lender, the termination of the Commitments and the satisfaction or discharge of all other Obligations. (e) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable Law, neither the Borrower, any Secured Party nor any of their respective Affiliates shall assert, and each of them hereby waives and acknowledges, that no other Person shall have any claim against any Indemnitee, the Borrower or any of the Borrower's Affiliates on any theory of liability, for (i) any special, indirect, consequential or punitive losses or damages (as opposed to direct or actual losses or damages) or (ii) any loss of profit, business, or anticipated savings (such losses and damages set out in the foregoing clauses (i) and (ii), collectively, the "Consequential



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3.07 Second Amended and Restated Credit Agreement Losses"), in each case arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof; provided that nothing contained in this Section 3.07(e) shall limit the Borrower's indemnity and reimbursement obligations under Section 3.08 or the obligations of each Lender under Section 3.07(d) in respect of any third party claims made against any Indemnitee with respect to Consequential Losses of such third party, Section 3.09 and Section 3.11. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through internet, telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for any such damages resulting from any material breach by such Indemnitee of this Agreement or the other Loan Documents or that otherwise results from the gross negligence or willful misconduct of such Indemnitee as determined by a final judgment of a court of competent jurisdiction which has become non-appealable. (f) Payments. All amounts due under this Section 3.07 or Section 3.08 shall be payable on the immediately succeeding Payment Date after demand therefor. SECTION 3.08 Indemnification. (a) Without limiting any other rights which any such Person may have hereunder or under applicable Law, the Borrower hereby agrees to indemnify the Agents, the Lenders, each other Secured Party, and each Related Party of any of the foregoing Persons (each of the foregoing Persons being individually called an "Indemnitee"), from and against any and all damages, losses, claims, liabilities and related costs and expenses (other than any Taxes expressly addressed elsewhere in this Agreement), including, but not limited to, reasonable and documented attorneys' fees and disbursements (all of the foregoing being collectively called "Indemnified Amounts") arising out of or relating to, without duplication: (i) any transaction financed or to be financed in whole or in part, directly or indirectly with the proceeds of the Loans, including in connection with the repayment of any Indebtedness; (ii) the execution or delivery of this Agreement, any other Loan Document or any Transaction, Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation of the transactions contemplated hereby or thereby; (iii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by an Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit); (iv) the grant to the Administrative Agent or the Collateral Agent for the benefit of, or to any of the Secured Parties of any Lien on the Collateral or in any other



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68 Second Amended and Restated Credit Agreement Property of the Borrower or any other Person or any membership, partnership or equity interest in the Borrower or any other Person and the exercise by the Agents (or the other Secured Parties) of their rights and remedies (including foreclosure) under any Collateral Document; (v) the breach of any representation or warranty made by or on behalf of any Relevant Party, any Sponsor Party set forth in this Agreement or the other Loan Documents, or in any other report or certificate delivered by any Relevant Party or any of their Affiliates pursuant hereto or thereto, which shall have been false or incorrect in any material respect when made or deemed made; (vi) the failure by any Relevant Party to comply in any material manner with any of the Loan Documents or any applicable Law, or the non-conformity of any Project with any such applicable Law; (vii) the failure of the Provider to operate and maintain the Projects in accordance with the applicable standard set forth in the Maintenance Services Agreement, or to perform its duties in a good and workmanlike manner consistent with Prudent Industry Practice; (viii) any dispute, claim, offset or defense (other than discharge in bankruptcy) of a Relevant Party, a Sponsor Party or a counterparty to a Portfolio Document to any payment under any Portfolio Document based on such Portfolio Document not being a legal, valid and binding obligation of such Relevant Party or counterparty, as applicable, enforceable against it in accordance with its terms; (ix) any investigation, proceeding, claim or action commenced or brought by or before any Governmental Authority or related to any Transaction Document; (x) the failure of any Relevant Party or any of their Affiliates to comply with all consumer leasing and protection Laws applicable to any of the Projects or Portfolio Documents; (xi) any and all broker's or finder's fees claimed to be due in connection with the issuance of the Loans on behalf of any Relevant Party or its Affiliates; (xii) any loss, disallowance, reduction or recapture of any Grant or ITC awarded or claimed, as applicable, with respect to any Project, inclusive of any penalties, interest or other premiums due in respect thereof; (xiii) any amounts required to be repaid or returned by a Relevant Party in respect of any Excluded Property, inclusive of any penalties, interest or other premiums due in respect thereof; (xiv) any of the items listed in Schedule 4.10 or Schedule 4.11; (xv) any release of Hazardous Materials by a Loan Party or with respect to a Project; or



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69 Second Amended and Restated Credit Agreement (xvi) any claims by a Tax Equity Member against Fund IV Holdco or the Tax Equity Opco or any other Person (including under an indemnity); but excluding Indemnified Amounts to the extent finally determined by a judgment of a court of competent jurisdiction that has become non-appealable to have resulted from gross negligence or willful misconduct on the part of such Indemnified Person; provided, any additional local counsel that may be required due to an actual or potential conflict of interest, the availability of other defenses or the risk of criminal liability (including criminal fines or penalties) being incurred, to such Indemnified Person that notwithstanding the foregoing, the Borrower shall not be required to indemnify any Indemnified Person for legal fees or expenses of more than one counsel. The Borrower's obligations under this Section 3.08 shall survive the resignation or replacement or removal of any Agent or any assignment of rights by or replacement of a Lender, the termination of the Commitments and the satisfaction or discharge of all other Obligations. (b) The Borrower shall not, without the prior written consent of any Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which such Indemnified Person is or could have been a party and indemnity could have been sought hereunder by such Indemnified Person, unless such settlement (i) seeks only monetary damages and does not seek any injunctive or other relief against an Indemnified Person, (ii) includes an unconditional release of such Indemnified Person from all liability or claims that are the subject matter of such proceeding, and (iii) does not include a statement as to or an admission of fault, culpability, or a failure to act by or on behalf of such Indemnified Person. SECTION 3.09 Taxes. (a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes. (i) Any and all payments by or on account of any obligation of the Borrower under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Law (which, for the avoidance of doubt, shall include FATCA) for purposes of this Section 3.09. If any applicable Law (as determined in the good faith sole discretion of the Administrative Agent or the Borrower, as applicable, taking into account the information and documentation delivered pursuant to Section 3.09(e) below) requires the deduction or withholding of any Tax from any such payment by the Administrative Agent or the Borrower, then the Administrative Agent or the Borrower shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with such applicable Law. (ii) If the Administrative Agent or the Borrower is required to deduct or withhold any Tax described in Section 3.09(a)(i) and must timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with an applicable Law, and if the Tax is an Indemnified Tax, then, the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and/or withholdings applicable to additional sums



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70 Second Amended and Restated Credit Agreement payable under this Section 3.09) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made. (b) Payment of Other Taxes by Borrower. Without limiting the provisions of clause (a) above, the Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes. (c) Tax Indemnifications. (i) The Borrower shall and does hereby indemnify each Recipient, and shall make payment in respect

thereof within ten (10) days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.09(c)) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender which, for purposes of this Section 3.09(c), shall include the Issuing Bank (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error. The Borrower shall and do hereby indemnify the Administrative Agent, and shall make payment in respect thereof within ten (10) days after demand therefor, for any amount which a Lender for any reason fails to pay indefeasibly to the Administrative Agent as required pursuant to Section 3.09(c)(ii) below. (ii) Each Lender shall and does hereby severally indemnify, and shall make payment in respect thereof within ten (10) days after demand therefor, (A) the Administrative Agent against any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), (B) the Administrative Agent and the Borrower, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.05(d) relating to the maintenance of a Participant Register, and (C) the Administrative Agent and the Borrower, as applicable, against any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent or the Borrower in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender, as the case may be, under this Agreement or any other Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this clause (ii).



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7.1 Second Amended and Restated Credit Agreement (d) Evidence of Payments. Upon request by the Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by the Borrower or by the Administrative Agent to a Governmental Authority as provided in this Section 3.09, the Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be, (e) Status of Lenders; Tax Documentation, (i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times prescribed by applicable Law or reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than the documentation set forth in Section 3.09(e)(ii)(A), (ii)(B) and (ii)(D) below) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender. (ii) Without limiting the generality of the foregoing, each Lender agrees that on the Effectiveness Date or any other date after the Effectiveness Date such Lender becomes a party to this Agreement, and from time to time thereafter upon reasonable request, it will deliver to the Borrower and the Administrative Agent the applicable documentation described below: (A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter pursuant to applicable Law or upon the reasonable request of the Borrower or the Administrative Agent), executed copies of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax; (B) any Foreign Lender shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to (x) the Effectiveness Date or (y) such other date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter pursuant to applicable Law or upon the reasonable request of the



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72 Second Amended and Restated Credit Agreement Borrower or the Administrative Agent), in the case of clause (y) to the extent it is legally entitled to do so, whichever of the following is applicable: (1) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, an executed copy of IRS Form W-8BEN or IRS Form W-8BEN-E (whichever is applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty, and/or (y) with respect to any other applicable payments under any Loan Document, an executed copy of IRS Form W-8BEN or IRS Form W-8BEN-E (whichever is applicable) establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty; (2) executed copies of IRS Form W-8ECI; (3) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) an executed certificate substantially in the form of Exhibit D-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "U.S. Tax Compliance Certificate") and (y) an executed copy of IRS Form W-8BEN or IRS Form W-8BEN-E (whichever is applicable); or (4) to the extent a Foreign Lender is not the beneficial owner, (x) an executed copy of IRS Form W-8IMY, accompanied by one or more of the following executed forms from each of the Foreign Lender's direct or indirect partners/members, or Participants, or any Participant's direct or indirect partners/ members, as appropriate: IRS Form W-8ECI, IRS Form W-8BEN, or IRS Form W-8BEN-E (whichever is applicable), a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-2 or Exhibit D-3, IRS Form W-8IMY, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable, and (y) a withholding statement to the extent one is required by the Code; provided that if the Foreign Lender is a partnership for U.S. federal income tax purposes and one or more direct or indirect partners/members of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender shall provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit D-4 on behalf of each such direct and indirect partner/member; (C) any Foreign Lender shall deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to (x) the Effectiveness Date or (y) such other date on which such Foreign Lender becomes a Lender under this Agreement (and from time to



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73 Second Amended and Restated Credit Agreement time thereafter pursuant to applicable Law or upon the reasonable request of the Borrower or the Administrative Agent), in the case of clause (y) to the extent it is legally entitled to do so, executed copies of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and (D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), "FATCA" shall include any amendments made to FATCA after the Effectiveness Date. (iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.09 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so. (f) Treatment of Certain Refunds. Unless required by applicable Law, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender, or have any obligation to pay to any Lender, any refund of Taxes withheld or deducted from funds paid for the account of such Lender. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 3.09, it shall pay to the Borrower an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 3.09 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Borrower, upon the request of the Recipient, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 3.09(f), in no event will the applicable Recipient be required to pay any amount to the Borrower pursuant to this Section 3.09(f) the payment of which would place the Recipient in a less favorable net after-Tax position than



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74 Second Amended and Restated Credit Agreement such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Section 3.09(f) shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its Taxes that it deems confidential) to the Borrower or any other Person. (g) OID. The Borrower and the Lenders agree (i) that the Loans are to be treated as indebtedness of the Borrower for U.S. federal income tax purposes, (ii) to the extent that the Borrower or a Governmental Authority determines that the Loans were made with original issue discount ("OID") for U.S. federal income tax purposes, to report such OID as interest expense and interest income, respectively, in accordance with Sections 163(e)(1) and 1272(a)(1) of the Code, (iii) not to file any tax return, report or declaration inconsistent with the foregoing, and (iv) any OID shall constitute principal for all purposes under this Agreement. The inclusion of this Section 3.09(g) is not an admission by any Lender that it is subject to United States taxation. (h) Survival. Each party's obligations under this Section 3.09 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the commitments and the repayment, satisfaction or discharge of all other Obligations. SECTION 3.10 Mitigation Obligations; Replacement of Lenders. (a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.11(b), or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender, or any Governmental Authority for the account of any Lender, pursuant to Section 3.09, then at the request of the Borrower such Lender shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the reasonable judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.09 or Section 3.11(b) (as the case may be), in the future, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment. (b) Replacement of Lenders. If any Lender requests compensation under Section 3.11(b), or requires the Borrower to pay any Indemnified Taxes or additional amounts to any Lender, or any Governmental Authority for the account of any Lender, pursuant to Section 3.09 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.10(a), or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may, at their sole expense, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 11.05), all of its interests, rights (other than its existing rights to payments pursuant to Section 3.11 or Section 3.09) and obligations under this Agreement and the related Loan Documents (other than any Secured Interest Rate Hedging Agreement) to an Eligible Assignee that shall assume such



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75. Second Amended and Restated Credit Agreement obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that: (i) the Borrower shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.05; (ii) such Lender shall have received payment of an amount equal to the outstanding Obligations owed (including all principal of its Loans, accrued interest thereon, accrued fees and all other amounts) to it hereunder and under the other Loan Documents (including any amounts under Section 3.11(d)) from the assignee (to the extent of such Obligations) or the Borrower (in the case of all other amounts); (iii) in the case of any such assignment resulting from a claim for compensation under Section 3.11(b) or payments required to be made pursuant to Section 3.09, such assignment will result in a reduction in such compensation or payments thereafter; (iv) such assignment does not conflict with applicable Law; and (v) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent. In the event the replaced Lender (or an Affiliate of such Lender) is party to any Secured Interest Rate Hedging Agreement with the Borrower, then the replaced Lender (or Affiliate of such Lender) (the "Replaced Hedge Provider") under such Secured Interest Rate Hedging Agreement may elect to (A) terminate such Secured Interest Rate Hedging Agreement in accordance with its terms or (B) require the Borrower to cause the novation of such Secured Interest Rate Hedging Agreement so that the entire notional amount set forth in the original Secured Interest Rate Hedging Agreement is subject to the novated Secured Interest Rate Hedging Agreements with the Eligible Assignee referred to above (or an Affiliate of such Eligible Assignee) (the "Replacement Hedge Provider"); provided, however, that in the event of any novation the Replacement Hedge Provider and transaction documentation must be acceptable to the Replaced Hedge Provider in its sole discretion and the Borrower shall be responsible for all additional costs resulting from any assignment or novation of any Secured Interest Rate Hedging Agreement under this clause (b), including any fees or additional credit or other margins (such costs, fees and margins to be reasonably acceptable to the Administrative Agent) and, to the extent of any mark-to-market payment, the Replaced Hedge Provider shall determine any amounts payable to or by it in respect of the assignment as if an "Additional Termination Event" occurred under the Secured Interest Rate Hedging Agreement with the Borrower as the sole Affected Party (as defined therein). A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.



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76 Second Amended and Restated Credit Agreement SECTION 3.11 Change of Circumstances. (a) Illegality; Inability to Determine Interest Rate; Benchmark Replacement Setting. (i) Illegality. If any Lender determines that any law or governmental rule, regulation or order has made it unlawful for any Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to SOFR, Adjusted Term SOFR or Term SOFR Reference Rate or to determine or charge interest based upon SOFR, Adjusted Term SOFR or Term SOFR Reference Rate, then upon notice thereof by such Lender to the Borrower (through the Administrative Agent) (an "Illegality Notice") any obligation of the Lenders to make, and the right of the Borrower to continue SOFR Loans shall be suspended until each affected Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of an Illegality Notice, the Borrower shall, if necessary to avoid such illegality, upon demand from any Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all SOFR Loans to Base Rate Loans (the interest rate on which Base Rate Loans shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the SOFR component of the definition of "Base Rate"), on the last day of the Interest Period therefor, if all affected Lenders may lawfully continue to maintain such SOFR Loans to such day, or immediately, if any Lender may not lawfully continue to maintain such SOFR Loans to such day, in each case, until the Administrative Agent is advised in writing by each affected Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon SOFR, Adjusted Term SOFR or Term SOFR Reference Rate. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted, together with any additional amounts pursuant to Section 3.11(d). (ii) Inability to Determine Interest Rate. Subject to Section 3.11(a)(iii), if, as of any date: (A) The Administrative Agent (which determination shall be conclusive and binding absent manifest error) that "Adjusted Term SOFR" cannot be determined pursuant to the definition thereof; or (B) the Required Lenders determine that for any reason, in connection with any request for a SOFR Loan or a conversion thereto or a continuation thereof that "Adjusted Term SOFR" for any requested Interest Period with respect to a proposed SOFR Loan does not adequately and fairly reflect the cost to such Lenders of making and maintaining such Loan, and the Required Lenders have provided notice of such determination to the Administrative Agent, the Administrative Agent shall promptly notify the Borrower and each Lender. Upon notice thereof by the Administrative Agent to the Borrower, any obligation of the Lenders to make and any right of the Borrower to continue SOFR Loans shall be suspended (to the extent of a Term SOFR Borrowing the affected Interest Periods) until the Administrative Agent



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77 Second Amended and Restated Credit Agreement (with respect to clause (B) above, at the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice (1) the Borrower may revoke any pending request for a borrowing or, conversion to or continuation of SOFR Loans (to the extent of the affected SOFR Loan, or in the case of a Term SOFR Borrowing, the affected Interest Periods) or, failing that, the Borrower shall be deemed to have converted any such request into a request for a Borrowing or conversion to Base Rate Loans in the amount specified and (2) any outstanding affected SOFR Loans shall be deemed to have been converted into Base Rate Loans immediately or, in the case of a Term SOFR Borrowing, at the end of the applicable Interest Period. Upon any such conversion, the Borrower shall also pay accrued interest on the amount so converted, together with any additional amounts required pursuant Section 3.11(d). Subject to Section 3.11(a)(iii), if the Administrative Agent determines (which determination shall be conclusive absent manifest error) that "Adjusted Term SOFR" cannot be determined pursuant to the definition thereof, in each case on any given day, the interest rate on Base Rate Loans shall be determined by the Administrative Agent without reference to clause (c) of the definition of "Base Rate" until the Administrative Agent revokes such determination. (iii) Benchmark Replacement Setting. (A) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document (and any Secured Interest Rate Hedging Agreement shall be deemed not to be a Loan Document for purposes of this Section 3.11(a)(iii)), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of the then-current Benchmark, then (1) if a Benchmark Replacement is determined in accordance with clause (a) of the definition

of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (2) if a Benchmark Replacement is determined in accordance with clause (b) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a quarterly basis. (B) Benchmark Replacement Conforming Changes. In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan



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78 Second Amended and Restated Credit Agreement Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. (C) Notices; Standards of Decisions and Determinations. The Administrative Agent shall promptly notify the Borrower and the Lenders in writing of (1) the implementation of any Benchmark Replacement and (2) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will notify the Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 3.11(a)(iii)(D) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or selection that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 3.11(a), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 3.11(a)(ii). (D) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (1) if the then-current Benchmark is a term rate (including Term SOFR Reference Rate) and either (x) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (y) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (2) if a tenor that was removed pursuant to clause (1) above either (x) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (y) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor. (E) Benchmark Unavailability Period. Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a Borrowing of Benchmark Loans, conversion to or continuation of Benchmark Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, (1) the



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79 Second Amended and Restated Credit Agreement. Borrower shall be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Loans and (2) any outstanding affected Benchmark Loans will be deemed to have been converted into Base Rate Loans at the end of the applicable Interest Period. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of the Base Rate based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of the Base Rate.

(b) Increased Costs. If any Change of Law shall: (i) impose, modify or deem applicable any reserve (including pursuant to regulations issued from time to time by the Federal Reserve Board for determining the maximum reserve requirement (including any emergency, special, supplemental or other marginal reserve requirement) with respect to eurocurrency funding (currently referred to as "Eurocurrency liabilities" in Regulation D of the Federal Reserve Board), special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender or any Issuing Bank; (ii) subject any Recipient to any Taxes (other than Indemnified Taxes and Excluded Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or (iii) impose on any Lender or any Issuing Bank any other condition, cost or expense (other than Taxes) affecting this Agreement or Loans made by such Lender or any Letter of Credit or participation therein; and the result of any of the foregoing shall be to increase the cost to such Lender or such other Recipient of making, converting to, continuing or maintaining any Loan or of maintaining its obligation to make any such Loan, or to increase the cost to such Lender, such Issuing Bank or such other Recipient of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender, Issuing Bank or other Recipient hereunder (whether of principal, interest or any other amount); then, upon request of such Lender, Issuing Bank or other Recipient, the Borrower will pay to such Lender, Issuing Bank or other Recipient, as the case may be, such additional amount or amounts as will compensate such Lender, Issuing Bank or other Recipient, as the case may be, for such additional costs incurred or reduction suffered.

(c) Capital Requirements. If any Lender or Issuing Bank determines that any Change of Law affecting such Lender or Issuing Bank or any lending office of such Lender or such Lender's or Issuing Bank's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's or Issuing Bank's capital or on the capital of such Lender's or Issuing Bank's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by



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80 Second Amended and Restated Credit Agreement or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by any Issuing Bank, to a level below that which such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company could have achieved but for such Change of Law (taking into consideration such Lender's or Issuing Bank's policies and the policies of such Lender's or Issuing Bank's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or Issuing Bank or such Lender's or Issuing Bank's holding company for any such reduction suffered. (d) Compensation for Breakage or Non-Commencement of Interest Periods. The Borrower shall compensate each Lender Party, upon written request by such Lender Party (which request shall set forth the basis for requesting such amounts), for all losses, expenses and liabilities (including any interest paid or payable by such Lender to lenders of funds borrowed by it to make or carry its Loans and any loss, expense or liability sustained by such Lender in connection with the liquidation or re-employment of such funds but excluding loss of anticipated profits) which such Lender may sustain: (i) if for any reason (whether as a result of the failure to satisfy any applicable conditions or otherwise other than a default by such Lender) the borrowing of any Loan does not occur on a date specified therein in the Borrowing Notice; (ii) if any prepayment or other principal payment of any of its Loans occurs on a date prior to the last day of an Interest Period applicable to that Loan (including as a result of any Event of Default); (iii) if any prepayment of any of its Loans is not made on any date specified in a notice of prepayment given by the Borrower; (iv) the conversion of any Loan other than on the last day of the Interest Period applicable thereto (including as a result of an Event of Default); and (v) the assignment of any SOFR Loan other than the last day of the Interest Period applicable thereto as result of a request by the Borrower pursuant to Section 3.10(b). A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such request within ten (10) days after receipt thereof. For the avoidance of doubt, this Section 3.11(d) shall not apply to Taxes. ARTICLE IV. REPRESENTATIONS AND WARRANTIES The Borrower represents and warrants to the Administrative Agent and each Lender Party that the statements set forth in this Article IV are true, correct and complete in all respects as of (a) the Effectiveness Date or (b) the date of each issuance, extension or increase of the Stated Amount of the Letter of Credit during the LC Availability Period pursuant to Section 2.02. SECTION 4.01 Organization, Powers, Capitalization, Good Standing, Business. (a) Organization and Powers. Each Relevant Party and each Sponsor Party is duly organized, validly existing and in good standing under the Laws of its state of formation. Each Relevant Party and each Sponsor Party has all requisite power and authority to own and operate its Properties, to carry on its businesses as now conducted and proposed to be conducted. Each Relevant Party and each Sponsor Party has all requisite power and authority to enter into each Transaction Document to which it is a party and to perform the terms thereof.



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81. Second Amended and Restated Credit Agreement (b) Qualification. Each Relevant Party and each Sponsor Party is duly qualified and in good standing in each state or territory where necessary to carry on its present businesses and operations, except in jurisdictions in which the failure to be qualified and in good standing could not reasonably be expected to have a Material Adverse Effect. SECTION 4.02 Authorization of Borrowing, Acquisition etc. (a) Authority. The Borrower and the Loan Parties have the power and authority to consummate the Acquisitions. The Borrower has the power and authority to incur, and the Loan Parties have the power and authority to guarantee, the Indebtedness represented by the Loans, the Secured Hedging Obligations and the Loan Documents. The execution, delivery and performance by each Loan Party and each Sponsor Party of the Loan Documents and the Acquisition Documents to which it is a party and the consummation of the transactions contemplated thereby have been duly authorized by all necessary limited liability company or other action, as the case may be, on behalf of such Loan Party or Sponsor Party. (b) No Conflict. The execution, delivery and performance by each Relevant Party and each Sponsor Party of the Transaction Documents to which it is a party and the consummation of the transactions contemplated thereby do not and will not: (i) conflict with or result in a violation or breach of the terms of (A) its certificate of formation, limited liability company agreement, operating agreement or other organizational documents, as the case may be; (B) any provision of material Law applicable to it, or (C) any order, judgment or decree of any Governmental Authority binding on it or any of its material Properties; (ii) result in a material breach of or constitute (with due notice or lapse of time or both) a material default under the Transaction Documents or any other material contractual obligation binding upon a Relevant Party or its material Properties; or (iii) result in or require the creation or imposition of any Lien upon its Assets (other than the Liens created under the Collateral Documents). (c) Consents. The execution and delivery by each Relevant Party and each Sponsor Party of the Transaction Documents to which it is a party, and the consummation of the transactions contemplated thereby, do not and will not require any registration with, consent or approval of, or notice to, or other action to, with or by, any Governmental Authority or any other Person (including any Tax Equity Member and their Affiliates) which has not been obtained or made, and each such consent or approval is in full force and effect, in each case, other than consents, approvals, registrations, notices or other action which, if not obtained or made, could not reasonably be expected to have a Material Adverse Effect. (d) Binding Obligations. Each of the Transaction Documents to which a Relevant Party or Sponsor Party is a party has been duly executed and delivered by such Relevant Party or Sponsor Party thereto and is the legally valid and binding obligation of such Relevant Party or Sponsor Party, enforceable against it, in accordance with its respective terms, subject to bankruptcy, insolvency, moratorium, reorganization and other similar Laws affecting creditor's rights.



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82 Second Amended and Restated Credit Agreement SECTION 4.03 Title to Membership Interests. (a) After giving effect to the Acquisitions, the Borrower and its Subsidiaries will have good and valid legal and beneficial title to all of the Membership Interests held by it as identified on Schedule 4.03(e), free and clear of all Liens other than Permitted Liens. All of the issued and outstanding Membership Interests owned by the Borrower and its respective Subsidiaries after giving effect to the Acquisitions have been duly authorized and validly issued and are owned of record and beneficially by the Borrower or its Subsidiaries and were not issued in violation of any pre-emptive right. There are no voting agreements or other similar agreements with respect any such Membership Interests. (b) Other than any independent member of the Borrower, the Pledgors are the sole members of each Borrower, and each Pledgor has good and valid legal and beneficial title to the Borrower Membership Interests as identified on Schedule 4.03(e), free and clear of all Liens other than Permitted Liens. All of the issued and outstanding Borrower Membership Interests have been duly authorized and validly issued and are owned of record and beneficially by the Pledgors and were not issued in violation of any pre-emptive right. There are no voting agreements or other similar agreements with respect to the Borrower Membership Interests. (c) There are no outstanding options, warrants or rights for conversion into or acquisition, purchase or transfer of any of the Membership Interests. Except as identified on Schedule 4.03(c), there are no outstanding options, warrants or rights for conversion into or acquisition, purchase or transfer of any of the membership interests in the Tax Equity Opco. There are no agreements or arrangements for the issuance by any Relevant Party of additional equity interests. (d) Schedule 4.03(d) accurately sets forth the ownership structure of the Relevant Parties owned by the Sponsors after giving effect to the Acquisitions, and after giving effect to the Acquisitions, the Borrower shall have no Subsidiaries other than as shown on Schedule 4.03(d). (e) Schedule 4.03(e) sets forth the name and jurisdiction of incorporation or formation of each Loan Party and the Tax Equity Opco and the percentage of each class of Capital Stock owned by any Loan Party after giving effect to the Acquisitions. SECTION 4.04 Governmental Authorization; Compliance with Laws. (a) No Permit, approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with (i) the execution, delivery or performance by, or enforcement against, any Relevant Party or any Sponsor Party of this Agreement or any other Transaction Document, (ii) the grant by any Loan Party of the Liens granted by it pursuant to the Collateral Documents, (iii) the perfection or maintenance of the Liens created under the Collateral Documents, or (iv) the exercise by the Administrative Agent or any Lender of its rights under the Loan Documents or the remedies in respect of the Collateral pursuant to this Agreement or the Collateral Documents, except for the authorizations, approvals, actions, notices and filings listed on Schedule 4.04, or which are otherwise particular to the identity or character of the Administrative Agent, all of which



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83 Second Amended and Restated Credit Agreement have been duly obtained, taken, given or made and are in full force and effect as of the Effectiveness Date. (b) Each of the Sponsors and the Relevant Parties is, and the business and operations of each such Person and its development, construction and operation of the Projects are, and always have been, conducted in all respects in compliance with all material Laws (including, without limitation, laws with respect to consumer leasing and protection but not including Environmental Laws which are addressed under Section 4.16), and none of the Sponsors or any Relevant Party has received written notice from any Governmental Authority of an actual or potential violation of any such Laws, except as does not constitute or could not reasonably be expected to constitute a Material Adverse Effect. SECTION 4.05 Solvency. No Loan Party or Sponsor Party has entered into any Loan Document with the actual intent to hinder, delay, or defraud any creditor. After giving effect to the issuance of the Loans (and the use of proceeds thereof), the fair saleable value of the Loan Parties' Assets, taken as a whole, exceeds and will, immediately following the making of any Loans, exceed the Loan Parties' total liabilities, including, without limitation, subordinated, unliquidated, disputed and contingent obligations. The fair saleable value of the Loan Parties' Assets, taken as a whole, is and will, immediately following the making of any Loans (and the use of proceeds thereof), be greater than the Loan Parties' probable liabilities, including the maximum amount of its contingent obligations on its debts as such debts become absolute and matured. The Loan Parties' Assets, taken as a whole, do not and, immediately following the making of any Loans (and the use of proceeds thereof) will not, constitute unreasonably small capital to carry out the business of the Loan Parties as conducted or as proposed to be conducted. The Borrower does not intend for it or any of its Subsidiaries to, and does not believe that any such Person will, incur Indebtedness and liabilities beyond its ability to pay such Indebtedness and liabilities as they mature (taking into account the timing and amounts of cash to be received by the Loan Parties and the amounts to be payable on or in respect of obligations of the Loan Parties). SECTION 4.06 Use of Proceeds and Margin Security; Governmental Regulation. (a) No portion of the proceeds from the making of the Loans will be used by the Borrower, a Loan Party, a Sponsor Party or any other Person in any manner that might cause the borrowing or the application of such proceeds to violate Regulation T, Regulation U or Regulation X or any other regulation of the Board of Governors of the Federal Reserve System. The Borrower is not engaged principally, or as one of its principal activities in the business of extending credit for the purpose of purchasing or carrying margin stock (as defined or used in Regulation T, U or X of the Board of Governors of the Federal Reserve System). (b) Each of the Projects is a Qualifying Facility. (c) The Borrower and each of its Subsidiaries is (i) not a "public utility" under the FPA, and (ii) not subject to, or is exempt from, regulation as a "holding company" under PUHCA. (d) The Borrower and each of its Subsidiaries are either not subject to, or are exempt from, regulation as a "public utility," an "electric utility," "electric corporation," or a



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84 Second Amended and Restated Credit Agreement "holding company," or similar terms, under the relevant State's laws or regulations, including state laws and regulations respecting the rates of electric utilities and the financial and organizational regulation of electric utilities. (e) Neither the Borrower nor any of their Subsidiaries are required to register as an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act. (f) Neither the Borrower nor any of their Subsidiaries are subject to regulation under any federal or state statute or regulation that limits their ability to incur indebtedness for borrowed money. (g) Solely as the result of the execution and delivery of the Loan Documents, the consummation of the transactions contemplated by the Loan Documents, or the performance of obligations under the Loan Documents, none of the Lenders will become subject to regulation (i) as a "public utility" under the FPA, (ii) as a "holding company" under PUHCA, or (iii) as a "public utility," an "electric utility," "electric corporation," or a "holding company," or similar terms, under the relevant State's laws or regulations. SECTION 4.07 Defaults; No Material Adverse Effect. (a) No Default or Event of Default has occurred and is not continuing. (b) Since the Effectiveness Date, no event, condition or circumstance has occurred which has resulted in, or could reasonably be expected to result in, a Material Adverse Effect. SECTION 4.08 Financial Statements; Books and Records. (a) Except as set forth on Schedule 4.08, all Financial Statements which have been furnished by or on behalf of any Relevant Party, any Sponsor Party or any of their Affiliates to the Administrative Agent in connection with the Loan Documents have been prepared in accordance with GAAP consistently applied (other than, in the case of the Financial Statements of the Sponsors, where such Financial Statements cannot be prepared in accordance with GAAP due solely to the inability of the Sponsors to determine the fair value of certain subsidiaries related to a prior foreclosure of such subsidiaries by the Sponsors).

and present fairly in all material respects the financial condition of the Persons covered thereby as of the respective dates thereof, subject, in the case of any such unaudited Financial Statements, to changes resulting from audit and normal year-end adjustments, including the absence of footnotes and subject to validation of individual capital accounts in calculating net loss attributable to noncontrolling interests in conformity with GAAP. (b) All books, accounts and files of each Relevant Party are accurate and complete in all material respects, and the Borrower has access to all such books and records and the authority to grant access to such books and records to the Secured Parties. SECTION 4.09 Indebtedness. Except as listed on Schedule 4.09, the Borrower and its Subsidiaries have no outstanding Indebtedness other than (a) the Obligations and other



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85 Second Amended and Restated Credit Agreement Permitted Indebtedness. The Obligations under the Loan Documents constitute Indebtedness of the Borrower and their Subsidiaries secured by a first ranking, priority security interest in the Collateral. As of the Effectiveness Date, no other Indebtedness of the Borrower or their Subsidiaries ranks senior in priority to the Obligations. SECTION 4.10 Litigation; Adverse Facts. There are no judgments outstanding against any Sponsor or any Relevant Party, or affecting any of the Projects or any other Assets or Property of any Relevant Party, nor to the Relevant Parties' Knowledge is there any action, charge, claim, demand, suit, proceeding, petition, governmental investigation or arbitration now pending or threatened against any Sponsor or any Relevant Party, respectively, or any of the Projects that relates to the legality, validity or enforceability of any of the Transaction Documents, the ability of a Secured Party to exercise any of its rights in respect of the Collateral or the Collateral Documents or, other than as set forth on Schedule 4.10, that could reasonably be expected to result in a Material Adverse Effect. SECTION 4.11 Taxes and Tax Status. All U.S. federal, state, local tax returns, information statements and reports, and all other material tax returns, information statements or reports, of the Relevant Parties required to be filed have been timely filed (or any such Person has timely filed for a valid extension and such extension has not expired), and all material Taxes, assessments, fees and other governmental charges (including any payments in lieu of Taxes) upon such Persons and upon their Properties, Assets, income, profits, businesses and franchises, which are due and payable have been timely paid except to the extent the same are being contested in accordance with Section 5.06 and for which adequate reserves are maintained. All such returns, information statements and reports (and all information filed with the Treasury in connection with the application for, and receipt of, a Grant) are true and accurate in all material respects (it being understood that the amount claimed as the fair market value for any Project shall be deemed true and accurate if such amount is consistent with the applicable appraisal and all information provided to the appraiser was true and accurate) and were prepared in substantial compliance with applicable Law. Except for the Projects included in the Fund 12 Opco no Grant has been applied for or obtained with respect to any Project currently owned by a Relevant Party. There are no Liens for Taxes (other than Liens for Taxes not yet due and payable) on any Assets of any Relevant Party. Except as set forth on Schedule 4.11, no unresolved written claim or proposed adjustment (including in connection with an ITC Basis Notification) has been asserted with respect to any Taxes of any Relevant Party. Except as set forth on Schedule 4.11, no waiver or agreement by any Relevant Party is in force for the extension of time for the assessment or payment of any Tax or regarding the application of statute of limitations for any Taxes or tax returns, and no request for any such extension or waiver is currently pending. Except as set forth in Schedule 4.11, there is no pending or, to the Knowledge of the Borrower, threatened audit or investigation by any Governmental Authority of any Relevant Party with respect to Taxes or any Grant. No Relevant Party is a party to or bound by any Tax sharing arrangement with any Person or any other agreement pursuant to which it is liable for the Taxes of another Person (including any Affiliate of a Relevant Party), other than the Tax Equity Documents and any Project Document the primary purpose of which is not the indemnification of income or other material Taxes or the sharing or allocation of income or other material Tax benefits or liabilities. No Relevant Party has any liability for Taxes of any Person under Treasury Regulation Section 1.1502-6 (or any similar provision of state, local, or foreign law) or as a transferee or successor. No power of attorney currently in force has been granted with respect to Taxes of any Relevant Party. No written claim



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86 Second Amended and Restated Credit Agreement has been made by any Governmental Authority and received by any Relevant Party in a jurisdiction where such Relevant Party does not file a tax return that it is or may be subject to taxation in that jurisdiction. No Relevant Party has engaged in any "listed transaction" as defined in Treasury Regulation Section 1.6011-4 or made any disclosure under Treasury Regulation Section 1.6011-4. With respect to each Project that is leased for U.S. federal income tax purposes to a Customer, to the Knowledge of the Borrower, the Customer is not a Tax Exempt Person, except as could not reasonably be expected to have a Material Adverse Effect, when combined with other similar Projects. All property, sales and use taxes imposed upon any Project or the Energy produced by any Project are fully reimbursable by the applicable Customer or have been timely paid. No private letter ruling from the Internal Revenue Service has been obtained or requested by any Relevant Party for any of the transactions contemplated hereunder or under any of the Tax Equity Documents. Each Relevant Party is treated for U.S. federal income tax purposes either as disregarded as an entity separate from its owner (as described in Treasury Regulations Section 301.7701-2(c)(2)(i)) or as a partnership (and not a publicly traded partnership as defined in Section 7704(b) of the Code). Fund 12 Opco is, and since January 1, 2018 has been, treated for U.S. federal income tax purposes as disregarded as an entity separate from its owner (as described in Treasury Regulations Section 301.7701-2(c)(2)(i)). Fund 1 Opco is, and since July 1, 2022 has been, treated for U.S. federal income tax purposes as disregarded as an entity separate from its owner (as described in Treasury Regulations Section 301.7701-2(c)(2)(i)). Each owner of a Relevant Party (or if an owner of a Relevant Party is a disregarded entity, the entity, treated as owning such Relevant Party's assets for federal income tax purposes) is a U.S. Person. Each Relevant Party is not a Tax Exempt Person. No Relevant Party has elected to be treated as an association taxable as a corporation for federal income tax purposes. With respect to state and local property taxes for each Opco, (i) the amount of such taxes assumed in the Base Case Model is reasonable and (ii) to the extent any state or local property tax abatements, exemptions or exclusions are assumed in the Base Case Model (including, for the avoidance of doubt, the property tax exclusion for solar energy systems with respect to the State of California), such state or local property tax abatements, exemptions or exclusions are valid or, if incorrect, would not result in a Material Adverse Effect, such state or local property tax abatements, exemptions or exclusions are valid or, if incorrect, would not result in a Material Adverse Effect. SECTION 4.12 Performance of Agreements. None of the Relevant Parties or the Sponsor Parties are in default in the performance, observance or fulfillment of the Loan Documents or the Wholly-Owned Documents. None of the Relevant Parties or the Sponsor Parties are in material default in the performance, observance or fulfillment of the other Transaction Documents to which they are a party or any of the other obligations, covenants or conditions contained in any material contracts of any such Persons and, to the Knowledge of the Relevant Parties and the Sponsor Parties, no condition exists under such Transaction Documents that, with the giving of notice or the lapse of time or both, would constitute such a material default, other than with respect to the Customer Agreements where such condition (itself or when coupled with other defaults or conditions under such agreements) could not reasonably be expected to have a Material Adverse Effect. SECTION 4.13 Employee Benefit Plans. Neither the Borrower nor any Relevant Parties, or any of their respective ERISA Affiliates, maintains or contributes to, or has any obligation under, any Employee Benefit Plans or Multiemployer Plans. Without limiting the foregoing, the Borrower and its Subsidiaries do not have any employees or former employees and



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87 Second Amended and Restated Credit Agreement do not sponsor, maintain, participate in, contribute to or have any obligations under or liability in respect of any Plan. SECTION 4.14 Insurance. Set forth on Schedule 4.14 is a description of all policies of insurance for the Relevant Parties, including those policies of the Sponsors for the benefit of the Relevant Parties which are required to be maintained pursuant to a Transaction Document (if any), that are in effect as of the Effectiveness Date. Such Insurance Policies conform to the requirements of Section 5.13 and have been paid in full or are not in arrears. No notice of cancellation has been received with respect to such policies and the Relevant Parties and the Sponsor are in compliance in all material respects with all conditions contained in such policies. SECTION 4.15 Investments. Except as permitted under Section 6.07, the Relevant Parties (other than the Pledgors) have no direct or indirect equity interest in any Person which is not also a Relevant Party, including any stock, partnership interest or other equity securities of any other Person. SECTION 4.16 Environmental Matters. To the Borrower's Knowledge, each Project is, and has been developed, constructed and operated, in material compliance with all applicable Environmental Laws and Permits; no notice of violation of such Environmental Laws or Permits has been issued by any Governmental Authority with respect to any Project which has not been resolved; there is no pending or threatened action, charge, claim, demand, suit, proceeding, petition, governmental investigation or arbitration in respect of any Environmental Laws or Permits against any Relevant Party or with respect to any Project; there has been no Release of, or exposure to, any Hazardous Material on, from or related to any Project that has resulted in or could reasonably be expected to result in any material liability or material obligation for any Relevant Party; and no action has been taken by any Relevant Party that would cause any Project not to be in material compliance with all applicable Environmental Laws or Permits pertaining to Hazardous Materials. SECTION 4.17 Project Permits. No Permits are required for the operation of any Project in the ordinary course following the date that it is Placed in Service. SECTION 4.18 Representations Under Other Loan Documents. Each of the Relevant Parties' and the Sponsor Parties' representations and warranties set forth in the (a) other Loan Documents are true, correct and complete in all material respects and (b) Limited Liability Company Agreements and Master Purchase Agreements were true, correct and complete in all material respects when made. SECTION 4.19 Broker's Fee. Except as disclosed on Schedule 4.19, no broker's fee or finder's fee, commission or similar compensation will be payable by or pursuant to any contract or other obligation of any Sponsor Party or Relevant Party with respect to the making of the Loans or any of the other transactions contemplated by the Transaction Documents. SECTION 4.20 Sanctions; Anti-Money Laundering and Anti-Corruption. (a) None of the Relevant Parties nor any of their respective Affiliates nor any director or officer or, to the Knowledge of the Borrower, agent, employee, affiliate or other person acting on behalf of a Relevant Party or any of its Affiliates (i) is a Blocked Person (ii) has been engaged in any



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88 Second Amended and Restated Credit Agreement transaction, activity or conduct that constitutes or could reasonably be expected to give rise to a violation of any Sanctions; and/or (iii) has received notice of, or is otherwise aware of, any claim, action, suit, proceedings or investigation involving it with respect to Sanctions. (b) The operations of each of the Relevant Parties and its Affiliates have been conducted at all times in compliance with applicable anti-money laundering statutes of all applicable jurisdictions, including, without limitation, all money laundering, drug trafficking, terrorist-related activities or other money laundering predicate crimes under the Currency and Foreign Transactions Reporting Act of 1970 (otherwise known as the Bank Secrecy Act), the USA PATRIOT Act or any other United States Law or regulation governing such activities (collectively, "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any court or other Governmental Authority involving a Relevant Party or any of its Affiliates with respect to the Anti-Money Laundering Laws is pending, or to the Knowledge of the Borrower, threatened. (c) None of the Relevant Parties nor any of their respective Affiliates nor any director or officer or, to the Knowledge of the Borrower, agent, employee, affiliate or other person acting on behalf of a Relevant Party or any of its Affiliates (i) is aware of or has taken any action, directly or indirectly, that constitutes or would result in a violation by such person of any applicable Law or regulation related to corruption or bribery of the United States or any non-U.S. country or jurisdiction, including, but not limited to, the U.S. Foreign Corrupt Practices Act of 1977, as amended, and the U.K. Bribery Act 2010, as amended, and the rules and regulations thereunder (collectively, "Anti-Corruption Laws"), including, without limitation, using any corporate funds for any unlawful contribution, gift, entertainment or other unlawful payment to any foreign or domestic government official or employee from corporate funds, and making any bribe, rebate, payoff, influence payment, kickback or other unlawful payment, (ii) is under investigation by any U.S. or non-U.S. Governmental Authority for possible violation of Anti-Corruption Laws, or (iii) has been assessed civil or criminal penalties under any Anti-Corruption Laws. (d) None of the transactions contemplated by the Transaction Documents will violate any Anti-Money Laundering Laws, Anti-Corruption Laws or applicable Sanctions, and the Borrower will not, directly or indirectly, use, contribute or otherwise make available all or any part of the proceeds of the Loans to or for the benefit of any Person for the purpose of financing activities or business of, other transactions with, or investments involving any Blocked Person or Sanctioned Country or in any other manner that constitutes or would give rise to a violation by any Person, including any Lender, of any Anti-Money Laundering Laws, Anti-Corruption Laws or Sanctions. SECTION 4.21 Property Rights. Each Opco owns each photovoltaic system included in a Project acquired by it and owns, or has a contractual right to use or shall have on the date it acquires a Project ownership of or, in the case of access rights to Customer Property, a contractual right to use, all equipment and facilities necessary for the operation of each Project. All equipment and facilities included in the Projects are reasonably expected to be when acquired or contracted for, and as of the Effectiveness Date are, to the Borrower's Knowledge, in good repair and in an operating condition subject to ordinary wear and tear and casualty and are suitable for the purposes for which they are employed, and, to the Knowledge of the Borrower, there was and is no material defect, hazard or dangerous condition existing with respect to any such equipment or facilities except in respect of any material defect, hazard or dangerous condition for



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89. Second Amended and Restated Credit Agreement which the Provider is taking appropriate action in accordance with Prudent Industry Practices and that could not reasonably be expected to have a Material Adverse Effect or a material adverse effect on the ability of the Borrower to perform under the Loan Documents at or above the assumption in the Base Case Model. Each Opco has the requisite real property rights and licenses under the Customer Agreements to which it is party to access, install, operate, maintain, repair, improve and remove its respective Projects and evidence of such real property rights and licenses has been provided to the Administrative Agent. No Relevant Party is the title owner of any real property. SECTION 4.22 Portfolio Documents and Eligible Projects. (a) No Relevant Party is party to any agreement or contract other than (i) the Transaction Documents to which it is a party and (ii) any contract or agreement incidental or necessary to the operation of its business that does not allocate material risk to any Relevant Party and has either a term of less than one year or a value over its term not exceeding \$100,000. (b) All rights to receive the PBI Payments and the related PBI Documents in respect of the Eligible Projects have been assigned to the applicable Opco and all conditions to payment by the PBI Obligor under such PBI Documents have been satisfied and such payments are not subject to any offset. Each PBI Obligor that is not a Governmental Authority meet the Credit Requirements. (c) Each Customer Agreement to which an Opco is a party is an Eligible Customer Agreement. (d) To the Borrower's Knowledge, each Customer Agreement and the origination thereof and the installation of the related Project, in each case, was in compliance in all material respects with applicable Law (including without limitation, all consumer leasing and protection Law) at the time such Customer Agreement was originated and executed and such Project was installed. (e) Except for Customers subject to a Prepaid Customer Agreement, (i) the capacity weighted average RICO® Score of all Customers party to a Customer Agreement is no less than 750 and (ii) no greater than twenty percent (20%) of all Customers party to a Customer Agreement have a capacity weighted average RICO® Score of between 650 and 699. (f) Except as set forth on Schedule 4.23(f), all Portfolio Documents when provided to the Administrative Agent (in each case, including all schedules, exhibits, attachments, supplements and amendments thereto and any related protocols or side letters) are (or will be when provided) true, correct and complete copies of such Portfolio Documents, and as of the Effectiveness Date or any other date when additional Portfolio Documents are provided to the Administrative Agent hereunder, each Portfolio Document (i) has been duly executed and delivered by each Sponsor Party and each Relevant Party thereto (as applicable) and, to the Knowledge of the Borrower, the other parties thereto, (ii) is in full force and effect and is enforceable against each Sponsor and each Relevant Party (as applicable) and, to the Knowledge of Borrower, each other party thereto as of such date, (iii) neither the Sponsors nor any Relevant Party or, to the Knowledge of the Borrower, no other party to such document is or, but for the



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90 Second Amended and Restated Credit Agreement passage of time or giving of notice or both, would be in breach of any material obligation thereunder, except solely with respect to the Project Documents, where such breach (itself or when coupled with other breaches under such Project Documents) could not reasonably be expected to have a Material Adverse Effect, (iv) has no event of force majeure existing thereunder, except solely with respect to the Project Documents, where such event of force majeure (itself or when coupled with other events of force majeure under such Project Documents) could not reasonably be expected to have a Material Adverse Effect, and (v) all conditions precedent to the effectiveness of such documents have been satisfied or waived in writing. (g) The Borrower maintains in its or the applicable Relevant Party's books and records a copy of, to the best of the Borrower's Knowledge, all documentation ancillary to the Customer Agreements, including, with respect to each completed Project: (i) a copy of or access to all of such Project's manufacturer, installer or other warranties; (ii) copies of all PBI Documents and completed and submitted documentation in respect of rebates, if applicable, including the applicable confirmation letters; (iii) a copy of the Project's completed inspection certificate issued by the applicable Governmental Authority; (iv) evidence of permission to operate from the applicable local utility; and (v) evidence that the installer of such Project has been paid in full. (h) The insurance described in Section 5.13 satisfies all insurance requirements set forth in the Portfolio Documents. (i) As of the Effectiveness Date, each Eligible Project is comprised of panels and inverters from an Approved Manufacturer. (j) The Sponsors and Relevant Parties have taken all action in accordance with Prudent Industry Practices to ensure that the manufacturer warranties relating to an Eligible Project are in full force and effect and can be enforced by the applicable Opco and, to the Knowledge of the Borrower and except to the extent the applicable manufacturer is no longer honoring its warranties generally, all manufacturer warranties are in full force and effect. (k) In respect of each Eligible Project, a precautionary fixture filing has been recorded in respect of such Eligible Project or such other similar filing as may be required by applicable law including pursuant to Cal. Pub. Util. Code §§ 2868-2869; provided, however, that (i) certain of such filings may be released from time-to-time in order to assist the applicable Customer in a pending refinancing of such Customer's mortgage loan or sale of home, (ii) such filings may not have been filed or maintained in a manner that would provide priority under applicable law over an encumbrance or owner of the real property subject to the filing, and (iii) fixture filings may not have been made on Projects located on military property. (l) (i) Each Eligible Project is located in a Project State listed on Schedule 4.23(l) and (ii) Eligible Projects in any single Project State (other than California) in the aggregate, do not exceed twenty percent (20%) of the total number of Eligible Projects. (m) With respect to the Tax Equity Opco, each of the Tax Equity Opco Representations is true, complete and correct.



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91 Second Amended and Restated Credit Agreement (n) With respect to each Wholly-Owned Opco, each of the Wholly-Owned Opco Representations is true, complete and correct. (o) The Cash Available for Debt Service included under the Base Case Model from the Project Pool does not include any Operating Revenues other than as derived from Eligible Revenues, includes Operating Expenses from all Projects in the Project Pool and takes into account the impact on Operating Revenues and Operating Expenses from each waiver to eligibility requirements, portfolio criteria or otherwise as provided by a Tax Equity Member. Taking into account all Projects owned by the applicable Opco: (i) each of the fund constraints and limitations set forth in the related Master Purchase Agreement has been satisfied, (ii) any minimum systems in service requirement set forth in such Master Purchase Agreement shall have been achieved, and (iii) each Project met the sale conditions and eligibility representations at the time of sale pursuant to such Master Purchase Agreement or, such requirements referenced in clauses (i), (ii) and/or (iii) were waived or amended and a copy of any such waiver or amendment has been provided to the Administrative Agent. (p) No Projects that are owned by the

Wholly-Owned Opcos are subject to Prepaid Customer Agreements. (q) No Opco has any remaining obligations to purchase Projects under any Master Purchase Agreement. (r) Any and all Projects considered a public work under Article 8 of the NY Labor Law or a building service agreement covered by Article 9 thereof have been constructed in compliance with all State of New York prevailing wage and hours law and regulations.

SECTION 4.23 Security Interests. (a) The Collateral Documents create, as security for the Obligations, valid, enforceable, and, upon the filing of documents and instruments in the proper places and the taking of other required actions (including, without limitation, possession), which have been filed or taken on or prior to the Effectiveness Date, perfected first-priority Liens in the Collateral, in favor of the Collateral Agent, for the benefit of the Secured Parties, subject to no Liens other than Permitted Liens. All consents and approvals necessary or desirable to create and perfect such Liens have been obtained. (b) The descriptions of the Collateral set forth in the Collateral Documents are true, complete, and correct in all material respects and are adequate for the purpose of creating, attaching, and perfecting the Liens in the Collateral granted or purported to be granted in favor of the Collateral Agent for the benefit of the Secured Parties. (c) All filings, registrations, recordings, notices, and other actions that are necessary or required (including delivery to the Collateral Agent of the certificates evidencing the Membership Interests or giving the Collateral Agent control or possession of the Collateral) to perfect the Collateral Agent's Lien on the Collateral have been made or taken or will be made or taken on the date of this representation.



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92 Second Amended and Restated Credit Agreement SECTION 4.24 Intellectual Property. To the best of the Borrower's Knowledge, each Subsidiary owns or holds a valid and enforceable agreement, license, permit, certificate, franchise or other authorization or right to use the technology and intellectual property rights necessary to own, lease, operate, maintain and repair the Projects, and no actions by any Subsidiary that have been performed or are expected to be performed under the Portfolio Documents infringe upon or misappropriate the intellectual property rights of any other Person. SECTION 4.25 Full Disclosure. (a) All written information, including any information contained in any Officer's Certificate, Loan Document (including all schedule, exhibit annexes and other attachments), documents, reports or other written information pertaining to the Relevant Parties, the Portfolio Documents and the Projects (other than any projections or forward-looking statements), together with all written updates of such information from time to time (collectively, the "Information"), that have been furnished by or on behalf of the Borrower to any Secured Party or its advisors or consultants are, as of the date such Information was so furnished (it being understood, without limitation, that the disclosures under the schedules to this Agreement, except where updated in accordance with this Agreement, are furnished as of the Effectiveness Date) and taken as a whole, true and correct in all material respects and do not contain any material misstatement of fact or omit to state a material fact or any fact necessary to make the statements contained therein not materially misleading in light of the circumstances in which they were made. (b) The projections and forward-looking statements, including the Base Case Model, prepared by or as directed by the Borrower that have been made available to any Secured Party (i) have been prepared in good faith based upon assumptions believed by the Borrower to be reasonable as and when such projections or forward-looking statements were prepared and as of the Effectiveness Date, (ii) other than with respect variances to the assumptions as agreed by the Administrative Agent and the Borrower, are generally consistent with each financial model provided to the Tax Equity Members as and when such projections or forward-looking statements were prepared, and (iii) do not include any cash flows other than Eligible Revenues and include all Operating Expenses in respect of all Projects owned by the Opco's. (c) Schedule 4.25(c) sets forth the Tax Equity Documents for the Tax Equity Opco. (d) Schedule 4.25(d) sets forth the Wholly-Owned Documents for each Wholly-Owned Opco. (e) Schedule 4.25(e) sets forth all agreements for the provision of maintenance, operating and administrative services in respect of Projects in the Project Pool. (f) Schedule 4.25(f) sets forth (i) all accounts (other than the Collateral Accounts) maintained by each Relevant Party (other than the Tax Equity Opco) and (ii) each Non-Routine Services Account and each Lockbox Account maintained by the Tax Equity Opco. (g) As of the date delivered, the information included in each Beneficial Ownership Certification is true and correct in all respects.



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93 Second Amended and Restated Credit Agreement SECTION 4.26 Acquisition Documents. There have been no amendments, supplements, modifications or waivers of the Acquisition Documents that would have an adverse impact on the Lenders or the transactions contemplated by this Agreement and the other Loan Documents. SECTION 4.27 Iran Divestment Act. In accordance with Section 2879-c of the Public Authorities Law, by signing this contract, Borrower certifies, for itself and its Affiliates, under penalty of perjury, to the best of their knowledge and belief, that neither the Borrower nor any of its Affiliates is on the list created pursuant to paragraph (b) of subdivision 3 of section 165- a of the New York State Finance Law (see www.ogs.ny.gov/about/regs/ida.asp). ARTICLE V. AFFIRMATIVE COVENANTS The Borrower covenants and agrees that until the Debt Termination Date, it shall perform and comply with all covenants in this Article V applicable to such Person. SECTION 5.01 Financial Statements and Other Reports. (a) Financial Statements and Operating Reports. (i) Annual Reporting. (A) Within one hundred twenty (120) days after the end of each fiscal year of each Sponsor and ESE, the Borrower shall furnish, or cause to be furnished, to the Administrative Agent and each Lender (on a combined consolidated basis for the Sponsors and their Subsidiaries and on a consolidated basis for the Borrower and its Subsidiaries) (x) with respect to the Sponsors copies of unaudited Financial Statements of each Sponsor for such fiscal year and (y) with respect to ESE, copies of audited Financial Statements of ESE. All such Financial Statements shall be prepared in accordance with GAAP consistently applied (other than, in the case of the Financial Statements of the Sponsors, where such Financial Statements cannot be prepared in accordance with GAAP due solely to the inability of the Sponsors to determine the fair value of certain subsidiaries related to a prior foreclosure of such subsidiaries by the Sponsors), and other than in the case of the Financial Statements of the Sponsors, which shall only be required to be management certified, shall be accompanied by an unqualified opinion of such accountants on such Financial Statements which states that such Financial Statements present fairly in all material respects the financial position of the applicable Person and its consolidated Subsidiaries for the period covered by such Financial Statements. All such Financial Statements delivered pursuant to this Section 5.01(a)(i)(A) shall also be accompanied by a certification executed by the applicable Person's chief executive officer or chief financial officer (or other officer with similar duties) to the effect set forth in Section 5.01(a)(vi) (B) Within one hundred twenty (120) days after the end of each fiscal year of the Borrower, the Borrower shall furnish, or cause to be furnished, to



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94 Second Amended and Restated Credit Agreement the Administrative Agent and each Lender copies of the audited Financial Statements of (x) the Borrower (on a consolidated basis for the Borrower and its Subsidiaries) and (y) the Tax Equity Opco. All such Financial Statements shall be prepared in accordance with GAAP consistently applied and shall be audited by an Independent certified public accounting firm of national standing, and shall be accompanied by an unqualified report of such accountants on such Financial Statements which states that such Financial Statements present fairly in all material respects the financial position of the applicable Person and its consolidated Subsidiaries for the period covered by such Financial Statements. All such Financial Statements shall also be accompanied by a certification executed by the applicable Person's chief executive officer or chief financial officer (or other officer with similar duties) to the effect set forth in Section 5.01 5.01(a)(vi). (ii) Quarterly Reporting. Within forty-five (45) days after the end of each of the first three (3) fiscal quarters in each fiscal year of the applicable Person, commencing with the fiscal quarter ended June 30, 2020, the Borrower shall provide to the Administrative Agent and each Lender (on a consolidated basis for the Borrower and its Subsidiaries and on a combined basis for the Sponsors) copies of the unaudited Financial Statements of each of the Sponsors, ESE, the Borrower and each Opco for each such quarter, together with a certification executed by each respective chief executive officer or chief financial officer (or other officer with similar duties) to the effect set forth in Section 5.01(a)(vi). (iii) Portfolio Reporting. (A) The Borrower shall provide to the Administrative Agent a quarterly report (which report the Administrative Agent may provide to the Independent Engineer), no later than forty five (45) days after the end of the fiscal quarter for the combined portfolio in the form attached as Exhibit J (the "Quarterly Portfolio Report"), commencing with the fiscal quarter ended June 30, 2020; (B) The Borrower shall cause its employees and officers to make themselves available during normal business hours at the reasonable request of the Administrative Agent (acting in consultation with the Independent Engineer) to discuss any information disclosed in the Quarterly Portfolio Report, including with respect to (a) Collections, (b) Operating Revenues, Operating Expenses and Cash Available for Debt Service, (c) the fair market value of the equity interests in each Opco, and (d) portfolio production performance. (C) The Borrower shall provide to the Administrative Agent no later than fifteen (15) Business Days after the end of the fiscal quarter of the Borrower, commencing with the fiscal quarter ended June 30, 2020, the amounts standing to the credit of each Non-Routine Services Account (other than the Spruce Non-Routine Services Account) as of the end of such fiscal quarter together with a summary of all deposits and withdrawals from such accounts during the three month period ending on the last day of such fiscal quarter.



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99 Second Amended and Restated Credit Agreement (iv) Provider Reporting. The Borrower shall cause the Provider to provide to the Administrative Agent and the Independent Engineer each quarterly operating report as permitted by the Tax Equity Members, required pursuant to Maintenance Services Agreements at such time and in such manner as provided therein. The Borrower shall cause the Provider and its employees and officers to make themselves available during normal business hours at the reasonable request of the Administrative Agent or the Independent Engineer to discuss any information disclosed in such reports, including with respect to inverter failures. (v) Debt Service Coverage Ratio Certificate. No later than eight (8) Business Days prior to each Payment Date, the Borrower shall provide to the Administrative Agent a Debt Service Coverage Ratio Certificate. The Administrative Agent (including on the instructions of any Lender) may notify the Borrower in writing of any suggested corrections to a Debt Service Coverage Ratio Certificate (the "Administrative Agent DSCR Comments") regarding any inconsistencies with the terms of this Agreement, no later than five (5) Business Days following receipt of a Debt Service Coverage Ratio Certificate. The Borrower shall incorporate into the Debt Service Coverage Ratio Certificate all Administrative Agent DSCR Comments that are consistent with the terms of this Agreement and deliver to the Administrative Agent a revised Debt Service Coverage Ratio Certificate no later than three (3) Business Days following the date of the Borrower's receipt of the Administrative Agent DSCR Comments. The calculations of the Debt Service Coverage Ratios and other information provided in respect of Debt Service Coverage Ratio Certificate hereunder shall be used in determining deposits to and releases from the Collections Account or the Distribution Trap Account, as applicable, for the purposes of making any Restricted Payments by the Borrower. If the Borrower fails to produce the information and calculations relating to the Debt Service Coverage Ratios and Debt Service Coverage Ratio Certificate required to be produced pursuant to this Agreement, then, until such time as such information and calculations are provided, no funds shall be released for the purposes of making any Restricted Payments by the Borrower. (vi) Certifications of Financial Statements and Other Documents. Together with the Financial Statements provided to the Administrative Agent pursuant to Sections 5.01(a)(i) and (ii), the Borrower shall also furnish to the Administrative Agent certifications upon which the Administrative Agent may conclusively rely in the form of Exhibit H, executed by the respective chief executive officer or chief financial officer (or other officer with similar duties) of the applicable Sponsor and applicable Relevant Party (as applicable) certifying that such Financial Statements fairly present the financial condition and results of operations of the applicable Sponsor and applicable Relevant Party (as applicable) on a consolidated basis for the period(s) covered thereby in accordance with GAAP (subject, in the case of any such unaudited Financial Statements, to changes resulting from audit and normal year-end adjustments, including the absence of footnotes and subject to validation of individual Subsidiary capital accounts in calculating net loss attributable to non-controlling interests in conformity with GAAP).



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96 Second Amended and Restated Credit Agreement (b) Material Notices. The Borrower shall promptly, but in no event later than five (5) Business Days after the earlier of its or any Subsidiary's receipt or Knowledge thereof, deliver, or cause to be delivered, to the Administrative Agent: (i) copies of all notices given or received with respect to a default or any event of default under any term or condition of or related to any Permitted Indebtedness; (ii) copies of any and all notices of a default, breach or termination by any party under (A) any Transaction Document (other than a Project Document) or (B) any Project Document, which default, breach or termination under any Project Document (itself or when coupled with other breaches under any Project Document) could reasonably be expected to have a Material Adverse Effect; (iii) notice of the occurrence of any event or circumstance that has, or could reasonably be expected to have, a Material Adverse Effect; (iv) notice of any (A) fact, circumstance, condition or occurrence at, on, or arising from, any Project that results or could reasonably be expected to result in material noncompliance with or a material liability or material obligation under any Environmental Law, (B) Release of Hazardous Materials on, from or related to any Project that has resulted in or could reasonably be expected to result in personal injury or material Property damage or in any material liability or material obligation for any Relevant Party, or (C) pending or, to the Borrower's Knowledge, threatened action, charge, claim, demand, suit, proceeding, petition, governmental investigation or arbitration in respect of any Environmental Laws against it or arising in connection with occupying or conducting operations on or at any Project therefor; (v) copies of all material notices, documents or reports received or sent by the Borrower, a Sponsor or any other Relevant Party pursuant to any Tax Equity Document, which shall include (without limitation) any capital contribution notice and notices, documents or reports in relation to (A) any call option, buy-out right, withdrawal right or put option, (B) the achievement of any flip or cash reversion dates under a Limited Liability Company Agreement, (C) true-up requirements (including, without limitation, any true-up report regarding interim and final true-ups), (D) the transfer of membership interests, (E) claims against any Sponsor Party or any Relevant Party under any indemnity, (F) the threatened or actual removal of Fund IV Holdco as a managing member, (G) any updates to financial models prepared by or in respect of an Opco, (H) stop deployment events, any deficient class or deficient Projects or otherwise in relation to Projects owned by an Opco being Placed in Service or material correspondence on other eligibility criteria in the Tax Equity Documents for any Tax Equity Opco and (I) dispute resolution or independent review under the terms of any Tax Equity Document (in each case including, without limitation, in relation to the loss, reduction, recapture or disallowance of any Grant or ITC awarded or claimed, as applicable, with respect to any Project, any Projects being Placed in Service, any appraisal procedure and any material dispute in relation to Tax matters, Grants or ITCs).



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97 Second Amended and Restated Credit Agreement (vi) notice of any event which would require a mandatory prepayment under Section 3.03(a); (vii) notice that any insurance required to be maintained pursuant to the Tax Equity Documents or the Loan Documents has been, or, to the Knowledge of the Borrower, is threatened to be, cancelled; (viii) any proposed amendment, supplement, modification or waiver to, or assignment or transfer in respect of, a Portfolio Document (other than any Customer Agreement) or the organizational documents of a Relevant Party at least five (5) Business Days prior to entry thereto; (ix) copies of any amendment, supplement, waiver or other modification to a Portfolio Document or the organizational documents of a Relevant Party (provided that such documents in respect of the Customer Agreements may be provided on a quarterly basis but no later than forty-five (45) days after the end of March, June, September and December); and (x) notice of any Serial Defect and each recall notice issued in respect of, or any other material communications related to an actual or potential Serial Defect from any manufacturer of any inverter included in an Eligible Project. (xi) notice that any Project component used in respect of the Projects owned by the Opco is not covered by an Acceptable Warranty or any other material communications related to an actual or loss of an Acceptable Warranty from any manufacturer of any equipment included in any Projects owned by the Opco. (xii) notice of any Warranty Event or any other material communications related to an actual or potential Warranty Event from any manufacturer of any inverter included in any Projects owned by the Opco. (xiii) any change in the information provided in any Beneficial Ownership Certification that would result in a change to the list of beneficial owners identified in parts (c) or (d) of such certification. (c) Performance Tracking. The Borrower shall cause Fund IV Holdco to make themselves available during normal business hours at the reasonable request of the Administrative Agent (acting on the instructions of the Required Lenders) to discuss the basis for any calculations, including the interpretation and application of the calculation rules, conventions and procedures under the applicable Limited Liability Company Agreement. At any time during the occurrence of any Event of Default or a Distribution Trap, the Administrative Agent may submit the latest Tax Equity Opco Model for the Tax Equity Opco, together with the exhibits or supplemental information thereto, to a model auditor selected by the Administrative Agent for its review at the sole cost and expense of the Borrower. (d) Major Decisions. The Borrower shall promptly, but in no event later than five (5) Business Days prior to any vote or approval in respect of a Major Decision, deliver, or cause to be delivered, to the Administrative Agent written notice describing the issue to be decided.



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98 Second Amended and Restated Credit Agreement by vote or approved together with copies of all correspondence received and sent with respect to that Major Decision. (e) Operating Budgets. (i) The Borrower shall prepare, or cause to be prepared, for each fiscal year of the Borrower and each of its Opco's an operating and capital expense budget setting forth the anticipated revenues, and Operating Expenses (including expenses for Non-Routine Services and Non-Agreed System Services) of each Relevant Party for such fiscal year. The Operating Budget for 2023 (taking into account the Tredgar Solar Acquisition) is attached as Exhibit I hereto. For each succeeding fiscal year (commencing with 2024), the Borrower shall, not later than thirty (30) days prior to beginning of such fiscal year, submit a proposed Operating Budget to the Administrative Agent for its approval (acting on the instructions of the Required Lenders); provided that the approval of the Administrative Agent shall be deemed to be given if (A) the Operating Expenses set forth in the proposed Operating Budget do not exceed 10% in the aggregate over the amount budgeted for such Operating Expenses of the Borrower and its Opco's in the then-current Base Case Model for the applicable year and (B) such proposed Operating Budget is otherwise consistent with the then-current Base Case Model for the applicable year. (ii) The Borrower shall, and shall cause Fund IV Holdco to, deliver to the Administrative Agent (I) each operating budget submitted to and approved by the Tax Equity Members in respect of its Tax Equity Opco, as required under the applicable Limited Liability Company Agreement and (ii) when available, any amendments to such operating budget, together with all notices or correspondence regarding the approval of such operating budget (if applicable) by the relevant Tax Equity Member; provided that the approval of the Administrative Agent shall be deemed to be given if the Non-Routine Services and Non-Agreed System Services included in such operating budgets do not collectively exceed the greater of (x) 10% in the aggregate over the amount budgeted for Operating Expenses in respect of the Tax Equity Opco in the then-current Base Case Model for the applicable year and (y) \$50,000 and (B) such operating budgets are otherwise consistent with the then-current Base Case Model for the applicable year. (f) Inverter Reporting. On or prior to the Calculation Date ending December 31, 2020, and annually thereafter, the Borrower shall submit to the Administrative Agent a list of all inverter manufacturers and models, together with the distribution of such equipment across each Opco and inverter failures and warranty information, for an annual review of which the Borrower has Knowledge (together, the "Inverter Review Information"). The Administrative Agent may consult with the Independent Engineer regarding the Inverter Review Information at the Borrowers' sole cost and expenses and the Borrower shall make itself and its officers and employees available during normal business hours to the Independent Engineer, at the reasonable request of the Administrative Agent, to discuss the Inverter Review Information.



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99 Second Amended and Restated Credit Agreement (h) Data Site. Notwithstanding anything contained to the contrary herein, all reporting and notice obligations of the Borrower under this Section 5.01 may be satisfied by posting any applicable reports, notices or other materials to an Intralinks data site or such other data site designated by the Borrower that is reasonably acceptable to the Administrative Agent and the Required Lenders and to which the Administrative Agent shall have control and the Lenders and the Independent Engineer have been granted access. SECTION 5.02 Notice of Events of Default. The Borrower shall give the Administrative Agent prompt written notice of (a) each Default of which it obtains Knowledge and each Event of Default hereunder and (b) each default on the part of any party to the other Transaction Documents (other than the Customer Agreements where such breach (itself or when coupled with other breaches under such agreements) could not reasonably be expected to have a Material Adverse Effect). SECTION 5.03 Maintenance of Books and Records. The Borrower shall, and shall cause each of its Subsidiaries to, maintain and implement, administrative and operating procedures reasonably necessary in the performance of their obligations hereunder, and the Borrower shall, and shall cause its Subsidiaries to, keep and maintain at all times, or cause to be kept and maintained at all times, all documents, books, records, accounts and other information reasonably necessary or advisable for the performance of their obligations hereunder to the extent required under applicable Law. SECTION 5.04 Litigation. The Borrower shall give the Administrative Agent prompt written notice upon it or any Relevant Party receiving or obtaining: (a) notice of any pending or threatened (in writing) litigation, investigation, action or proceeding of or before any court arbitrator or governmental Authority affecting a Sponsor Party, the Borrower or any Relevant Party that, if adversely determined, could reasonably be expected to result in: (i) liability to the Borrower or a Relevant Party in an aggregate amount exceeding \$1,000,000, or an aggregate amount with all other such claims exceeding \$3,000,000; (ii) injunctive, declaratory or similar relief against the Borrower or a Relevant Party; or (iii) a Material Adverse Effect; (b) Knowledge of any material development in any action, suit, proceeding, governmental investigation or arbitration at any time which is pending against or affecting any of the Sponsor Parties, the Borrower or any Relevant Party and could reasonably be expected to have a Material Adverse Effect. SECTION 5.05 Existence; Qualification. The Borrower shall, and shall cause each of its Subsidiaries to, at all times preserve and keep in full force and effect its existence as a limited liability company and all rights and franchises material to its business, including its qualification



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100 Second Amended and Restated Credit Agreement to do business in each state where it is required by Law to so qualify, except to the extent that the failure to be so qualified could not reasonably be expected to have a Material Adverse Effect. SECTION 5.06 Taxes. The Borrower shall, and shall cause each of the other Relevant Parties to, maintain its classification as a partnership or disregarded entity for U.S. federal income tax purposes as represented in Section 4.11 and shall not recognize any transfer of an ownership interest in the Borrower if the direct owner either (a) is not a U.S. Person or (b) is a Tax Exempt Person. The Borrower shall, and shall cause each of the other Relevant Parties to, pay, or cause to be paid, as and when due and prior to delinquency, all material Taxes, assessments and governmental charges of any kind that may at any time be lawfully due or levied against or with respect to such Person or any Project (including, in each case, all material Taxes, assessments and charges lawfully made by any Governmental Authority for public improvements that may be secured by a Lien on such Project); provided, however, that the Borrower or other Relevant Party may, by appropriate proceedings, contest or cause to be contested in good faith any such Taxes, assessments and other charges and, in such event, may, if permitted by applicable Laws, permit the Taxes, assessments or other charges so contested to remain unpaid during any period, including appeals, when the Borrower or other Relevant Party is in good faith contesting or causing to be contested the same by appropriate proceedings, so long as (a) appropriate segregated cash reserves have been established to pay any such Tax, assessments or other charges, accrued interest thereon and potential or other costs related thereto in accordance with GAAP, (b) enforcement of the contested Tax, assessment or other charge is effectively stayed pursuant to applicable Laws for the entire duration of such contest, and (c) any Tax, assessment or other charge determined to be due, together with any interest or penalties thereon, is promptly paid after resolution of such contest. In the event that any "imputed underpayment" (within the meaning of Section 6225 of the Code) is assessed or imposed against Fund IV Holdco, the Borrower shall, to the extent permitted under applicable Law, (A) cause Fund IV Holdco to make an election under Section 6226 of the Code to make Section 6225 of the Code inapplicable to the imputed underpayment and (B) follow the procedures required pursuant to the Code and the Treasury Regulations in connection therewith. SECTION 5.07 Operation and Maintenance. The Borrower shall, and shall cause each of its Opcos and the Provider to, keep each Project in good operating condition consistent in all material respects with the applicable Portfolio Documents, all other agreements with respect to the Project (including any provisions of any manufacturer, installer or other warranties), Prudent Industry Practices and requirements of Law, and make or cause to be made all repairs necessary to keep such Projects in such condition (ordinary wear and tear excepted). With respect to replacements of panels or inverters of any Project, the Borrower shall, and shall cause each of its Opcos and the Provider to, use equipment manufactured by an Approved Manufacturer. SECTION 5.08 Preservation of Rights; Maintenance of Projects; Warranty Claims; Security. (a) The Borrower shall, and shall cause each of its Subsidiaries to, (i) perform and observe its material obligations under the Portfolio Documents, and to, which such Relevant Party is a party and (ii) to preserve, protect and defend its (or its Subsidiary's) material rights, under such Portfolio Documents, including prosecution of suits to enforce any right of such Relevant Party thereunder and enforcement of any claims with respect thereto. The Borrower



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101 Second Amended and Restated Credit Agreement shall, and shall cause its of its Subsidiaries to, cause the Provider to maintain any Permits as may be required in connection with the maintenance, repair or removal of any Project. (b) The Borrower shall, and shall cause each of its Subsidiaries to, or shall cause the Provider (as appropriate) to, on behalf of the applicable Subsidiary, pursue warranty claims related to a Project's photovoltaic panels, inverters or other material components in accordance with the terms of the applicable warranty, unless the Administrative Agent waives such requirement in writing. (c) The Borrower shall, and shall cause each Loan Party to, execute and deliver from time to time such other documents as shall be necessary or advisable, or that the Administrative Agent or Collateral Agent may reasonably request, in connection with the rights and remedies of the Secured Parties granted by or provided for in the Loan Documents and to perform the transactions contemplated therein. (d) The Borrower shall, and shall cause each Loan Party to (i) take all actions as may be necessary or advisable, or that the Administrative Agent may reasonably request, to establish, maintain, protect, perfect and continue the perfection or the first-priority status (subject to Permitted Liens) of the security interests created (or purported to be created) by the Collateral Documents and (ii) furnish timely notice of the necessity of any such action together with such instruments, in execution form (if applicable), and such other information as may be required or reasonably requested to enable any appropriate Person to effect any such action. Without limiting the generality of the foregoing, the Borrower shall, at its own expense, (A) execute and deliver or cause to be executed and delivered, acknowledge or cause to be acknowledged, file or cause to be filed or record or register or cause to be recorded or registered, or take any other action or cause any other action to be taken with respect to, such notices, statements, instruments and other documents (including any memorandum of lease or other agreement, UCC financing statement or amendment or continuation statement, certificate of title or estoppel certificate, fixture filings and mortgages or deeds of trust) in all places necessary or advisable to establish, maintain, protect and perfect, and ensure the priority of, such security interests and in all other places that the Administrative Agent or any Lender shall reasonably request, (B) discharge all other Liens (other than Permitted Liens) or other claims adversely affecting the rights of the Secured Parties in the Collateral or the pledged interests and (C) deliver or publish all notices to third parties that may be required to establish or maintain the validity, perfection or priority of any Lien created pursuant to this Agreement or the Collateral Documents. (e) Without limiting its obligations under the foregoing clauses (c) and (d), the Borrower shall, and shall cause each Loan Party to, take actions necessary or advisable (including filing, registering and recording all necessary instruments and documents and paying all fees, taxes, levies, imposts and periodic expenses in connection therewith), or that the Administrative Agent may reasonably request, to (i) create security arrangements, including as applicable, the establishment of a pledge or the perfection of any Lien or, as applicable, the enforceability of a Lien as against such Subsidiary and any subsequent lienor (including a judgment lienor), holder of a charge, or transferee for or not for value, in bulk, by operation of Law, or otherwise, in each case granted, with respect to all future Assets in accordance with the requirements of all applicable Laws, or the Law of any other jurisdiction, as applicable, (ii) maintain the security and pledges created by this Agreement and the Collateral Documents in full force and effect at all times



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102 Second Amended and Restated Credit Agreement (including, as applicable, the priority thereof), and (iii) preserve and protect the Collateral and Membership Interests and protect and enforce its rights and title and the rights and title of the Secured Parties, to the security created by this Agreement and the Collateral Documents. (f) The Borrower shall take all reasonable actions to maintain the filings referenced in Section 4.22(k) pursuant to applicable Laws. (g) Without limitation to Section 5.22, simultaneously with the purchase or cancellation of the outstanding "class A" membership interests of an Opco or any membership interests held by a Tax Equity Member in such Opco (whether pursuant to purchase, call, put or withdrawal option), the Borrower shall, and shall cause Fund IV Holdco and Fund IV Opco to deliver such new and amended Collateral Documents and standing instructions and associated amendments to the Loan Documents as requested by the Administrative Agent (including, without limitation, an accession and joinder to the Guaranty and Security Agreement to provide a guaranty of the Obligations and a security interest for the Obligations over all Assets of the applicable Opco, a deposit account control agreement to perfect such security interest in such Opco's Lockbox Account and Non-Routine Services Account, standing instructions for the deposit of the revenues of such Opco into the Collections Account, amendments to reflect such Opco as a wholly owned subsidiary of the Borrower and other amendments in respect of account mechanics, contracting, budgeting and payment provisions regarding the operation and maintenance of such Opco, transition management or backup servicing arrangements for such Opco and the removal of prepaid systems from the ownership of the Relevant Parties) in a form and of substance reasonably acceptable to the Administrative Agent. (h) Upon an Opco becoming a Wholly-Owned Opco as a result of the purchase or cancellation of the membership interests held by a Tax Equity Member as described in clause (g) above, the Borrower shall ensure that any Maintenance Service Agreement and Backup Servicer Agreement to which such Opco is a party shall be substantially in the form as those entered into by a Wholly-Owned Opco on the Effectiveness Date and shall provide for the Wholly-Owned Opco to have a right to terminate such agreements for Provider default, and transition to a replacement Provider under the Backup Servicer Agreement, upon the occurrence of a Servicer Termination Event hereunder. SECTION 5.09 Compliance with Laws; Environmental Laws. The Borrower shall, and shall cause each of its Subsidiaries to (a) comply in all material respects with, and conduct its business and operations in compliance in all material respects with, all applicable Laws (including Environmental Laws, consumer leasing and protection Law and any federal, state or local regulatory Laws) and Permits, and (b) procure, maintain in full force and effect and comply in all material respects with all Permits by the date such Permit is necessary or required to have been obtained under applicable Law. SECTION 5.10 Energy Regulatory Laws. The Borrower shall, and shall cause each of its Subsidiaries to, take all necessary actions to maintain (a) the status of each Project as a Qualifying Facility, and (b) the Borrower's and each of its Subsidiary's exemptions from (i) the FPA, as provided in FERC's regulations at 18 C.F.R. § 292.601(c), including the exemption from regulation under Sections 205 and 206 of the FPA as provided in § 292.601(c)(1), (ii) PUHCA, as provided in FERC's regulations at 18 C.F.R. § 292.602(b), and (iii) certain state laws and



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103 Second Amended and Restated Credit Agreement regulations respecting the rates of electric utilities and the financial and organizational regulation of electric utilities, as provided in FERC's regulations at 18 C.F.R. § 292.602(c). SECTION 5.11 Interest Rate Hedging. On the Effectiveness Date, the Borrower shall enter into and thereafter maintain Interest Rate Hedging Agreements on a pro rata basis with the Lenders or Affiliates thereof who elect to participate as Secured Hedge Providers (in each case, documented pursuant to ISDA agreements reasonably satisfactory to the Administrative Agent) to the extent necessary to provide that at least 75%, but in no event greater than 100%, of the aggregate principal amount of Term Loans outstanding or projected to be outstanding are subject to either a fixed interest rate, or other interest rate protection acceptable to the Administrative Agent, through the Hedge Profile Repayment Date. SECTION 5.12 Payment of Claims. (a) Except for those matters being contested pursuant to clause (b) below, the Borrower shall, and shall cause the other Relevant Parties to, pay (i) all claims (including claims for labor, services, materials and supplies) for sums that have become due and payable and that by Law have or may become a Lien upon any of its Properties or Assets (hereinafter referred to as the "Claims") and (ii) all U.S. federal, state, local and non-U.S. income Taxes, sales Taxes, excise Taxes and all other Taxes and assessments of the Relevant Parties on their businesses, income, profits, franchises or Assets, in each instance before any penalty or fine is incurred with respect thereto; provided that, without limiting the Cash Diversion Guarantors' obligations under the Cash Diversion Guaranty, the foregoing shall not be deemed to require that a Relevant Party pay any such Tax or other liability that is imposed on a Customer or that such Customer is contractually obligated to pay, and the term "Claims" shall be construed accordingly. (b) The Borrower shall not be required to pay, discharge or remove any Claim relating to any Project that it is otherwise obligated to pay, discharge or remove so long as the Borrower contests (or causes to be contested) in good faith such Claim or the validity, applicability or amount thereof by an appropriate legal proceeding which operates to prevent the collection of such amounts and the sale of the applicable Project, so long as no Event of Default shall have occurred and be continuing and the Borrower has provided the Administrative Agent with evidence that the Borrower is maintaining adequate reserves in accordance with GAAP to pay, discharge or remove such Claim. SECTION 5.13 Maintenance of Insurance. (a) Until the Debt Termination Date, the Borrower shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained by the Provider pursuant to the Portfolio Documents, and provide the Administrative Agent with acceptable evidence (in form and substance reasonably satisfactory to the Administrative Agent) of the existence of, the types and amounts of insurance listed below with respect to the activities of its representatives in connection with this Agreement (collectively, the "Insurance Policies") with reputable insurers rated at least A-, X by A.M. Best and "A" or higher by S&P or otherwise acceptable to the Administrative Agent, acting reasonably. In addition, the Borrower and the Relevant Parties shall take all necessary action to maintain any insurance that each such Relevant Party or Sponsor is required to maintain pursuant to the terms and conditions of the Transaction Documents.

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104 Second Amended and Restated Credit Agreement following terms and conditions apply with respect to property and liability insurance maintained by or on behalf of the Borrower or the Relevant Parties with respect to the Projects: (i) All-Risk Property / Builders Risk. "All-Risk" property, as such term is used in the insurance industry, including coverage for mechanical and electrical breakdown (or "electrical arcing") plus resulting or ensuing damage arising out of design error, faulty workmanship or faulty materials, the perils of flood and earthquake, windstorm (named or unnamed), hail, lightning strike, riot and civil commotion, sabotage (non-terrorism but excluding acts of a named Insured), resulting damage caused by extremes of temperature, vandalism and malicious mischief, subject to terms and conditions that are consistent with current industry practice and acceptable to the Administrative Agent. Coverage shall be maintained in an amount that is not less than the greater of: (i) the maximum total replacement cost value of Eligible Projects at risk for any one occurrence on a per occurrence basis, (ii) such other per occurrence and/or aggregate limits required by the Administrative Agent and that are sufficient to comply with the requirements of the Transaction Documents or (iii) an amount that (A) is supported by a probable maximum loss (or "PML") analysis performed by Beecher Carlson that is in a form and substance acceptable to the Administrative Agent in consultation with the Insurance Consultant and (B) is sufficient to comply with the requirements of the Transaction Documents; provided, that coverage for the residential photovoltaic systems shall be included under an installation floater or other similar coverage (whether under the same policy required in this Section 5.13(a) or a separate policy) until the residential photovoltaic systems are fully constructed, tested and commissioned in an amount equal to the full replacement cost value of Assets. All responsibility for verification of compliance with the Transaction Documents shall rest solely with the Borrower. Sub-limits are permitted with respect to the following perils: (A) inland transit (i) with a limit consistent with the replacement cost values at risk, if any, at all times or (ii) with such other limit in an amount not less than the amount approved by the Administrative Agent in consultation with the Insurance Consultant; (B) offsite storage with a (i) limit consistent with the replacement cost values at risk, if any, at all times or (ii) with such other limit in an amount not less than the amount approved by the Administrative Agent in consultation with the Insurance Consultant; (C) earthquake and/or earth movement insurance (including California earthquake) with limits not less than: (i) than (i) 100% of the 1-in-500- year event as determined by the PML study inclusive of business interruption or (ii) such other amount approved by Administrative Agent in consultation with the Insurance Consultant; (D) flood insurance for both hazardous and non-hazardous zones with limits not less than: (i) the total insured value of Eligible Projects on a per occurrence and annual aggregate basis or (ii) such other amount required by the Administrative Agent in consultation with the Insurance Consultant.



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105 Second Amended and Restated Credit Agreement (E) named windstorm insurance with limits not less than (i) 100% of the 1-in-500-year event as determined by the PML study inclusive of business interruption or (ii) such other amount approved by Administrative Agent in consultation with the Insurance Consultant; (F) such other coverages acceptable to the Administrative Agent that are customarily sub-limited and/or aggregated in reasonable amounts consistent with current industry practice with respect to similar risks and acceptable to the Administrative Agent, including a limit of not less than \$5,000,000 per occurrence for newly acquired property when coverage is provided on a reporting form basis; and (G) Business Interruption Insurance, following all perils required and insured above under Section 5.13(a)(i) including mechanical or electrical breakdown and inland transit perils, with limits and terms and conditions approved by the Administrative Agent (including all revenues derived from any renewable attribute of such Projects (including without limitation, any REC that is owned or sold) less non-continuing expenses). Contingent business interruption shall also be included with a limit and on terms and conditions acceptable to the Administrative Agent to the extent such exposure exists. If coverage is subject to an indemnification period, such period shall not be less than twelve (12) months; The deductible or waiting period shall not exceed ten (10) days, except thirty (30) days for earthquake, flood and windstorm unless otherwise approved by the Administrative Agent in consultation with the Insurance Consultant. Such policy shall include: (a) an automatic reinstatement of limits following each loss (except for the perils of earthquake, pollution cleanup, flood and windstorm (as provided for above)), (b) replacement cost (or functional replacement cost) valuation coverage with no deduction for depreciation and no coinsurance clauses (or a waiver thereof), and (c) mechanical and electrical breakdown insurance including coverage for resulting damage with respect to consequence of design, workmanship or material defect on a replacement cost (or functional replacement cost) basis with limits acceptable to the Administrative Agent. All such policies may have deductibles of not greater than \$10,000 on a per location

basis and a maximum of \$250,000 for any single event, except 5% of the value of property suffering damage, subject to a maximum of \$500,000 for earthquake and/or earth movement, and named windstorm, or as otherwise agreed by the Administrative Agent in consultation with the Insurance Consultant. (ii) Automobile Liability. Automobile liability for any owned, leased, non-owned and hired automobiles for both bodily injury and property damage in accordance with statutory legal requirements, with combined single limits of no less than \$1,000,000 per accident with respect to bodily injury, property damage or death; provided that if a Provider, Manager, or the Borrower hires or leases any non-owned automobile, then contingent liability for such hired, leased and non-owned automobiles may be



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106 Second Amended and Restated Credit Agreement obtained through endorsement to the general liability policy above. Deductibles in excess of \$25,000 shall be subject to review and approval by the Administrative Agent. (iii) Commercial General Liability. Commercial general liability insurance, written on "occurrence" policy form, including coverage for premises/operations, products/completed operations, property damage, blanket contractual liability, and personal injury, with no exclusions for explosion, collapse and underground perils, wildfire, or fire, with primary coverage limits of no less than \$1,000,000 any one occurrence for injuries or death to one or more persons or damage to property including products and completed operations and an annual aggregate limit of not less than \$2,000,000. The commercial general liability policy shall also include a severability of interests clause and insure punitive damages to the extent commercially available and allowed by applicable Law. Deductibles in excess of \$25,000 shall be subject to review and approval by the Administrative Agent. (iv) Excess/Umbrella Liability. Excess/Umbrella liability in excess of the Automobile Liability and Commercial General Liability limits indicated above with limits not less than \$20,000,000 per occurrence and \$20,000,000 in the annual aggregate. Such coverage shall be on a per occurrence basis and shall include drop down provisions in the event of exhaustion of the underlying limits or aggregates and apply on a following form basis to the primary policies required in Section 5.13(a)(ii) and (iii) above. If the policy or policies provided under this these aggregate limits are reduced by more than \$5,000,000 during the applicable policy term by any one or more incidents, occurrences, claims, settlements or judgments against such insurance which has caused the insurer to establish a reserve, the Borrower shall take immediate steps to restore such aggregate limits or shall provide other equivalent insurance protection approved by the Administrative Agent. Administrative Agent shall have the right to reevaluate and increase the limits of umbrella or excess liability insurance required in this Section 5.13(a)(iv) on an annual basis. (v) Contractors and Subcontractors. The Borrower shall use commercially reasonable efforts to require contractors and subcontractors with which it has a direct contractual relationship, if any, that will be performing construction, operations and maintenance or other on-site work on its behalf (as applicable), to obtain and maintain the types of insurance required in Section 5.13(a)(ii) and (iii) above in amounts that are customary for contractors and subcontractors performing similar work and operations. (b) With respect to all property insurance (including any excess or difference in conditions policies, if applicable) required pursuant to Section 5.13(a): (i) The Borrower, the Relevant Parties and each of their members shall be included as either the "named insured" or an additional "insured"; (ii) The Borrower hereby waives, and shall cause the Relevant Parties and each of their members to waive, any rights of subrogation against the Secured Parties and shall cause any such property insurance Policies to include or be endorsed to include a waiver of subrogation in favor of the Secured Parties.



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107 Second Amended and Restated Credit Agreement (iii) Such property insurance shall include the following severability of interest and non-vitiating wording (or such other similar wording acceptable to the Administrative Agent): "This Policy shall apply as if a separate policy had been issued to each insured provided that the total liability of the insurer to all parties collectively shall not exceed the sums insured and limits and sublimits of liability specified in the Schedule, elsewhere in the Policy, or endorsed thereto. A vitiating act committed by one insured party shall not prejudice the right to indemnity of any other insured party who has an insurable interest and who has not committed a vitiating act." (iv) The Secured Parties shall be included as additional insureds on all such Insurance Policies insuring Wholly-Owned Opcos. (v) The Collateral Agent for the benefit of the Secured Parties shall be named as the "sole" loss payee on all such Insurance Policies insuring Wholly-Owned Opcos pursuant to a lender loss payable endorsement acceptable to the Collateral Agent. (vi) To the extent commercially available, such Insurance Policies shall be endorsed to provide at least thirty (30) days' prior written notice (or ten (10) days' prior notice if such cancellation is due to failure to pay premiums) of cancellation to the Administrative Agent. If such endorsement for notice of cancellation shall not be commercially available, the Borrower shall be obligated to provide the required written notice of cancellation to the Administrative Agent. (vii) All such Insurance Policies shall have limits and sublimits at least equal to those contained in the policies listed on Schedule 4.14 unless otherwise approved by Administrative Agent in consultation with the Insurance Consultant. (viii) Such Insurance Policies shall have deductibles in accordance with Prudent Industry Practices, the Portfolio Documents and the policies listed on Schedule 4.14 unless otherwise approved by Administrative Agent in consultation with the Insurance Consultant. (c) With respect to all liability insurance required pursuant to Section 5.13(a): (i) To the extent commercially available, such Insurance Policies shall be endorsed to provide at least thirty (30) days' prior written notice (or (10) ten days' prior notice if such cancellation is due to failure to pay premiums) of cancellation to the Administrative Agent. If such endorsement for notice of cancellation shall not be commercially available, the Borrower shall be obligated to provide the required written notice of cancellation to the Administrative Agent. (ii) Such Insurance Policies shall include the Borrower, the Relevant Parties and each of their members as "named insureds".



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108 Second Amended and Restated Credit Agreement (iii) Such Insurance Policies shall include an endorsement to the policy naming (or providing via blanket endorsements as required by written contract) the Administrative Agent, and the Lenders, and their respective permitted successors, assigns, members, directors, officers, employees, lenders, investors, representatives and Administrative Agents as additional insureds on a primary and non-contributory basis. (iv) The Borrower hereby waives, and shall cause the Relevant Parties and each of their members to waive, any rights of subrogation against the Secured Parties and shall cause any such liability Insurance Policies to include or be endorsed to include a waiver of subrogation in favor of the Secured Parties. (v) Such Insurance Policies shall include a severability of interest or separation of insureds clause with no material exclusions for cross-liability clause. (vi) All such Insurance Policies shall have limits and sublimits at least equal to those contained in the policies listed on Schedule 4.14. (vii) All such Insurance Policies shall have deductibles in accordance with Prudent Industry Practices, the Portfolio Documents and the policies listed on Schedule 4.14. (d) The Borrower and the Relevant Parties shall provide a written notice of any material change to the Administrative Agent unless such notice is otherwise provided by endorsement of the required Insurance Policies. For the purposes of this Section 5.13(d), "material change" means any reduction of more than twenty-five percent (25%) of any policy aggregate limit for earthquake (or earth movement as the case may be), flood, windstorm (if an aggregate applies) or excess liability or any other change that would cause the Relevant Parties to be in non-compliance with the insurance requirements of the Transaction Documents. (e) Prior to the Effectiveness Date and on each anniversary of the Closing Date thereafter (or earlier in conjunction with the renewal or replacement of the Insurance Policies), the Borrower and Relevant Parties shall provide detailed evidence of insurance (in a form acceptable to the Administrative Agent) including certificates of insurance and copies of applicable insurance binders and policies (if requested), as well as a statement from the Borrower and/or its authorized insurance representative confirming that such insurance is in compliance with the terms and conditions of this Section 5.13, is in full force and effect and all premiums then due have been paid or are not in arrears. (f) No provision of this Agreement shall impose on the Administrative Agent or any other Secured Party any duty or obligation to verify the existence or adequacy of the insurance coverage maintained by or on behalf of the Borrower, the Relevant Parties or their members, nor shall the Administrative Agent or any other Secured Party be responsible for any representations or warranties made by or on behalf of the Borrower, the Relevant Parties, their members or any other Person to any insurance agent or broker, insurance company or underwriter. (g) On an annual basis, not later than forty-five (45) days before renewal of the Borrower's property insurance policies, the Borrower shall cause a nationally recognized



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109 Second Amended and Restated Credit Agreement Insurance or other applicable expert to perform and deliver, with a copy to the Administrative Agent, a probable maximum loss analysis (or analyses) with respect to the Properties of the Borrower and the Relevant Parties. Such probable maximum loss analysis (or analyses) shall include at a minimum the peril of earthquake and windstorm and shall be based on not less than a 1 in 500 year event. The Administrative Agent, the Borrower and each Relevant Party shall review such probable maximum loss analysis; and the Borrower and the Relevant Parties shall make appropriate adjustments (in consultation with, and with the prior written approval of, the Administrative Agent) to the types and amounts of insurance they maintain pursuant to Section 5.13(a) to reflect not less than one hundred percent

(100%) of the probable maximum loss analysis (or analyses) at all times (including the use of extrapolation method to account for Properties not yet built, as applicable). (h) If at any time a the Borrower determines in its reasonable judgment that any insurance (including the limits or deductibles thereof) required to be maintained by this Section 5.13 is not available on commercially reasonable terms due to prevailing conditions in the commercial insurance market at such time, then upon the written request of the Borrower together with a written report of the Borrower's insurance broker or another independent insurance broker of nationally recognized standing in the insurance industry (i) certifying that such insurance is not available on commercially reasonable terms (and, in any case where the required maximum coverage is not reasonably available, certifying as to the maximum amount which is so available), (ii) explaining in detail the basis for such broker's conclusions (including but, not limited to, the cost of obtaining the required coverage(s) as well as the proposed alternative coverage(s)), and (iii) containing such other information as the Administrative Agent (in consultation with the Insurance Consultant) may reasonably request, the Administrative Agent may (after consultation with the Insurance Consultant) temporarily waive such requirement and only to the extent that the Borrower can demonstrate that such temporary waiver will not cause the Borrower or the Relevant Parties to be out of compliance with the Portfolio Documents or that a similar waiver has been obtained under such Portfolio Documents; provided, however, that the Administrative Agent, may in its sole judgment, decline to waive any such insurance requirement(s). At any time after the granting of any temporary waiver pursuant to this Section 5.13 but not more than once in any year, the Administrative Agent may request, and the Borrower shall furnish to the Administrative Agent within thirty (30) days after such request, an updated Insurance report reasonably acceptable to the Administrative Agent (in consultation with the Insurance Consultant) from the Borrower's independent insurance broker. Any waiver granted pursuant to this Section 5.13 shall expire, without further action by any party, immediately upon (A) such waived insurance requirement becoming available on commercially reasonable terms, as reasonably determined by the Administrative Agent, (in consultation with the Insurance Consultant and the Borrower) or (B) failure of the Borrower to deliver an updated insurance report pursuant to clause (ii) above. SECTION 5.14 Inspection. (a) The Borrower agrees that, with five (5) Business Days' prior written notice, it will permit, and cause each of its Subsidiaries to permit, any representatives and consultants of the Lender Parties, during the applicable Relevant Party's normal business hours, to examine on-site all the books of account, records, reports and other papers of the Relevant Parties, to make copies and extracts therefrom, and the Borrower further agrees to discuss its affairs, finances and accounts with the officers, employees, Independent certified public accountants and other



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110 Second Amended and Restated Credit Agreement consultants of such Lender Parties, all at such reasonable times and at the Borrower's expense; provided that except during the continuation of an Event of Default, such examinations may occur no more frequently than once per calendar year. The Borrower shall promptly deliver copies of any Portfolio Documents as may be requested by Administrative Agent from time to time. (b) The Borrower will permit, and shall cause each of its Subsidiaries to permit, the Administrative Agent to conduct, in each case, at the sole cost and expense of the Borrower, field audits and examinations of the Projects, and appraisals of the Projects; provided, that, (i) such field audits and examinations and appraisals may be conducted not more than once per any twelve-month period (except, during the existence and continuance of an Event of Default, there shall be no limit on the number of additional field audits and examinations and appraisals that shall be permitted at the Borrower's expense) and (ii) except during the continuance of an Event of Default, the Administrative Agent shall consult with the Borrower regarding the costs and expenses of such field audits and examinations and appraisals. SECTION 5.15 Cooperation. The Borrower shall, and shall cause its Subsidiaries to, cooperate and provide reasonable information and other assistance in connection with any proposed assignment or participation of a Loan permitted by Section 11.05(b). SECTION 5.16 Collateral Accounts: Collections. (a) The Borrower shall maintain, and shall cause its Subsidiaries to maintain, in full force and effect each of the Collateral Accounts, the Wholly-Owned Opco, Collection Accounts and the Standing Instructions in accordance with the terms of the Loan Documents and with an Acceptable Bank. (b) The Borrower shall, and shall cause each Relevant Party to, ensure that at all times each counterparty to a Project Document is directed to pay all Rents, PBI Payments or other payments due to a Relevant Party under such Project Document in accordance with the terms of the Loan Documents. (c) The Borrower shall, and shall cause each Loan Party to, remit any amounts received by it or received by third parties (other than pursuant to the terms of the Loan Documents) on its behalf to the appropriate Collateral Account for deposit in accordance with the terms of the Loan Documents. (d) The Borrower shall cause Fund IV Holdco to deposit all distributions in respect of the Holdco Membership Interests directly into the Collections Account (other than any distributions received in respect of the proceeds of Excluded Property, as evidenced by documentation reasonably acceptable to the Administrative Agent). SECTION 5.17 Performance of Agreements. The Borrower shall, and shall cause its Subsidiaries to, duly and punctually perform, observe and comply in all material respects with all of the terms, provisions, conditions, covenants and agreements on its part to be performed, observed and complied with hereunder and under the other Portfolio Documents to which it is a party. The Borrower shall, and shall cause its Subsidiaries to, prudently exercise and enforce their rights, authorities and discretions under the Portfolio Documents to which they are a party.



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111 Second Amended and Restated Credit Agreement SECTION 5.18 Customer Agreements, PBI Payments. (a) Each Customer Agreement entered into following the Closing Date shall be an Eligible Customer Agreement. (b) The Borrower shall ensure that each applicable Opco is assigned all rights to receive the PBI Payments and the related PBI Documents in respect of each Eligible Project. SECTION 5.19 [Reserved]. SECTION 5.20 Use of Proceeds and Margin Security; Governmental Regulation. (a) The Borrower shall apply the proceeds of the Loans exclusively as permitted pursuant to Section 2.01 and Section 2.02. (b) No portion of the proceeds from the making of the Loans will be used by the Borrower, a Loan Party, a Sponsor Party or any other Person in any manner that might cause the borrowing or the application of such proceeds to violate Regulation T, Regulation U or Regulation X or any other regulation of the Board of Governors of the Federal Reserve System. Nor is the Borrower engaged principally, or as one of its principal activities in the business of extending credit for the purpose of purchasing or carrying margin stock (as defined or used in Regulation T, U or X of the Board of Governors of the Federal Reserve System). (c) Each of the Projects shall be a Qualifying Facility. (d) The Borrower and each of its Subsidiaries shall not be (i) a "public utility" under the FPA, and (ii) subject to, or is exempt from, regulation as a "holding company" under PUHCA. (e) The Borrower and each of its Subsidiaries shall either not be subject to, or shall be exempt from, regulation as a "public utility," an "electric utility," "electric corporation," or a "holding company," or similar terms, under the relevant State's laws or regulations, including state laws and regulations respecting the rates of electric utilities and the financial and organizational regulation of electric utilities. (f) Neither the Borrower nor any of its Subsidiaries shall be required to register as an "investment company", or a company "controlled" by an "investment company", within the meaning of the Investment Company Act. (g) Neither the Borrower nor any of its Subsidiaries shall be subject to regulation under any federal or state statute or regulation that limits their ability to incur indebtedness for borrowed money. (h) Solely as the result of the execution and delivery of the Loan Documents, the consummation of the transactions contemplated by the Loan Documents, or the performance of obligations under the Loan Documents, none of the Lenders shall be subject to regulation (i) as a "public utility" under the FPA, (ii) as a "holding company," or similar terms, under the relevant State's laws or regulations.



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12 Second Amended and Restated Credit Agreement SECTION 5.21 Project Expenditures. The Borrower shall, and shall cause the Relevant Parties and the Providers to, operate and maintain the Projects pursuant to the then- current operating budgets, the Maintenance Services Agreements, the Portfolio Documents, all other agreements with respect to the Projects (including any provisions of any manufacturer, installer or other warranties), Prudent Industry Practices and applicable Law. SECTION 5.22 Tax Equity Opco Matters. (a) Any capital contribution or loan required to be made by Fund IV Holdco to any Tax Equity Opco pursuant to such Tax Equity Opco's Limited Liability Company Agreement or any other Tax Equity Document shall be made solely from the proceeds of Excluded Property (it being understood that such loan shall not be Excluded Property and shall be pledged to the Collateral Agent as security for the Obligations with repayments on such loan to be paid directly into the Collections Account by Fund IV Holdco). (b) The Borrower shall, and shall cause Fund IV Holdco to, enforce its rights under the Tax Equity Documents to ensure that Fund IV Opco shall make and apply the maximum distributions to the managing members in accordance with the Tax Equity Documents and, without limitation, and except as required by the Tax Equity Documents, shall not agree to the maintenance of any cash reserve within any applicable Opco without the consent of the Administrative Agent (acting on the instructions of the Required Lenders). (c) With respect to any "imputed underpayment" (within the meaning of Section 6225 of the Code) assessed or imposed against the Tax Equity Opco, the Borrower shall, to the extent permitted under the applicable Tax Equity Opco Limited Liability Agreement, cause such Tax Equity Opco to make an election under Section 6226 of the Code to make Section 6225 of the Code inapplicable to the imputed underpayment; and if the applicable Tax Equity Opco Limited Liability Agreement does not permit such an election, the Borrower shall use commercially reasonable efforts to cause an amendment to such agreement to permit such an election. (d) The Borrower shall, and shall cause Fund IV Holdco to, take all necessary actions to satisfy each of the Tax Equity Opco Covenants. SECTION 5.23 Recapture. Each Relevant Party will take all commercially reasonable actions to avoid any (a) recapture of (or other liability to repay) all or part of any Grant awarded with respect to any Project by the Treasury or (b) loss, disallowance, recapture or recapture of all or part of any ITC claimed with respect to any Project. SECTION 5.24 Backup Servicer Agreement; Termination of Servicer. (a) In the event that a Servicer Termination Event occurs, the Administrative Agent or Collateral Agent (each acting on the instructions of the Required Lenders) may, in its sole discretion, direct any Wholly-Owned Opco to deliver notice to the Provider under any Maintenance Services Agreement to which a Wholly-Owned Opco is a party and to the Backup Servicer under the applicable Backup Servicer Agreement to which a Wholly-Owned Opco is a party, triggering the transition process for the replacement of such Provider under the applicable



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13 Second Amended and Restated Credit Agreement Backup Servicer Agreement. The Borrower shall, and shall cause each of its Subsidiaries to, immediately take all such action necessary (including the delivery of notice) to terminate the Provider and transition to a replacement Provider acceptable to the Administrative Agent (acting on the instructions of the Required Lenders), which shall include the Backup Servicer. (b) In the event that (i) a Servicer Termination Event occurs, and (ii) the Tax Equity Opco or Fund IV Holdco has the right to terminate a Maintenance Services Agreement or Provider pursuant to the terms of any Maintenance Services Agreement to which the Tax Equity Opco is a party, the Administrative Agent (acting on the instructions of the Required Lenders) may, in its sole discretion, deliver notice to the Borrower requiring it to cause the applicable Holdco to trigger the transition process for the replacement of such Provider under the applicable Backup Servicer Agreement, and the Borrower shall, and shall cause the applicable Fund IV Holdco to, immediately take all such action necessary (including the delivery of notice) to terminate the Provider and transition to a replacement Provider acceptable to the Administrative Agent (acting on the instructions of the Required Lenders), which shall include the Backup Servicer. Following a Servicer Termination Event, the Borrower shall, and shall cause Fund IV Holdco to, only exercise any approval or consent right held by an Opco to object to or veto the identity of a replacement Provider (or any candidate for such role) or the terms and conditions of a replacement Maintenance Services Agreement, with the prior written consent of the Administrative Agent. (c) At all times until the Debt Termination Date, the Borrower shall maintain, and shall ensure that each Relevant Party maintains, a Backup Servicer Agreement in respect of each Maintenance Services Agreement; provided that without limitation of the foregoing, (i) the Borrower shall, and shall ensure that the Tax Equity Opco, promptly (and no later than one (1) day after receipt) informs the Administrative Agent of any request by the Tax Equity Opco or Tax Equity Member to amend a Backup Servicer Agreement (and provides a copy of such request) and (ii) if the Tax Equity Opco or Tax Equity Member terminates, or requires the termination of, any Backup Servicer Agreement, the Borrower shall ensure that the applicable Backup Servicer Agreement is terminated and that the applicable Tax Equity Opco enters into a replacement Backup Servicer Agreement within fifteen (15) Business Days of such termination with a replacement Backup Servicer, and on terms and conditions, acceptable to the Administrative Agent. The Borrower acknowledges and consents to the Administrative Agent's right (but not obligation) to give any notices, directions and instructions, and to cure defaults of any Relevant Party and Provider under any Backup Servicer Agreement.

SECTION 5.25 Deposits to Collections Account. (a) The Borrower shall cause the Provider to transfer any checks representing recurring payments to an Opco into its applicable Lockbox Account no later than the third (3rd) Business Day following receipt. (b) The Borrower shall cause the Provider to use commercially reasonable efforts to identify the payor of any non-recurring Customer ACH or credit card payments as soon as reasonably practicable and shall cause all Collections that have been identified as being payable to an Opco to be deposited into its applicable Lockbox Account no less frequently than twice monthly.



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14 Second Amended and Restated Credit Agreement (c) The Borrower shall cause the Provider to deposit any recurring Customer ACH or debit card payments that are due to an Opco into the applicable Lockbox Account upon receipt of such payments. (d) The Borrower shall cause the Provider to deposit all checks representing PBI Payments received on or after the Closing Date into the Lockbox Account of the applicable Opco no later than thirty (30) days following the receipt of such checks by or on behalf of the applicable Opco or Provider. (e) The Borrower shall cause Fund IV Holdco to deposit all distributions in respect of the Managing Member Membership Interests directly into the Collections Account (other than any distributions received in respect of the proceeds of Excluded Property, as evidenced by documentation reasonably acceptable to the Administrative Agent). (f) The Borrower shall cause Fund IV Holdco to maintain each Lockbox Account with an Acceptable Bank and free and clear of any Lien over such Lockbox Account or the amounts deposited therein. (g) Pursuant to standing instructions in a form reasonably acceptable to the Administrative Agent (the "Standing Instructions"), the Borrower shall ensure that any amounts deposited into a Wholly-Owned Opco Collection Accounts is transferred on a daily basis into the Wholly-Owned Opco Operating Account. (h) Notwithstanding anything in this Section 5.25 to the contrary, until the termination and closure pursuant to Section 5.28(d)(i) of all bank accounts in the name of Tredegar Solar I assumed by Borrower in connection with the Tredegar Solar Acquisition, the Borrower shall ensure that pursuant to Standing Instructions any amounts deposited into any such account is transferred on a daily basis into a Wholly-Owned Opco Collection Account.. SECTION 5.26 Prepaid Customer Agreements. The Borrower shall cause all Projects subject to Prepaid Customer Agreements to be transferred to an Affiliate of the Sponsors that is not a direct or indirect subsidiary of the Borrower by no later than thirty (30) days following the date that the applicable Opco becomes a Wholly-Owned Opco of the Borrower, at the sole cost and expense of the Sponsors or Affiliate of the Sponsors (other than a Relevant Party). SECTION 5.27 Audits and Investigations. If at any time after the Effectiveness Date (a) any Relevant Party or any Affiliate thereof receives (i) any notification of any audit, examination, administrative proceeding or investigation by any Governmental Authority, or any "Information Document Request" or similar information or document request from the IRS or the Treasury, with respect to any Opco or (ii) written guidance directed to any Relevant Party or any affiliate thereof from the IRS or the Treasury setting forth recommended values for any solar projects any Opco acquired, sold, leased, developed, constructed or operated, or (b) the IRS, Department of Justice or the Treasury issues any written allegation, finding, notice, announcement or revenue agent's report to the effect that any Opco submitted claims under the Grant program or the Code based on misrepresentations, then the Borrower shall in each case, promptly but in any event, within five (5) Business Days provide notice of the same, and (to the extent doing so is not



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115 Second Amended and Restated Credit Agreement limited by privilege or prohibited by restrictions on confidentiality) a true, correct and complete copy thereof to the Administrative Agent. SECTION 5.28 Tredegar Solar Acquisition Post-Closing Covenants: (a) No later than one (1) Business Day after the Effective Date, the Borrower shall deliver to the Administrative Agent a copy of an instruction letter from Seller to Wells Fargo National Association to close the account with Wells Fargo National Association set forth on Schedule 4.25(f), (b) No later than five (5) Business Days after the Effective Date, the Borrower shall deliver to the Administrative Agent (i) evidence in form and substance satisfactory to the Administrative Agent that the account with Wells Fargo National Association set forth on Schedule 4.25(f) has been closed and (ii) a copy of Standing Instructions from ESE that all Rents, PBI Payments and other payments received by ESE with respect to Projects and Project Documents acquired in the Tredegar Solar Acquisition be transferred on a daily basis to the Wholly-Owned Opco Collections Account. (c) No later than ten (10) Business Days after the Effective Date, the Borrower shall have completed all actions required to dissolve and wind up Tredegar Solar I and shall deliver to the Administrative Agent evidence thereof in form and substance to the Administrative Agent. (d) No later than sixty (60) days after the Effectiveness Date the Borrower shall (i) cause all payors of Rents, PBI Payments and other payments due to Tredegar Solar I under the Projects and Project Documents acquired in the Tredegar Solar Acquisition to make such payments to the Collections Account or to the Wholly-Owned Opco Collections Account and (b) terminate and close all bank accounts in the name of Tredegar Solar I and assumed by Borrower in connection with the Tredegar Solar Acquisition. ARTICLE VI. NEGATIVE COVENANTS SECTION 6.01 Indebtedness. The Borrower shall not, and shall not permit any of its Subsidiaries to, create, incur, assume, guarantee, or otherwise become or remain directly or indirectly liable with respect to any Indebtedness except for the following (collectively, "Permitted Indebtedness"): (a) the Obligations (including the Secured Hedging Obligations); (b) unsecured trade payables which are not evidenced by a note or are otherwise indebtedness for borrowed money and which arise out of purchases of goods or services in the ordinary course of business; provided, however, (i) such trade payables are payable not later than ninety (90) days after the original invoice date and are not overdue by more than thirty (30) days and (ii) the aggregate amount of such trade payables outstanding does not, at any time, exceed \$1,000,000 in the aggregate for the Borrower and their Subsidiaries; (c) loans made by Fund IV Holdco to Fund IV Opco solely to the extent made with the proceeds of Excluded Property in accordance with Section 5.22(a);



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116 Second Amended and Restated Credit Agreement (d) subject to Section 9.03, Indebtedness incurred under loans made by the Sponsors to the Borrower which are subordinated to the Obligations, evidenced by a subordinated note and pledged in favor of the Collateral Agent under documentation and terms acceptable to the Administrative Agent; (e) to the extent constituting Indebtedness, obligations or liabilities of an Opco arising under any Permitted REC Contract (or any guarantee in respect thereof that is also subject to the limitation on recourse and other conditions set forth in the definition of Permitted REC Contract) other than any obligation or liability constituting indebtedness for borrowed money; or (f) obligations under Interest Rate Hedging Agreements permitted in accordance with Section 5.11. In no event shall any Indebtedness other than the Obligations be secured, in whole or in part, by the Collateral or other Assets or any portion thereof or interest therein and any proceeds of any of the foregoing. SECTION 6.02 No Liens. The Borrower shall not, nor shall it permit its Subsidiaries to, create, incur, assume or permit to exist any Lien on any Asset now owned or hereafter acquired by it except Permitted Liens. SECTION 6.03 Restriction on Fundamental Changes. The Borrower shall not, nor shall it permit its Subsidiaries to, (a) merge or consolidate with another Person, (b) sell, assign, transfer or dispose of (including as a result of division) any part of the Collateral other than (x) sales, assignments, transfers or dispositions of obsolete, worn-out or replaced Property or Assets not used or useful in its business, (y) sales of Projects to Customers pursuant to the express terms of the Customer Agreements (provided that the proceeds thereof received by the Relevant Parties are applied in accordance with Section 3.02) or (z) otherwise as expressly permitted by this Agreement, (c) liquidate, wind-up or dissolve

any Subsidiary, or (d) withdraw or resign from any Subsidiary (including in the capacity as managing member). SECTION 6.04 Bankruptcy, Receivers, Similar Matters. The Borrower shall not, and shall not permit any of its Subsidiaries to, apply for, consent to, or aid, solicit, support, or otherwise act, cooperate or collude to cause the appointment of or taking possession by, a receiver, trustee or other custodian for all or a substantial part of the Assets of any Relevant Party. The Borrower shall not, and shall not permit any of its Subsidiaries to, file a petition for, consent to the filing of a petition for, or aid, solicit, support, or otherwise act, cooperate or collude to cause the filing of a petition for an Involuntary Bankruptcy. In any Involuntary Bankruptcy of any Relevant Party, the Borrower shall not, nor shall not permit any of its Subsidiaries to, without the prior written consent of the Administrative Agent (acting on the instructions of the Required Lenders), consent to the entry of any order, file any motion, or support any motion (irrespective of the subject of the motion), and the Borrower shall not, nor shall permit any of its Subsidiaries to file or support any plan of reorganization. In any Involuntary Bankruptcy of a Relevant Party, the Borrower shall, and shall cause each of its Subsidiaries to, do all things reasonably requested by the Administrative Agent (acting on the instructions of the Required Lenders) to assist the Administrative Agent in obtaining such relief as the Administrative Agent shall seek, and shall in all events vote as directed by the Administrative Agent (acting on the instructions of the Required Lenders). Without



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17 Second Amended and Restated Credit Agreement limitation of the foregoing, the Borrower shall, and shall cause each of its Subsidiaries to, do all things reasonably requested by the Administrative Agent (acting on the instructions of the Required Lenders) to support any motion for relief from stay or plan of reorganization proposed or supported by the Administrative Agent (acting on the instructions of the Required Lenders).

SECTION 6.05 ERISA. (a) No ERISA Plans. The Borrower shall not, nor shall permit any Relevant Party or, except as would not reasonably be expected to result in a Material Adverse Effect, any of their respective ERISA Affiliates, to, establish any Employee Benefit Plan or Multiemployer Plan, or commence making contributions to (or become obligated to make contributions to) any Employee Benefit Plan or Multiemployer Plan, (b) comply with ERISA. The Borrower shall not, nor shall permit any of its Subsidiaries to, engage in any non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code; provided that if the Borrower is in default of this covenant under paragraph (a) above, the Borrower shall be deemed not to be in default if such default results solely because (x) any portion of the Loans have been, or will be, funded with plan assets of any Plan and (y) the purchase or holding of such portion of the Loans by such Plan constitutes a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or a violation of applicable Similar Law. (c) The Borrower shall not, nor shall permit any of its Subsidiaries to, hire or maintain any employees. SECTION 6.06 Restricted Payments. The Borrower shall not, nor shall permit any of its Subsidiaries to make, directly or indirectly any Restricted Payment other than: (a) distributions by the Tax Equity Opco to its members in accordance with the terms of its Limited Liability Company Agreements; (b) distributions by the Relevant Parties to the Borrower; (c) distributions by the Borrower upon satisfaction of the Distribution Conditions, unless such Restricted Payment is otherwise restricted under this Agreement or the Depository Agreement; (d) distributions of any and all proceeds from Excluded Property to their members; and (e) distributions of Term Loan proceeds in accordance with the express provisions of Article II and as directed in the Closing Date Funds Flow Memorandum and Effectiveness Date Funds Flow Memorandum. The Borrower shall not (f) redeem, purchase, retire or otherwise acquire for value any of its ownership or equity interests or securities or (g) set aside or otherwise segregate any amounts for any such purpose. The Borrower shall not, directly or indirectly, make payments to or distributions from the Collateral Accounts except in accordance with the Depository Agreement. The Borrower



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118 Second Amended and Restated Credit Agreement shall ensure that Fund IV Holdco doe not exercise any right of offset or set-off against its right to distributions from Fund IV Opco. SECTION 6.07 Limitation on Investments. The Borrower shall not, and shall not permit any of its Subsidiaries to, after the Closing Date, form, or cause to be formed, any subsidiaries, make or suffer to exist any loans or advances to, or extend any credit to, or guarantee (directly or indirectly or by an instrument having the effect of assuring another's payment or performance on any obligation or capability of so doing or otherwise (other than pursuant to a Loan Document)), endorse or otherwise become contingently liable, directly or indirectly, in connection with the obligations, stocks or dividends of any other Person (except by the endorsement of checks in the ordinary course of business), or, except as expressly permitted under any Loan Document or as is required to consummate the Acquisitions pursuant to the Acquisition Documents, make any investments (by way of transfer of property, contributions to capital, purchase of stock or securities or evidences of indebtedness, acquisition of the business or Assets, or otherwise) in, any Affiliate or any other Person. SECTION 6.08 Sanctions and Anti-Corruption. The Borrower shall not, nor shall permit any Relevant Party, Sponsor Party or other Affiliate to (a) become a Blocked Person (including by virtue of being owned or controlled by a Blocked Person) or own or control a Blocked Person, (b) use, contribute or otherwise make available all or any part of the proceeds of the Loans, directly or indirectly, to or for the benefit of any Person (whether or not an Affiliate of the Borrower) for the purpose of financing the activities or business of, other transactions with, or investments involving any Blocked Person or Sanctioned Country or in any other manner that constitutes or would give rise to a violation by any Person, including any Lender, of any Anti- Money Laundering Laws, Anti-Corruption Laws or Sanctions, (c) directly or indirectly fund all or part of any repayment or prepayment of the Loans out of the proceeds derived from any transaction with or action involving a Blocked Person or in violation of Anti-Corruption Laws, or (d) engage in any transaction, activity or conduct that would violate applicable Sanctions or Anti-Corruption Laws, that would cause any Secured Party to be in breach of any Sanctions or that could reasonably be expected to result in it or its Affiliates or any Secured Party being designated as a Blocked Person. SECTION 6.09 No Other Business; Leases. (a) The Borrower shall not, nor shall permit any of its Subsidiaries to: (i) engage in any business other than the acquisition, ownership, leasing, construction, financing, operation and maintenance of the Projects in accordance with and as contemplated by the Transaction Documents and other activities incidental thereto, including the sale of RECs under REC Contracts, or (ii) change its name without the consent of the Administrative Agent. (b) The Borrower shall not, nor shall permit any of its Subsidiaries to, enter into any agreement or arrangement to lease the use of any Asset or Project of any kind (including by sale-leaseback, operating leases, capital leases or otherwise), except pursuant to the terms of the Eligible Customer Agreements.



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119 Second Amended and Restated Credit Agreement SECTION 6.10 Portfolio Documents. (a) The Borrower shall not, nor shall permit any of its Subsidiaries to, materially amend or modify any Portfolio Document, terminate any Portfolio Document, or waive any material breach under, or material breach of, any Portfolio Document, without the prior written consent of the Administrative Agent (acting on the instructions of the Required Lenders); provided, that such Subsidiaries shall be permitted to enter into an agreement to amend or modify: (i) the electricity or lease rate, annual escalator or term of any Exempt Customer Agreement only (such agreement, a "Payment Facilitation Agreement"), so long as such amendment or modification is (A) permitted under the applicable Tax Equity Documents and (B) made in good faith for a commercially reasonable purpose and is intended to maximize the long-term economic value of the Customer Agreement as against its value if the Payment Facilitation Agreement had not been entered into (as reasonably determined by the Sponsor in good faith and in light of the facts and circumstances known at the time of such amendment or modification); (ii) a Master Purchase Agreement to the extent that such amendment or modification could not reasonably be expected to have a Material Adverse Effect; and (iii) a Tax Equity Document to the extent that such amendment or modification could not reasonably be expected to materially and adversely affect the Administrative Agent or the other Secured Parties or otherwise have a Material Adverse Effect; provided, that, without limitation, any amendment or modification that could reasonably be expected to result in a reduction (1) in Cash Available for Debt Service during any Interest Period or (2) in Portfolio Value shall, in each case, require the consent of the Administrative Agent (acting on the instructions of the Required Lenders). (b) The Borrower shall not, nor shall permit any of its Subsidiaries to, enter into any new agreement or contract, other than the Transaction Documents or any contract or agreement incidental or necessary to the operation of its business that do not allocate material risk to any Relevant Party and have a term of less than one year or that has a value over its term not exceeding \$100,000, without the prior written consent of the Administrative Agent (acting on the instructions of the Required Lenders). (c) The Borrower shall not, nor shall permit any of its Subsidiaries to, assign, novate or otherwise transfer or consent to an assignment, novation or any other transfer of a Portfolio Document other than (i) pursuant to the Collateral Documents, (ii) transfers of an interest in an Opco from a Tax Equity Member to Fund IV Holdco which are permitted in accordance with clause (d) below and Section 5.08(g), and (iii) assignments of a Customer Agreement to a replacement Customer in accordance with the terms of the Customer Agreement and applicable Law (including consumer leasing and protection Law), without the prior written consent of the Administrative Agent (acting on the instructions of the Required Lenders). (d) The Borrower shall not permit Fund IV Holdco to exercise any option to purchase the outstanding "class A" membership interests of the Tax Equity Opco or any membership interests held by a Tax Equity Member in such Tax Equity Opco without the prior



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120 Second Amended and Restated Credit Agreement written consent of the Administrative Agent (acting on the instructions of the Required Lenders); provided that, such consent shall not be required if the exercise of such option is funded through funding provided by the Sponsors. (e) The Borrower shall not take any action, or permit Fund IV Holdco to take any action, that would cause a breach of any the Tax Equity Opco Covenants. (f) The Borrower shall not amend its Limited Liability Company Agreement without prior written consent of the Administrative Agent. SECTION 6.11 Taxes. The Borrower shall not, and shall not permit any Relevant Party to, take any action or position that would (i) result in a Project being determined to have been Placed in Service prior to the date it was sold or otherwise transferred to the applicable Relevant Party, (ii) result in the loss, disallowance, reduction or recapture of all or part of any Grant awarded or ITC claimed, as applicable, with respect to any Project, other than Customer Purchases (subject to Section 5.23) or as required by applicable Law or Prudent Industry Practices, or (iii) make the amendments made by section 1101 of the of the Bipartisan Budget Act of 2015, Public Law 114- 74, apply to any tax return of Fund 12 Opco or Fund I Opco filed for a taxable year beginning prior to January 1, 2018. The Borrower shall not, and shall not permit any Relevant Party to, claim the ITC for any Project with respect to which a Grant has been awarded or apply for a Grant for any Project with respect to which the ITC has been claimed. The Borrower shall not, and shall not permit any Relevant Party to, cause or permit any Property that is part of a Project to be subject to the alternative depreciation system under Section 168(g) of the Code. SECTION 6.12 Expenditures; Collateral Accounts; Structural Changes. (a) The Borrower shall not, nor shall permit any of its Subsidiaries to, incur Operating Expenses or otherwise pay the Provider and the Backup Servicer in the aggregate amounts in excess of the greater of: (i) the budgeted amounts shown for Operating Expenses in the applicable Operating Budget for such calendar year; and (ii) 10% in the aggregate over the amount budgeted for Operating Expenses in the then-current Base Case Model for the applicable calendar year, without the prior written consent of the Administrative Agent (acting on the instructions of the Required Lenders and with such consent in respect of the Tax Equity Opco not to be unreasonably withheld or delayed), (b) The Borrower shall not, nor shall permit any of its Subsidiaries to, acquire or own any material Asset other than the Projects, Portfolio Documents, the Membership Interests and the proceeds thereof. (c) The Borrower shall not maintain, nor permit any Subsidiary to maintain, any bank accounts other than (i) the Collateral Accounts, (ii) the Lockbox Accounts, (iii) with respect to any Tax Equity Opco, any Non-Routine Services Account or other accounts required and/or permitted pursuant to the terms of the Tax Equity Documents for such Tax Equity Opco, and (iv) the Wholly-Owned Opco Collection Accounts.



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121 Second Amended and Restated Credit Agreement (d) The Borrower shall not, nor shall permit any of its Subsidiaries to, materially amend, modify or waive, or permit any material amendment, modification or waiver of (i) its organizational documents (except (A) for non-substantive or immaterial changes to organizational documents other than a Limited Liability Company Agreement which, for the avoidance of doubt, shall not include any amendments that relate to corporate powers, corporate separateness or single-purpose entity provisions set forth herein or therein, or (B) as may be required by applicable Law, provided, that, any such change required by applicable Law shall be made only with prior notice to and consultation with the Administrative Agent), (ii) its legal form or its capital structure (including the issuance of any options, warrants or other rights with respect thereto), or (iii) change its fiscal year, in each case without the consent of the Administrative Agent, (e) The Borrower shall not use any proceeds of any Loan except as permitted by applicable Law and for the purposes permitted in Section 2.01 or Section 2.02. SECTION 6.13 REC Contracts. Without limiting Section 6.10(b), the Borrower shall not, nor shall permit any of its Subsidiaries to, enter into any REC Contract other than a Permitted REC Contract to which it is a party, SECTION 6.14 Speculative Transactions. The Borrower shall not, nor shall cause any Relevant Party (which solely for the purposes of this Section 6.14 shall not include any Pledgor) to, engage in any Swap Agreement other than the Permitted REC Contracts, and the Interest Rate Hedging Agreements. SECTION 6.15 Voting on Major Decisions. The Borrower shall ensure that no Loan Party exercises its rights, authorities and discretions under any Tax Equity Document to consent to, approve, ratify, vote in favor of, or submit to the Tax Equity Member for such consent, approval, ratification or vote, any matter which requires approval as a Major Decision, other than with the prior written consent of the Administrative Agent (acting on the instructions of the Required Lenders); provided, that, the Borrower shall not be restricted from communicating with any Tax Equity Member in the ordinary course so long as such communications do not cause a Major Decision to be made without the Administrative Agent's consent. SECTION 6.16 Transactions with Affiliates. The Borrower shall not, nor shall cause any of its Subsidiaries to, make or cause any payment to, or sell, lease, transfer or otherwise dispose of any of its Assets to, or purchase any Assets from, or enter into or make, replace, terminate or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with, or for the benefit of, the Sponsor or its Affiliates or any of the Affiliates of the Borrower and each of their respective members and principals (each, an "Affiliate Transaction"), unless the Affiliate Transaction is upon terms and conditions that are intrinsically fair, commercially reasonable and on terms no less favorable to such Relevant Party than those that would be available on an arms-length basis with an unrelated Person (other than (x) Restricted Payments permitted to be made under Section 6.06, and (y) the Transaction Documents in existence as of the Effectiveness Date). SECTION 6.17 Limitation on Restricted Payments. Without limiting Section 6.10, the Borrower shall not, nor shall cause any of its Subsidiaries to, enter into any agreement



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22 Second Amended and Restated Credit Agreement Instrument or other undertaking that (a) restricts the ability of any such Subsidiary to make a Restricted Payment (including pursuant to any reallocation of distribution percentages) or (b) restricts or limits the ability of any Loan Party to create, incur, assume or suffer to exist Liens on the Assets or Property of such Person for the benefit of the Secured Parties with respect to the Obligations, except to the extent set out in the Tax Equity Documents as of the Effectiveness Date. ARTICLE VII. SEPARATENESS SECTION 7.01 Separateness. The Borrower acknowledges that the Administrative Agent and the Lender Parties are entering into this Agreement in reliance upon each Relevant Party's identity as a legal entity that is separate from any other Person. Therefore, from and after the Closing Date, the Borrower shall take all reasonable steps to maintain each Relevant Party's identity as a separate legal entity from each other Person and to make it manifest to third parties that the Relevant Parties are separate legal entities. Without limiting the generality of the foregoing, the Borrower agrees that it shall, and cause each of its Subsidiaries to: (a) hold all of its Assets in its own name; (b) not commingle its Assets with the Assets of any of its members, Affiliates, principals or any other Person; (c) maintain books, records and agreements as official records and separate from those of the members, principals and Affiliates or any other Person; (d) maintain its bank accounts separate from the members, principals and Affiliates of any other Person; (e) not, other than pursuant to the Transaction Documents and as otherwise expressly permitted by Section 6.16, enter into any Affiliate Transaction; (f) maintain separate Financial Statements from those of its general partners, members, principals, Affiliates or any other Person; provided, however, that the Relevant Parties financial position, Assets, liabilities, net worth and operating results may be included in the consolidated Financial Statements of Sponsor, provided that (i) appropriate notation shall be made on such consolidated Financial Statements to indicate the separateness of each Relevant Party and the Sponsor, to indicate that the Sponsor and each Relevant Party maintain separate books and records and to indicate that none of the Relevant Parties' Assets and credit are available to satisfy the debts and other obligations of the Sponsor or any other Person and (ii) such Assets and liabilities shall be listed on each Relevant Party's own separate balance sheet; (g) promptly correct any known or suspected misunderstanding regarding its separate identity; (h) not maintain its Assets in such a manner that it will be unreasonably costly or difficult to segregate, ascertain or identify its individual Assets from those of any other Person.



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123 Second Amended and Restated Credit Agreement (i) not guarantee or become obligated, or hold itself as responsible, for the debts of any other Person, except under the Guaranty and Security Agreement; (j) not hold out its credit as being available to satisfy the obligations of any other Person, except under any Guaranty and Security Agreement; (k) not make any loans or advances to any third party, including any member, principal or Affiliate of the Borrower, or any member, principal or Affiliate thereof, except as expressly permitted by the Loan Documents; (l) not pledge its Assets for the benefit of any other Person, except as expressly permitted under the Loan Documents; (m) not identify itself or hold itself out as a division of any other Person or conduct any business in another name; (n) maintain adequate capital in light of its current and contemplated business operations; (o) act solely in its own limited liability company name and not of any other Person, any of its officers or any of their respective Affiliates, and at all times use its own stationery, invoices and checks separate from those of any other Person, any of its officers or any of their respective Affiliates; (p) not acquire obligations or securities of its members, shareholders or other Affiliates, as applicable, except as expressly permitted under the Loan Documents; (q) not take any action that knowingly shall cause any Relevant Party to become insolvent; (r) keep minutes of the actions of the member of any Relevant Party and observe all limited liability company and other organizational formalities; (s) cause its members, managers, directors, officers, agents and other representatives to act at all times with respect to each Relevant Party consistently and in furtherance of the foregoing and in the best interests of each Relevant Party; (t) pay its own liabilities and expenses (including, as applicable, shared personnel and overhead expenses) only out of its own funds, except as expressly provided under by the Loan Documents; (u) at all times maintain an independent member of the Borrower and each Pledgor (as the term "Independent member" is defined in the applicable limited liability company agreement of the Borrower or Pledgor, as applicable) and provide written notice to the Administrative Agent of the name of such independent member and any replacement thereof; and (v) not undertake any division under Section 18-217 of the Delaware Limited Liability Company Act.



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124 Second Amended and Restated Credit Agreement ARTICLE VIII. CONDITIONS PRECEDENT SECTION 8.01 Conditions to Effectiveness Date and Borrowing of Additional Term Loans. The effectiveness of this Agreement, the Commitment of each Lender to make Additional Term Loans and the obligation of the Issuing Bank to issue a Letter of Credit (or increase the Stated Amount thereof) hereunder is subject to satisfaction of the following conditions precedent each in form and substance reasonably satisfactory to the Administrative Agent (acting on the instructions of all Lenders and the Issuing Bank): (a) Borrowing Notice. The Administrative Agent shall have received a Borrowing Notice in accordance with the requirements of Section 2.01(b). (b) Notice of LC Activity. The Borrower shall have delivered to the Administrative Agent and the Issuing Bank a Notice of LC Activity in accordance with the requirements of Section 2.02(b), and the Borrower shall have delivered to the Issuing Bank (with a copy to the Administrative Agent) of a duly completed LC Application (together with such other LC Documents applicable thereto). (c) Loan Documents. The Administrative Agent shall have received executed counterparts of the following, properly executed by each of the parties thereto, and each dated the Effectiveness Date: (i) this Agreement, together with all Exhibits and Schedules thereto; (ii) a Note (or replacement Note) executed by the Borrower in favor of each Lender requesting a Note; (iii) the Depositary Agreement, together with all Exhibits and Schedules thereto; (iv) the Cash Diversion Guaranty; (v) each of the Tax Equity Consents referenced in clauses (c) and (d) of the definition thereof; and (vi) [Reserved] (vii) [Reserved] (viii) the Fee Letter, dated as of the Effectiveness Date, among the Borrower, the Sponsors and Silicon Valley Bank. (d) Collateral Documents. The Administrative Agent and the Collateral Agent shall have received the Pledge and Security Agreement and the Guaranty and Security Agreement, in each case, duly executed by the applicable Loan Parties, together with evidence that all actions that the Administrative Agent may deem necessary or desirable in order to perfect the Liens created



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125 Second Amended and Restated Credit Agreement under the Collateral Documents has been taken or will be taken on the Effectiveness Date such that such Liens shall each constitute a first priority security interest. (e) Portfolio Documents. The Administrative Agent and the Lenders shall have received fully executed copies of all Portfolio Documents with respect to Tredegar Solar I, together with the Project Information relating to each Eligible Project owned by Tredegar Solar I and such other information as reasonably required by the Administrative Agent in respect of each Project owned by Tredegar Solar I that is not an Eligible Project, accompanied by an Officer's Certificate certifying: (i) that each such copy provided to the Administrative Agent is a true, correct and complete copy of such document (and includes all schedules, exhibits, attachments, supplements and amendments thereto and any related protocols or side letters); (ii) each such Portfolio Document (I) has been duly executed and delivered by each Sponsor Party and Relevant Party thereto and, to the Knowledge of the Borrower, the other parties thereto, and (II) is in full force and effect and is enforceable against each such Sponsor Party or Relevant Party thereto as of such date; (iii) neither the Sponsor Parties nor any Relevant Party thereto nor, to the Knowledge of the Borrower, any other party to such document is or, but for the passage of time or giving of notice or both, will be in breach of any material obligation except, solely with respect to Customer Agreements, where such breach (itself or when coupled with other breaches under such agreements) could not reasonably be expected to have a Material Adverse Effect; (iv) no Portfolio Document has an event of force majeure existing thereunder except solely with respect to the Project Documents, where such event of force majeure (itself or when coupled with other events of force majeure under such Project Documents) could not reasonably be expected to have a Material Adverse Effect; and (v) all conditions precedent to the effectiveness of such documents have been satisfied or waived in writing. (f) Organizational Documents. To the extent not previously delivered on the Closing Date or if amended after the Closing Date, the Administrative Agent shall have received a copy of the certificate of incorporation, limited liability company agreement, operating agreement or other organizational documents of each Relevant Party and each Sponsor Party, together with such amendments to the organizational documents of such parties as required by the Administrative Agent, certified by an Authorized Officer of such Person as being true, correct and complete copy of such document (and includes all schedules, exhibits, attachments, supplements and amendments thereto and any related protocols or side letters). (g) Resolutions and Incumbency Certificates. The Administrative Agent shall have received such certificates of resolutions or other action, incumbency certificates and/or other certificates of Authorized Officers of the Loan Parties and each Sponsor Party as the



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126 Second Amended and Restated Credit Agreement Administrative Agent may require authorizing as applicable, the Additional Term Loans and the guarantees given by the Loan Parties, the granting of the Liens under the Collateral Documents and the execution delivery and performance of this Agreement and the other Transaction Documents and evidencing the identity, authority and capacity of each Authorized Officer thereof authorized to act as an Authorized Officer in connection with this Agreement and the other Loan Documents to which a Loan Party or a Sponsor Party is a party or is to be a party, in each case, certified by an Authorized Officer of such Person. (h) Secretary's Certificates. To the extent not previously delivered on the Closing Date or if amended after the Closing Date, the Administrative Agent shall have received such documents and certifications as the Administrative Agent may reasonably require to evidence that each Relevant Party and each Sponsor Party is duly formed, validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of Properties or the conduct of its business requires such qualification, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect. (i) Legal Opinions. The Administrative Agent shall have received favorable opinions of counsel and in-house counsel to the Relevant Parties and the Sponsor Parties in relation to the Loan Documents executed and delivered on the Effectiveness Date, addressed to the Administrative Agent and each Secured Party from Troutman Pepper Hamilton Sanders LLP, counsel for the Relevant Parties and the Sponsor Parties, including opinions regarding the attachment, perfection of security interests in Collateral and corporate matters, including, without limitation, enforceability, no consents, no conflicts with the Limited Liability Company Agreements and Investment Company Act matters, no conflicts with organizational documents, and other material contracts binding on the Relevant Parties and the Sponsor Parties. (j) Officer's Certificate. The Administrative Agent shall have received a certificate of an Authorized Officer of the Borrower, each Relevant Party and each Sponsor Party; (i) either (1) attaching copies of all consents, licenses and approvals required in connection with the Additional Term Loans and the guarantees given by the Loan Parties, the granting of the Liens under the Collateral Documents, and the execution delivery and performance of this Agreement and the other Transaction Documents and the validity against the Sponsor Parties and each Relevant Party to the Loan Documents to which it is a party, and such consents, licenses and approvals shall be in full force and effect and not subject to appeal, or (2) certifying that no such consents, licenses or approvals are so required; and (ii) certifying (1) that the conditions specified in SectionsSection 8.01(m), Section 8.01(r), Section 8.01(s), Section 8.01(t), Section 8.01(u), and Section 8.01(x) have been satisfied, (2) as to the solvency of the Cash Diversion Guarantors, the Borrower and its Subsidiaries, and (3) that there has been no event or circumstance since December 31, 2022 that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect.



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127 Second Amended and Restated Credit Agreement (k) Funds Flow Memorandum. The Administrative Agent shall have received a funds flow memorandum outlining the use of the Additional Term Loans which shall be in compliance with Section 2.01(c) (the "Effectiveness Date Funds Flow Memorandum"). (l) [Reserved]. (m) Warranties. The Administrative Agent shall have received evidence that all warranties relating to the Projects owned by Tredegar Solar I will inure to the benefit of, and be enforceable by, the Relevant Party following the purchase of such Projects. (n) Base Case Model. The Administrative Agent shall have received the Base Case Model, demonstrating compliance with the Debt Sizing Parameters in form and substance satisfactory to the Administrative Agent addressed to the Administrative Agent and the Lenders. (o) Operating Budget. Each Lender Party has received the Operating Budget required pursuant to Section 5.01(e)(i). (p) Fees and Expenses. The Administrative Agent shall have received evidence that: (i) all fees and expenses (including reasonable attorney's fees and disbursements) required to be paid to the Agents and the Depository Agent on or before the Effectiveness Date, shall have been paid or shall, substantially concurrent with the Effectiveness Date, be paid in full by the Borrower; (ii) all fees required to be paid to the Lenders and the Arrangers on or before the Effectiveness Date pursuant to the Fee Letters, shall have been paid or shall, substantially concurrent with the Effectiveness Date, be paid in full by the Borrower; (iii) all Additional Expenses due and payable as of the Effectiveness Date shall have been paid or shall, substantially concurrent with the Effectiveness Date, be paid in full by the Borrower; (iv) all other costs and expenses required to be paid pursuant to Section 3.07 for which evidence has been presented (including third-party fees and out-of-pocket expenses of counsel to the Secured Parties, the Insurance Consultant, Independent Engineer and other advisors or consultants retained by the Administrative Agent) shall have been paid or shall, substantially concurrent with the Effectiveness Date, be paid in full by the Borrower; and (v) The payment of all fees, costs and expenses to be paid on the Effectiveness Date will be reflected in the Effectiveness Date Funds Flow Memorandum and funding instructions given by the Borrower to the Administrative Agent and the Depository Agent prior to the Effectiveness Date. (q) Collateral Accounts; Funding of Debt Service Reserve Account, Collections Incentive Reserve and Non-Routine Services Accounts. The Administrative Agent shall have received satisfactory evidence that the Borrower has established the Collateral



128 Second Amended and Restated Credit Agreement Accounts. Except to the extent to be funded with a Letter of Credit on the Borrowing Date or previously funded by the Borrower prior to the Effectiveness Date, the Borrower has deposited, or shall deposit on the Borrowing Date (i) into the Debt Service Reserve Account, the Debt Service Reserve Required Amount, (ii) into the Collections Incentive Reserve Account, the Collections Incentive Reserve Required Amount, and (iii) into the Spruce Non-Routine Services Account, the Required Non-Routine Services Amount, in each case in accordance with the Deposit Agreement. To the extent applicable, the funding of the Debt Service Reserve Account, the Collections Incentive Reserve Account, and the Spruce Non-Routine Services Account will be reflected in the Effectiveness Date Funds Flow Memorandum and funding instructions will be given by the Borrower to the Administrative Agent and the Depository Agent prior to the Effectiveness Date. (r) Representations and Warranties. The representations and warranties of the Sponsor Parties and the Relevant Parties contained in Article IV or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects on and as of the Effectiveness Date, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date. (s) Eligible Project Representations. The representations and warranties in Section 4.22 regarding Eligible Projects are true and correct in all material respects for all Projects shown to generate Eligible Revenues under the Base Case Model delivered pursuant to Section 8.01(n). (t) No Action by Governmental Authority. No action or proceeding has been instituted or threatened in writing by any Governmental Authority against any Sponsor Party or any Relevant Party that seeks to impair, restrain prohibit or invalidate the transactions contemplated by this Agreement, the other Loan Documents and the Tredegar Solar Acquisition Documents, or regarding the effectiveness or validity of any required Permits. (u) No Default or Event of Default. No Default or Event of Default shall exist, or would result from the borrowing or from the application of the proceeds thereof or from the consummation of the Tredegar Solar Acquisition. (v) Technical Reports. The Administrative Agent shall have received technical reports on the Projects owned by Tredegar Solar I prepared by the Independent Engineer and addressed to the Administrative Agent and the Lenders (or a corresponding reliance letter with respect to such report prepared by the Insurance Consultant that shall entitle the Administrative Agent, the other Agents, and the Lenders to rely upon such report). (w) Insurance Report and Certificates. The Administrative Agent shall have received (i) an insurance report with respect to Projects owned by Tredegar Solar I from the Insurance Consultant addressed to the Administrative Agent and the Lenders, (ii) a corresponding reliance letter with respect to such report prepared by the Insurance Consultant that shall entitle the Administrative Agent, the other Agents, and the Lenders to rely upon such report, (iii) an insurance certificate from the Borrower's insurance broker identifying the underwriters, types of insurance, applicable insurance limits and policy terms consistent with such insurance report, and



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129 Second Amended and Restated Credit Agreement (iv) evidence, including customary insurance certificates, that all insurance required to be obtained and maintained pursuant to the Loan Documents has been obtained and all premiums thereon have been paid in full. (x) [Reserved]. (y) Services Agreements; Backup Servicing. The Administrative Agent shall have received: (i) copies of each Maintenance Services Agreement with respect to Projects owned by Tredegar Solar I, duly executed by each of the parties thereto; and (ii) evidence that the Tredegar Maintenance Services Agreement will be terminated. (z) Due Diligence. The Administrative Agent and the Lenders shall have completed their due diligence in respect of Tredegar Solar I, its Portfolio Documents, including review of Customer Agreements in respect of consumer compliance. (aa) Tredegar Solar Acquisition. The Administrative Agent shall have received: (i) copies of all Tredegar Solar Acquisition Documents and any amendments, modifications, waivers or supplements thereto (which amendments, waivers or supplements shall be in form and substance satisfactory to the Administrative Agent), duly executed and delivered by each of the parties thereto; (ii) copies of all documents delivered under Section 1.02 of the Tredegar Solar Purchase and Sale Agreement; (iii) a certification from the Borrower that all of the conditions set forth in the Tredegar Solar Acquisition Documents have been satisfied or waived together with evidence in form and substance satisfactory to the Administrative Agent that the purchase price for the Tredegar Solar Acquisition has been paid or will be paid with proceeds of the Additional Term Loans; and (iv) executed copies of an assignment and sale agreement in form and substance satisfactory to the Administrative Agent, effecting the transfer and assignment by Tredegar Solar I of all of its Assets to the Borrower. (bb) [Reserved]. (cc) Other Certificates. Each other certificate or document as the Administrative Agent shall reasonably request. (dd) [Reserved]. (ee) KYC. To the extent not previously delivered on or prior to the Effectiveness Date, the Lender Parties have received (i) all documentation and other information required by



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130 Second Amended and Restated Credit Agreement regulatory authorities under the applicable "know your customer" and Anti-Money Laundering Laws, including the PATRIOT Act and (ii) least five (5) days prior to the Closing Date, any Loan Party that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall deliver a Beneficial Ownership Certification in relation to such Loan Party. (ff) Interest Rate Hedging. The Administrative Agent shall have received evidence in form and substance satisfactory to it that the Borrower is in compliance with Section 5.11, which evidence may include the delivery of copies of executed Interest Rate Hedging Agreements or amendments thereto. SECTION 8.02 [Reserved]. SECTION 8.03 Conditions of Letter of Credit Issuance. The obligation of an Issuing Bank to issue, extend or increase the Stated Amount of the Letter of Credit under Section 2.02 is subject to occurrence of the Effectiveness Date and the satisfaction of the following conditions precedent each in form and substance reasonably satisfactory to the Administrative Agent (acting on the instructions of the Issuing Banks and all the LC Lenders): (a) Notice of LC Activity. The conditions precedent under Section 8.01 shall have been satisfied or waived and the Borrower shall have delivered a Notice of LC Activity in accordance with the requirements of Section 2.02. (b) Officer's Certificate. The Administrative Agent and each Issuing Bank shall have received a certificate signed by an Authorized Officer of the Borrower certifying that the conditions specified in Sections 8.03(c) and 8.03(d) have been satisfied, which shall be an original or an electronic copy (followed promptly by originals to the extent extant) unless otherwise specified, each properly executed by an Authorized Officer of the Borrower, each dated as of the date of such issuance, extension or increase. (c) Representations and Warranties. The representations and warranties of the Sponsor Parties and the Relevant Parties contained in Article IV or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects (without duplication of any materiality qualifier contained therein) on and as of such issuance, extension or increase, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects (without duplication of any materiality qualifier contained therein) as of such earlier date. (d) No Default. No Default or Event of Default shall exist, or would result from the issuance, extension or increase. ARTICLE IX. EVENTS OF DEFAULT; REMEDIES SECTION 9.01 Events of Default. Any of the following shall constitute an event of default ("Event of Default") hereunder:



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131 Second Amended and Restated Credit Agreement (a) Principal and Interest. Failure of a Loan Party to pay in accordance with the terms of this Agreement, (i) any interest on any Loan within three (3) Business Days after the date such sum is due, (ii) any principal with respect to any Loan when such sum is due, or (iii) any other fee, cost, charge or other sum due under this Agreement or any other Loan Document within five (5) Business Days after the date such sum is due; (b) Misstatements. Any (i) representation or warranty made by a Sponsor Party, the Relevant Parties to the Loan Documents, or any Financial Statement furnished pursuant hereto, or (ii) certificate or any Financial Statement made or prepared by, under the control of or on behalf of the Sponsor Parties or the Relevant Parties and furnished to the Administrative Agent or any Lender pursuant to this Agreement or any other Loan Document (including, without limitation, in a certificate of an Authorized Officer of a Sponsor Party or Relevant Party delivered pursuant to the Loan Documents) shall prove to have been untrue or misleading in any material respect as of the date made; provided, however, that if any such misstatement is capable of being remedied and has not caused a Material Adverse Effect, the Borrower may correct such misstatement by curing such misstatement (or the effect thereof) and delivering a written correction of such misstatement to the Administrative Agent, in the form and substance satisfactory to the Administrative Agent, within thirty (30) days of (x) obtaining Knowledge of such misstatement or (y) receipt by the Borrower of written notice from the Administrative Agent of such default; (c) Automatic Defaults. Any default by any Relevant Party in the observance and performance of or compliance with Section 5.02, Section 5.05, Section 5.11, Section 5.16, Section 5.24, Section 5.25, Section 5.26, Section 5.27, Section 5.28, Article VI and Section 9.03. Any failure by the Cash Diversion Guarantors to pay any amount due and payable under the Cash Diversion Guaranty; (d) Other Defaults. Any default by any of the Sponsor Parties, the Borrower or any Relevant Party in the observance and performance of or compliance with any other covenant or agreement contained in this Agreement or any other Loan Document or a Maintenance Services Agreement (other than as provided in paragraphs (a) through (c) of this Section 9.01), which default shall continue unremedied for a period of (i) ten (10) days with respect to a breach of Section 5.13 and (ii) thirty (30) days for any other covenant to be performed or observed by it under this Agreement, any other Loan Document or such other document and not otherwise specifically provided for elsewhere in this Article IX, in each case, after the earlier of (A) receipt by the Borrower of written notice from the Administrative Agent of such default or (B) obtaining Knowledge of any such default; provided that the thirty (30) day period referred to in clause (ii) above may be extended by an additional forty-five (45) days, in the event that such default has not been cured within the initial thirty (30) day period, (x) such default remains capable of being cured within

the additional forty-five (45) day period, (y) no Material Adverse Effect has resulted from such default, and (z) the Borrower continues to diligently pursue cure of such default. (e) Involuntary Bankruptcy; Appointment of Receiver, etc. (i) A court enters a decree or order for relief with respect to a Cash Diversion Guarantor or any Relevant Party in an Involuntary Bankruptcy, which decree or order is not stayed or other similar relief is not granted under any applicable federal or state Law; (ii) the occurrence and continuation of any of the following events for sixty (60) days unless dismissed or discharged within such time: (A) an



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132 Second Amended and Restated Credit Agreement involuntary case under the Bankruptcy Code or any applicable bankruptcy, insolvency or other similar Law now or hereafter in effect, is commenced, in which a Cash Diversion Guarantor or any Relevant Party is a debtor or any portion of the Collateral or any Membership Interest is property of the estate therein, (B) a decree or order of a court for the appointment of a receiver, liquidator, sequestrator, trustee, custodian or other officer having similar powers over a Cash Diversion Guarantor or any Relevant Party, over all or a substantial part of its Property, is entered, (C) an interim receiver, trustee or other custodian is appointed without the consent of a Cash Diversion Guarantor or any Relevant Party for all or a substantial part of the Property of such Person, or (D) a warrant of attachment, execution or similar process shall have been issued against any substantial part of the Property of a Cash Diversion Guarantor or any Relevant Party; (f) Voluntary Bankruptcy; Appointment of Receiver, etc. (i) An order for relief is entered with respect to a Cash Diversion Guarantor or any Relevant Party, or a Cash Diversion Guarantor or any Relevant Party commences a voluntary case under the Bankruptcy Code or any applicable bankruptcy, insolvency or other similar Law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case or to the conversion of an involuntary case to a voluntary case under any such Law or consents to the appointment of or taking possession by a receiver, trustee or other custodian for a Cash Diversion Guarantor or any Relevant Party, for all or a substantial part of the Property of a Cash Diversion Guarantor or any Relevant Party; (ii) a Cash Diversion Guarantor or any Relevant Party makes any assignment for the benefit of creditors; (iii) a Cash Diversion Guarantor or any Relevant Party shall be unable, or shall fail generally, or shall admit in writing its inability, to pay its debts as such debts become due, or (iv) the board of directors or other governing body of a Cash Diversion Guarantor or any Relevant Party adopts any resolution or otherwise authorizes action to approve any of the actions referred to in this Section 9.01(f); (g) Material Judgment. Any final money judgment, writ or warrant of attachment or similar process involving, individually or in aggregate at any time, an amount in excess of \$1,000,000 (to the extent not adequately covered by insurance as to which a solvent, reputable and independent insurance company, which at least meets the Credit Requirements, has acknowledged coverage in writing to the Borrower and such acknowledgment is provided to the Administrative Agent) shall be entered or filed against the Borrower or any of the other Relevant Parties or any of their respective Assets and shall remain undischarged, unvacated, unbonded or unstayed for a period of thirty (30) days (or in any event later than five (5) days prior to the date of any proposed sale thereunder). (h) Impairment of Loan Documents. At any time after the execution and delivery thereof, (i) this Agreement or any other Loan Document ceases to be in full force and effect (other than by reason of a release of Collateral in accordance with the terms hereof or thereof or on the Debt Termination Date) or shall be declared null and void, or the Administrative Agent or any Lender shall not have or shall cease to have a valid and perfected Lien in any Collateral or the Membership Interests purported to be covered by the Loan Documents with the priority required by the relevant Loan Document or (ii) the Borrower, Cash Diversion Guarantor or any Relevant Party thereto shall contest the validity or enforceability of any Loan Document in writing or deny in writing that it has any further liability, including with respect to future advances by any Lender, under any Loan Document to which it is a party.



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133 Second Amended and Restated Credit Agreement (i) ERISA. The Borrower, any Relevant Party or, except as would not result in a Material Adverse Effect, any of their respective ERISA Affiliates establishes any Employee Benefit Plan or Multiemployer Plan, or commences making contributions to (or becomes obligated to make contributions to) any Employee Benefit Plan or Multiemployer Plan. (j) Change of Control. A Change of Control shall have occurred. (k) Removal of Managing Member; Operation and Maintenance. (i) Fund IV Holdco shall have been removed as the "managing member" of the Tax Equity Opco. The receipt of any written notice, claim or threat of removal from the Tax Equity Member shall be a "Default" for all purposes hereunder until rescinded in writing by such Tax Equity Member and such event shall mature into an "Event of Default" if Fund IV Holdco default that is the subject of such written notice, claim or threat is not cured within the applicable period prior to effectiveness of removal provided under the applicable Limited Liability Company Agreement. (ii) The Provider shall have been removed as the "Provider" under the applicable Maintenance Services Agreement and shall not have been replaced with a replacement provider appointed in accordance with the terms and conditions herein. The receipt of any written notice, claim or threat of removal from any Tax Equity Opco shall be a "Default" for all purposes hereunder until rescinded in writing by such Tax Equity Opco and such event shall mature into an "Event of Default" if the Provider default that is the subject of such written notice, claim or threat is not cured within the applicable period prior to effectiveness of removal provided under the applicable Maintenance Services Agreement. (l) Abandonment of Servicing. (i) The transition to ESE as the successor Provider under the terms of the Transition Services Agreements is not completed in accordance with the terms thereof or prior to the termination of the Transition Services Agreement, (ii) the transition to a successor Provider to perform the services under a Maintenance Services Agreement is not complete within thirty (30) days after termination of a Provider, (iii) a replaced Provider fails to comply with its transition requirements under the Backup Servicer Agreement, or (iv) a Maintenance Services Agreement is not renewed on its expiry date in accordance with its terms or otherwise in a form and substance acceptable to the Administrative Agent (acting on the instructions of the Required Lenders). SECTION 9.02 Acceleration and Remedies. (a) Upon the occurrence and during the continuance of any Event of Default and at any time thereafter during the continuance of such Event of Default, the Administrative Agent shall, at the request of the Required Lenders, take any or all of the following actions, at the same or different times: (i) terminate any outstanding Commitments; and thereupon any such outstanding Commitments shall terminate immediately; (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall become due and payable immediately, and the Borrower shall Cash Collateralize the LC



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134 Second Amended and Restated Credit Agreement Exposure; and (iii) make a demand on any Acceptable DSR Letter of Credit provided with respect to the Debt Service Reserve Account, in each case, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; and in case of any Event of Default described in Section 9.01(e) or (f) in respect of any Loan Party, any outstanding Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower, shall automatically become due and payable, and the Cash Collateralization of the LC Exposure shall automatically be required, in each case, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower. Upon the occurrence and during the continuance of any Event of Default, in addition to the exercise of remedies set forth in clauses (i), (ii) and (iii) above, each Secured Party shall be, subject to the terms of the Collateral Agency Agreement, entitled to exercise the rights and remedies available to such Secured Party under and in accordance with the provisions of the other Loan Documents to which it is a party or any applicable Law. (b) Upon the occurrence and during the continuation of an Event of Default, all or any one or more of the rights, powers, privileges and other remedies available to the Administrative Agent against the Borrower under this Agreement or any of the other Loan Documents, or at Law or in equity, may be exercised by the Administrative Agent (acting on the instructions of the Required Lenders) at any time and from time to time, whether or not all or any of the Obligations shall be declared due and payable, and whether or not the Administrative Agent shall have commenced any foreclosure proceeding or other action for the enforcement of its rights and remedies under any of the Loan Documents with respect to the Collateral and the proceeds from any of the foregoing. Any such actions taken by the Administrative Agent shall be cumulative and concurrent and may be pursued independently, singly, successively, together or otherwise, at such time and in such order as the Administrative Agent may determine in its sole discretion, to the fullest extent permitted by Law, without impairing or otherwise affecting the other rights and remedies of the Administrative Agent permitted by Law, equity or contract or as set forth herein or in the other Loan Documents. Without limiting the generality of the foregoing, if an Event of Default is continuing (i) to the fullest extent permitted by Law, the Administrative Agent shall not be subject to any "one action" or "election of remedies" Law or rule, and (ii) all liens and other rights, remedies or privileges provided to the Administrative Agent shall remain in full force and effect until the Administrative Agent has exhausted all of its remedies against the Collateral and the proceeds from any of the foregoing or the Obligations have been paid in full. (c) The rights and remedies set forth in this Section 9.02 are in addition to, and not in limitation of, any other right or remedy provided for in this Agreement or any other Loan Document. (d) Anything herein to the contrary notwithstanding, if and for so long as a Lender is a Tax Exempt Person, such Lender shall not succeed to the rights of Fund IV Holdco or the Borrower as a direct or indirect owner of the Tax Equity Opco, the Wholly-Owned Opco, or an assignee of any such Person, until after the Recapture Period for the last Project Placed in Service with respect to the Person(s) of which the Lender would become a direct or indirect owner, regardless whether or not exists an Event of Default.



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135 Second Amended and Restated Credit Agreement SECTION 9.03 Cure Rights. The Administrative Agent and the Lenders acknowledge and agree that: (a) to prevent the occurrence of an Event of Default pursuant to Section 9.01(a), the Sponsors shall have the right, but not the obligation, to contribute or loan funds to the Borrower, which shall be deposited into the Collections Account; provided that, unless the Administrative Agent otherwise consents, the deposit of funds by the Sponsors to prevent the occurrence of such Event of Default pursuant to this clause (a) more than two (2) times during the term the Loans shall be an "Event of Default"; and for the avoidance of doubt, any payment made by the Sponsors pursuant to the Cash Diversion Guaranty, Section 3.02, Section 3.03(d) or Section 6.10(d) is expressly permitted by the terms of this Agreement and does not constitute a cure for purposes of this Agreement; and (b) if the Debt Service Coverage Ratio at the end of any calculation period is below 1.20 to 1.00, the Sponsors shall have the right but not the obligation, to contribute or loan funds to the Borrower, which shall be deposited into the Collections Account no later than ten (10) Business Days prior to a Payment Date; provided that, unless the Administrative Agent otherwise consents, the deposit of funds by the Sponsors pursuant to this clause (b) shall be permitted no more than two (2) times during the term of the Loans. ARTICLE X. ADMINISTRATIVE AGENT SECTION 10.01 Appointment and Authority. Each of the Lenders hereby irrevocably appoints Silicon Valley Bank to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental hereto. The provisions of this Article are solely for the benefit of the Lender Parties and no Relevant Party nor any Sponsor Party shall have rights of a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "Administrative Agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties. SECTION 10.02 Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with any Relevant Party or their Affiliates as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.



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136 Second Amended and Restated Credit Agreement SECTION 10.03 Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent: (a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing; (b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable Law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law; and (c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.03 and 9.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Borrower or a Lender. The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (A) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (B) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (C) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (D) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (E) the satisfaction of any condition set forth in Article VIII or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

SECTION 10.04 Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and



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137 Second Amended and Restated Credit Agreement to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, which by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts. SECTION 10.05 Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article X shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agent except to the extent that a court of competent jurisdiction determines in a final and non-appelleable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agent. SECTION 10.06 Resignation of Administrative Agent. (a) The Administrative Agent may at any time give notice of its resignation to the Lenders, the Depository Agent, and the Borrower. Upon receipt of any such notice of resignation, the Administrative Agent (acting on the instructions of the Required Lenders) or the Required Lenders shall have the right, with the consent of the Borrower (not to be unreasonably withheld or delayed), unless a Default or an Event of Default shall have occurred and is continuing, in which case the consent of the Borrower shall not be required, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. The Administrative Agent's resignation shall become effective on the earliest (such date, the "Resignation Effective Date") of (i) 30 days after delivery of notice of resignation (regardless of whether a successor Administrative Agent has been appointed or not), (ii) the acceptance of such successor Administrative Agent by the Required Lenders and, if applicable, the Borrower, or (iii) such other date, if any, agreed to by the Required Lenders and the retiring Administrative Agent. If the Administrative Agent or the Required Lenders have not appointed a successor Administrative Agent, the Required Lenders shall be deemed to have succeeded to and become vested with all the rights, powers, privileges and duties of the resigning Administrative Agent. (b) With effect from the Resignation Effective Date (i) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents and (ii) except for any indemnity payments or other amounts then owed to the retiring Administrative Agent, all payments, communications and determinations provided to



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138 Second Amended and Restated Credit Agreement be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Administrative Agent (other than as provided in Section 3.09(h) and other than any rights to indemnity payments or other amounts owed to the retiring Administrative Agent as of the Resignation Effective Date). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article X and Sections 3.07 and 3.08 shall continue in effect for the benefit of such retiring Administrative Agent, its sub Administrative Agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent. SECTION 10.07 Non-Reliance on Administrative Agent and Other Lenders. Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any

other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder. SECTION 10.08 Administrative Agent May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to the Borrower, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise: (a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective Administrative Agents and counsel and all other amounts due the Lenders and the Administrative Agent under Sections 3.06, 3.07 and 3.08) allowed in such judicial proceeding; and (b) to collect and receive any monies or other Property payable or deliverable on any such claims and to distribute the same, and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses,



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139 Second Amended and Restated Credit Agreement disbursements and advances of the Administrative Agent and its Administrative Agents and counsel, and any other amounts due the Administrative Agent under Sections 3.06, 3.07 and 3.08. Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender to authorize the Administrative Agent to vote in respect of the claim of any Lender in any such proceeding. SECTION 10.09 Appointment of Collateral Agent and Depository Agent. The Issuing Banks and each Lender hereby consents and agrees to the appointment of the Collateral Agent and the Depository Agent respectively in accordance with the Collateral Agency Agreement and the Depository Agreement and authorize each such Agent in such capacity to take such action on its behalf under the provisions of the Collateral Documents and to exercise such powers and perform such duties as are expressly delegated to it by the terms of the Collateral Documents, together with such other powers as are reasonably incidental thereto. The Collateral Agent and Depository Agent shall each be an express third party beneficiary of Section 11.01(b)(vii), Section 3.07 and Section 3.08. SECTION 10.10 Arranger. The Arranger shall not have any duties or responsibilities hereunder in their capacities as such. SECTION 10.11 Authorization. The Administrative Agent and the Collateral Agent are hereby authorized and directed by the Lenders to execute, deliver and perform any reliance letters or use of work product agreements with the Independent Engineer, the Insurance Consultant and the Loan Documents to which each of them, respectively, is or is intended to be a party and each Lender agrees to be bound by all of the agreements of the Administrative Agent and Collateral Agent contained in the Loan Documents and such reliance letters or use of work product agreements. SECTION 10.12 Erroneous Payments. (a) If the Administrative Agent notifies a Lender, Issuing Bank or Secured Party, or any Person who has received funds on behalf of a Lender, Issuing Bank or Secured Party (any such Lender, Issuing Bank, Secured Party or other recipient, a "Payment Recipient") that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding clause (b)) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously transmitted to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, Issuing Bank, Secured Party or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an "Erroneous Payment") and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held in trust for the benefit of the Administrative Agent, and such Lender, Issuing Bank or Secured Party shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two (2) Business



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140 Second Amended and Restated Credit Agreement Days thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this clause (a) shall be conclusive, absent manifest error, (b) Without limiting immediately preceding clause (a), each Lender, Issuing Bank or Secured Party, or any Person who has received funds on behalf of a Lender, Issuing Bank or Secured Party, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Lender, Issuing Bank or Secured Party, or other such recipient, otherwise becomes aware was transmitted, or received, in error or by mistake (in whole or in part) in each case: (i) (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent written confirmation from the Administrative Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and (ii) such Lender, Issuing Bank or Secured Party shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one (1) Business Day of its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this Section 10.12(b). (c) Each Lender, Issuing Bank or Secured Party hereby authorizes the Administrative Agent to set off, net and apply any and all amounts at any time owing to such Lender, Issuing Bank or Secured Party under any Loan Document, or otherwise payable or distributable by the Administrative Agent to such Lender, Issuing Bank or Secured Party from any source, against any amount due to the Administrative Agent under clause (a) hereof or under the indemnification provisions of this Agreement. (d) In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with clause (a) hereof, from any Lender or Issuing Bank that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its respective behalf) (such unrecovered amount, an "Erroneous Payment Return Deficiency"), upon the Administrative Agent's notice to such Lender



141. Second Amended and Restated Credit Agreement or Issuing Bank at any time, (i) such Lender or Issuing Bank shall be deemed to have assigned its Loans (but not its Commitments) of the relevant Class with respect to which such Erroneous Payment was made (the "Erroneous Payment Impacted Class") in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify), (ii) such assignment of the Loans (but not Commitments) of the Erroneous Payment Impacted Class, the "Erroneous Payment Deficiency Assignment") at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver an Assignment and Assumption with respect to such Erroneous Payment Deficiency Assignment, and such Lender or Issuing Bank shall deliver any Notes evidencing such Loans to the Borrower or the Administrative Agent, (iii) the Administrative Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender or Issuing Bank, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender or assigning Issuing Bank shall cease to be a Lender or Issuing Bank, as applicable, hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and its applicable Commitments which shall survive as to such assigning Lender or assigning Issuing Bank, and (iv) the Administrative Agent may reflect in the Register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. The Administrative Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender or Issuing Bank shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Administrative Agent shall retain all other rights, remedies and claims against such Lender or Issuing Bank (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender or Issuing Bank and such Commitments shall remain available in accordance with the terms of this Agreement. In addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold a Loan (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Lender, Issuing Bank or Secured Party under the Loan Documents with respect to each Erroneous Payment Return Deficiency (the "Erroneous Payment Subrogation Rights"). (e) The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Obligations owed by the Borrower or any other Loan Party, except, in each case, to the extent such Erroneous

Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from the Borrower or any other Loan Party for the purpose of making such Erroneous Payment. (f) To the extent permitted by applicable law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including without limitation any defense based on "discharge for value" or any similar doctrine.



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142 Second Amended and Restated Credit Agreement (g) Each party's obligations, agreements and waivers under this Section 10.12 shall survive the resignation or replacement of the Administrative Agent, any transfer of rights or obligations by, or the replacement of, a Lender or Issuing Bank, the termination of the Commitments and/or the repayment, satisfaction or discharge of all Obligations (or any portion thereof) under any Loan Document. ARTICLE XI. MISCELLANEOUS SECTION 11.01 Waivers; Amendments. (a) No Deemed Waivers; Remedies Cumulative. No failure or delay by the Administrative Agent or any Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any further or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent and the Lenders hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by Section 11.01(b), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent or any Lender may have had notice or knowledge of such Default at the time. (b) Amendments. No amendment, supplement, modification or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by any Loan Party and/or Sponsor Party therefrom, shall be effective unless in writing and either (x) signed by the Required Lenders and the relevant Loan Party and/or Sponsor Party, as applicable, and acknowledged by the Administrative Agent or (y) approved by the Administrative Agent (acting on the instructions of the Required Lenders) and the Borrower, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such waiver and no such amendment, supplement or modification shall: (i) increase the amount or extend the expiration date of any Commitment without the written consent of each Issuing Bank and each Lender adversely affected thereby; (ii) reduce or forgive the principal amount or extend the final scheduled date of maturity of any Loan, extend the scheduled date of any amortization payment in respect of any Loan, reduce the stated rate of any interest or fee payable under this Agreement (except in connection with the waiver of applicability of any post-default increase in interest rates (which waiver shall be effective with the consent of the Required Facility Lenders of each adversely affected Facility)) or extend the scheduled date of any payment thereof, in each case, without the written consent of each Issuing Bank and each Lender adversely affected thereby;



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143 Second Amended and Restated Credit Agreement (iii) amend, modify or waive any provision of Article III in a manner that would alter the pro rata sharing of payments required thereunder, without the written consent of each Lender or amend Section 11.17 without the written consent of each Lender Party adversely affected thereby; (iv) change the voting rights of the Issuing Bank or the Lenders under this Section 11.01(b) or the definition of the term "Required Lenders" or "Required Facility Lenders" or any other provision hereof specifying the number or percentage of Lenders or other Secured Parties required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender and Issuing Bank; or (v) release all or a material portion of the Collateral, or any Loan Party from their obligations under the Collateral Documents or any Membership Interests without the written consent of the Issuing Bank and each Lender, in each case, other than in connection with a disposition permitted hereunder; provided that no such agreement shall amend, modify or otherwise affect the rights or duties of any Lender Party hereunder without the prior written consent of such Lender Party; (vi) amend, modify or waive any provision of Article X or any other provision of any Loan Document that would adversely affect the Administrative Agent without the written consent of the Administrative Agent; (vii) amend, modify or waive any provision of the Collateral Agency Agreement or the Depository Agreement or any other provision of any Loan Document that would adversely affect the Collateral Agent or Depository Agent without the written consent of such affected Agent; (viii) amend, modify or waive any provision of Section 2.02 (or any other provision of this Agreement or any other Loan Document that specifically provides for rights and obligations of the Issuing Banks) without the written consent of each Issuing Bank; (ix) change the order of priority of payments set forth in Section 4.02(b) of the Depository Agreement or Section 2.02(a) of the Collateral Agency Agreement without the written consent of each Lender Party directly affected thereby; and (x) amend, modify or waive any provision of this Agreement in a manner that would adversely affect the Term Lenders or the LC Lenders disproportionately to any Lenders in respect of any other Class of Loan without the consent of all the Required Facility Lenders of the adversely affected Facility. Notwithstanding the above the Borrower, Lenders and the Issuing Banks hereby irrevocably authorize the Administrative Agent to make Conforming Changes from time to time pursuant to Section 2.03 and Section 3.11(a)(ii).



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144 Second Amended and Restated Credit Agreement SECTION 11.02 Notices; Copies of Notices and Other Information. (a) Any request, demand, authorization, direction, notice, consent, waiver or other documents provided or permitted by this Agreement shall be in writing and if such request, demand, authorization, direction, notice, consent or waiver is to be made upon, given or furnished to or filed with: (i) the Administrative Agent by any Lender or by the Borrower shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Administrative Agent at its Administrative Agent's Office; or (ii) the Borrower by the Administrative Agent, or by any Lender shall be sufficient for every purpose hereunder if in writing and mailed first-class, postage prepaid and by facsimile to the Borrower addressed to: 820 Gessner Road, Suite 500, Houston, TX 77024, Attn: Legal Department, Email: notices@sprucefinance.com, or at any other address previously furnished in writing to the Administrative Agent by the Borrower. The Borrower shall promptly transmit any notice received by them from the Lenders to the Administrative Agent. Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in Section 11.02(b) below, shall be effective as provided in Section 11.02(b). (b) Electronic Communications. Notices and other communications to the Administrative Agent or the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices to any Lender pursuant to Article II if such Lender has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may each, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement) and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or



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145 Second Amended and Restated Credit Agreement communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient. To the extent that a Lender does not directly receive any certificate, report or other document required to be delivered to it from the Borrower pursuant to the terms of this Agreement or the other Loan Documents, then the Administrative Agent agrees to deliver such reports, certificates and other documents to any such Lender promptly after receipt by the Administrative Agent from the Borrower. (c) Change of Address, Etc. The Borrower and the Administrative Agent may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile or telephone number

for notices and other communications hereunder by notice to the Borrower and the Administrative Agent. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. (d) Reliance by Administrative Agent and Lenders. The Administrative Agent and the Lenders shall be entitled to rely and act upon any notices (including electronic Borrowing Notices) purportedly given by or on behalf of the Borrower by an Authorized Officer even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof; provided, however, that the Administrative Agent and the Lenders may not rely upon any such notice if they have knowledge that such notice is not authorized by the Borrower. The Borrower shall indemnify each Indemnitee from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower, other than those resulting from the gross negligence or willful misconduct of such Person. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording. SECTION 11.03 No Waiver; Cumulative Remedies. No failure by any Lender or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by Law. SECTION 11.04 Effect of Headings and Table of Contents. The Article and Section headings in this Agreement and the Table of Contents are for convenience only and shall not affect the construction hereof or thereof. SECTION 11.05 Successors and Assigns. (a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and



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11.46 Second Amended and Restated Credit Agreement assigns permitted hereby, except that the Borrower may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender (such consent not to be unreasonably withheld, conditioned, or delayed), and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with Section 11.05(b), (ii) by way of participation in accordance Section 11.05(d), or (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 11.05(f) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Section 11.05(d) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement. (b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement upon prior notice to the Administrative Agent and the Borrower; provided that any such assignment shall be subject to the following conditions: (i) Minimum Amounts. (A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitments and/or the Loans at the time owing to it or contemporaneous assignments to related Approved Funds that equal at least the amount specified in clause 11.05(b)(i)(B) below in the aggregate, or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and (B) in any case not described in clause 11.05(b)(i)(A) above, the aggregate amount of the Commitments (which for this purpose includes Loans outstanding thereunder) or, if the applicable Commitments are not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date) shall not be less than \$1,000,000, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed). (ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned; (iii) Required Consents. The consent of the Administrative Agent and, with respect to the assignment of any LC Exposure, the Issuing Bank shall be required for any assignment pursuant to this Section 11.05(b) other than assignments to a Lender, an Affiliate of a Lender, an Eligible Assignee or an Approved Fund. Other than assignments to a Lender, an Affiliate of a Lender, an Eligible Assignee or an Approved Fund, for which



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147 Second Amended and Restated Credit Agreement no consent of the Borrower is required, the consent of the Borrower shall be required for any assignment pursuant to this Section 11.05(b) to (A) a Competitor or (B) to a Person that is adverse in litigation to the Borrower or its Affiliates (other than Affiliates that are commercial banks, insurance companies or investment or mutual funds) (such consent not to be unreasonably withheld); provided that, in each case, no consent of the Borrower shall be required if (x) a Default or Event of Default has occurred and is continuing and (y) the Borrower's consent shall be deemed to have been given if the Borrower has not responded within ten (10) Business Days of an assignment request. No other consent shall be required for any such assignment except to the extent required by clause 11.05(b)(i)(B) above, (iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing fee in the amount of \$3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire. (v) Prohibited Assignments: No assignment of any Loans or Commitments shall be made to (A) any Defaulting Lender or any of its Affiliates in this Section 11.05(b)(v), (B) to a natural Person, or (C) to any Affiliated Lender if, in the case of this subclause (C), after giving effect to such assignment, the Affiliated Lenders would, in the aggregate, own or hold in excess of 25% of the Commitments, Loans and LC Exposure outstanding under the Facilities (calculated as of the date of such purchase). (vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (A) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent and each other Lender hereunder (and interest accrued thereon), and (B) acquire (and fund as appropriate) its full pro rata share of all Loans. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this Section 11.05(b)(vi), then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs. (vii) Assignment to an Affiliated Lender. In the event that the Borrower or any of its Affiliate (including a Sponsor Party) is an assignee under this Section 11.05(b) (an "Affiliated Lender"), (A) such Affiliated Lender shall be a Non-Voting Lender (as defined in the Collateral Agency Agreement) and its Commitments shall not be included in any calculation for purposes of determining whether a requisite number or percentage



148 Second Amended and Restated Credit Agreement of Lenders, as applicable, have voted to take an action hereunder and (B) the Affiliated Lender, in its capacity as a Lender, shall not have any right (1) to consent to any amendment, modification, waiver, consent or other such action with respect to any of the terms of this Agreement or any other Loan Document, (2) to require the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) with respect to this Agreement or any other Loan Document, (3) to otherwise vote on any matter related to this Agreement or any other Loan Document, (4) to attend any meeting or conference call with the Administrative Agent or any Lender or receive any information from the Administrative Agent or any Lender, or (5) to make or bring any claim, in its capacity as a Lender, against the Administrative Agent or any Lender or with respect to the duties and obligations of such Person under the Loan Documents; provided, that no amendment, modification or waiver shall (x) deprive the Affiliated Lender, in its capacity as a Lender, of its share of any payments which Lenders are entitled to share on a pro rata basis hereunder or (y) affect the Affiliated Lender, or any of them, in its capacity as Lender, in a manner that is materially disproportionate to the effect of such amendment or other modification on other Lenders; provided, further, no amendment, modification or waiver expressly requiring the consent of all Lenders pursuant to Section 11.01(b) shall be effective without the consent of the Affiliated Lender, in its capacity as a Lender. Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 11.05(c), from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.06, 3.07, 3.08, 3.09 and 3.11 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 11.05(d). (c) Register. The Administrative Agent, acting solely for this purpose as an Administrative Agent of the Borrower, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the Loans owing to, each Lender

pursuant to the terms hereof from time to time (the "Register"). Upon its receipt of, and consent to, a duly completed Assignment and Assumption executed by an assigning Lender and an assignee lender, administrative details information with respect to such assignee lender (unless the assignee lender shall already be a Lender hereunder), the processing and recordation fee referred to in Section 11.05(b)(iv) above, if applicable, and the written consent of the Administrative Agent to such assignment and any applicable tax forms, the Administrative Agent shall promptly record each assignment made in accordance with this Section 11.05(c) in the



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149 Second Amended and Restated Credit Agreement Register. No assignment shall be effective unless it has been recorded in the Register as provided in this Section 11.05(c). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice. (d) Participations. (i) Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural Person or the Borrower or any of the Borrower's Affiliates) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitments and/or the Loans owing to it); provided that (A) such Lender's obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (C) the Borrower, the Administrative Agent and the Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. (ii) Any agreement or instrument pursuant to which a Lender sells such participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver requiring the consent of all Lenders, as set forth in first proviso in Section 11.01(b) that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.08, 3.09 and 3.10 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 11.05(b); provided that such Participant agrees to be subject to the provisions of Section 3.09 as if it were an assignee under Section 11.05(b). To the extent permitted by Law, each Participant also shall be entitled to the benefits of Section 3.11 as though it were a Lender; provided that such Participant agrees to be subject to Section 3.10 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the principal amounts (and stated interest) of each Participant's interest in the Loans, Commitments or other rights or obligations under the Loan Documents (each such register, a "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of any Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans or other rights or obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such Commitment, Loan or other right or obligation is in registered form under section 5f.103-1(c) of the Treasury Regulations. The entries in a Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. (e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.09 than the applicable Lender would have been



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150 Second Amended and Restated Credit Agreement entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 3.09 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Sections 3.09 and 3.10 as though it were a Lender. (f) Certain Pledges. Any Lender or the Administrative Agent may at any time pledge or assign a security interest in all or any portion of its rights under the Loan Documents to secure obligations of such Lender or the Administrative Agent, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central banking authority; provided that no such pledge or assignment shall release such Lender or the Administrative Agent from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender or the Administrative Agent as a party hereto. SECTION 11.06 Severability. In case any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. SECTION 11.07 Benefits of Agreement. Nothing in this Agreement, express or implied, shall give to any Person, other than the parties hereto, the Administrative Agent and their successors hereunder, the Lender Parties, each Indemnitee and any other Person with an ownership interest in any part of the Collateral, any benefit or any legal or equitable right, remedy or claim under this Agreement. SECTION 11.08 Governing Law. (a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS AND ANY CLAIMS, CONTROVERSY, DISPUTE OR CAUSE OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND THE TRANSACTIONS CONTEMPLATED HEREIN, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK. (b) SUBMISSION TO JURISDICTION. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH



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151 Second Amended and Restated Credit Agreement COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. (c) WAIVER OF VENUE. EACH PARTY HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (b) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT. (d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW. SECTION 11.09 WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, ADMINISTRATIVE AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.09, SECTION 11.10, Counterparts; Integration; Effectiveness; Electronic Signatures. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and thereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof and thereof. This Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof



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152 Second Amended and Restated Credit Agreement that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging means (e.g. "pdf", "tif", "jpg" or "jpeg") shall be effective as delivery of a manually executed counterpart of this Agreement. The words "execution", "signed", "signature" and words of like import herein shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any similar state law based on the Uniform Electronic Transactions Act, and the parties hereto hereby waive any objection to the contrary. Notwithstanding the foregoing, the Agents shall not be obligated to accept any such electronic signature or records as an original and may in any instance require that an original document be submitted to the Agents in lieu of, or in addition to, any such electronic signature or records. SECTION 11.11 Confidentiality. (a) Each party to this Agreement agrees to maintain the confidentiality of the Confidential Information (as defined below), except that Confidential Information may be disclosed (i) to its Affiliates, and to its and its Affiliates' directors, officers, employees, trustees and agents, including accountants, legal counsel and other agents and advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Confidential Information and instructed to keep such Confidential Information confidential and any failure of such Persons acting on behalf of such party to comply with this Section shall constitute a breach of this Section by the relevant party, as applicable), (ii) to the extent requested by any regulatory authority or self-regulatory authority, required by applicable Law or by any subpoena or similar legal process; provided that solely to the extent permitted by law and other than in connection with audits and reviews by regulatory and self-regulatory authorities, each party shall notify the other parties hereto as promptly as practicable of any such requested or required disclosure in connection with any legal or regulatory proceeding; provided further that in no event shall any party hereto be obligated or required to return any materials furnished by any other party hereto, (iii) to any other party to this Agreement or under the other Loan Documents, (iv) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the other Loan Documents or the enforcement of rights hereunder or thereunder, (v) on a confidential basis to (A) any rating agency in connection with rating a Borrower or its Subsidiaries or the Facilities, (B) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the Facilities, (C) any pledgee of a Lender referred to Section 11.05, (D) any insurer and credit risk support provider, or (E) in the case of any Lender, to its limited partners or its potential limited partners, (vi) subject to an agreement containing confidentiality undertakings substantially similar to those of this Section, to (A) any assignee of or Participant in, or any prospective assignee of or Participant in, any Lender's rights or obligations under this Agreement or (B) any actual or prospective counterparty (or its advisors) to any interest rate cap contract or derivative transaction relating to any Relevant Party or the Sponsor Parties and their obligations under the Loan Documents, or (vii) to the extent such Confidential Information (A) becomes publicly available other than as a result of a breach of this Section or (B) becomes available to such party or its Affiliates on a nonconfidential basis from a source other than a Sponsor Party or the Borrower. In



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153 Second Amended and Restated Credit Agreement addition, the Administrative Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors and similar services providers to the lending industry, and, on a confidential basis, to service providers to the Administrative Agent and the Lenders in connection with the administration and management of this Agreement and the other Loan Documents. For the purposes hereof, "Confidential Information" shall mean (1) with respect to the Borrower, all information received by the Administrative Agent or the Lenders from a Sponsor Party, the Borrower or any Subsidiary relating to a Sponsor Party, the Borrower, any other Subsidiary or their business, other than any such information that is available to the Administrative Agent or any Lender on a nonconfidential basis prior to disclosure by a Sponsor Party, the Borrower or any Subsidiary, and (2) with respect to the Administrative Agent or the Lenders, all information received by any Relevant Party or the Sponsors from the Administrative Agent or any Lender relating to the Administrative Agent or any Lender or its business, including information relating to fees, other than any such information that is available to such Relevant Party or the Sponsors on a nonconfidential basis prior to disclosure by the Administrative Agent or such Lender. Any Person required to maintain the confidentiality of Confidential Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Confidential Information as such Person would accord to its own confidential information. (b) EACH PARTY HERETO ACKNOWLEDGES THAT CONFIDENTIAL INFORMATION AS DEFINED IN SECTION 11.11(A) FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC CONFIDENTIAL INFORMATION CONCERNING SUCH OTHER PARTIES HERETO AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC CONFIDENTIAL INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC CONFIDENTIAL INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS. (c) ALL CONFIDENTIAL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS FURNISHED BY THE BORROWER OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT, WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC CONFIDENTIAL INFORMATION ABOUT THE SPONSOR PARTIES, THE BORROWER, THE RELEVANT PARTIES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE BORROWER AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE CONFIDENTIAL INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC CONFIDENTIAL INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS. (d) NOTWITHSTANDING ANYTHING TO THE CONTRARY EXPRESSED OR IMPLIED IN THIS SECTION 11.11 OR ELSEWHERE IN THIS



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154 Second Amended and Restated Credit Agreement AGREEMENT, ANY COMMUNICATION CONTAINING CONFIDENTIAL INFORMATION THAT INCLUDES UNREDACTED BANK ACCOUNT NUMBERS, SOCIAL SECURITY OR DRIVER'S LICENSE NUMBERS THAT IS DELIVERED ELECTRONICALLY MUST BE DELIVERED: (I) IF TO ANY LENDER, BY UPLOADING SUCH COMMUNICATION TO A DATA ROOM DESIGNATED BY SUCH LENDER, SUCH AS INTRALINKS OR EXTERNAL SHAREPOINT OR ANY SUCCESSOR DATA ROOM SO APPROVED AND DESIGNATED, AND PROMPTLY NOTIFYING SUCH LENDER BY EMAIL THAT SUCH CONFIDENTIAL INFORMATION HAS BEEN UPLOADED TO SUCH DATA ROOM OR (II) IF TO THE BORROWER, AT LENDER'S OPTION, BY UPLOADING IT TO A DATA ROOM DESIGNATED BY A LENDER SUCH AS INTRALINKS OR EXTERNAL SHAREPOINT, OR ANY SUCCESSOR DATA ROOM SO APPROVED AND DESIGNATED, AND PROMPTLY NOTIFYING THE BORROWER BY EMAIL THAT SUCH CONFIDENTIAL INFORMATION HAS BEEN UPLOADED TO SUCH DATA ROOM. (e) EACH PARTY RECOGNIZES AND AGREES THAT CONFIDENTIAL INFORMATION MAY BE E-MAILED IN THE COURSE OF DEALING. NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, EACH OF THE PARTIES AGREE THAT SO LONG AS THE PARTY E-MAILING CONFIDENTIAL INFORMATION HAS USED REASONABLE PRACTICES TO PROTECT ITS DATA AGAINST BREACH BY THIRD PARTIES, SUCH PARTY WILL NOT BE LIABLE FOR DISCLOSURE OF CONFIDENTIAL INFORMATION CAUSED BY A "CYBERATTACK", "HACK" OR ANY OTHER UNINTENDED DATA BREACH PERFORMED BY A THIRD- PARTY. SECTION 11.12 USA PATRIOT ACT. Each Lender that is subject to the PATRIOT Act and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Borrower that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the "PATRIOT Act"), it is required to obtain, verify and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or the Administrative Agent, as applicable, to identify the Borrower in accordance with the PATRIOT Act. The Borrower shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender reasonably requests in order to comply with its ongoing obligations under applicable "know your customer" and Anti-Money Laundering Laws, including the PATRIOT Act. SECTION 11.13 Corporate Obligation. No recourse may be taken, directly or indirectly, with respect to the obligations of the Borrower or the Administrative Agent, in each of their capacities hereunder, under this Agreement or any certificate or other writing delivered in connection herewith, against (a) the Administrative Agent in its individual capacity, or (b) any partner, member, owner, beneficiary, Administrative Agent, officer, director, employee or Administrative Agent of the Administrative Agent in its individual capacity, any holder of equity in the Borrower or the Administrative Agent or in any successor or assign of the Administrative Agent in its individual capacity, except as any such Person may have expressly agreed (it being understood that the Administrative Agent has no such obligations in its individual capacity), and except that any such partner, owner or equity holder shall be fully liable, to the extent provided by



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155 Second Amended and Restated Credit Agreement applicable Law, for any unpaid consideration for stock, unpaid capital contribution or failure to pay any installment or call owing to such entity, SECTION 11.14 Non-Recourse. No claims may be brought against the Borrower's directors or officers for any Obligations, except in the case of fraud or actions taken in bad faith by such Persons. SECTION 11.15 Administrative Agent's Duties and Obligations Limited. The duties and obligations of the Administrative Agent, in its various capacities hereunder, shall be limited to those expressly provided for in their entirety in this Agreement (including any exhibits to this Agreement). Any references in this Agreement (and in the exhibits to this Agreement) to duties or obligations of the Administrative Agent in its various capacities hereunder, that purport to arise pursuant to the provisions of any of the Loan Documents shall only be duties and obligations of the Administrative Agent if the Administrative Agent is a signatory to any such Loan Documents. SECTION 11.16 Entire Agreement. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES. SECTION 11.17 Right of Setoff. Subject to Article IV of the Collateral Agency Agreement, if an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such

Affiliate to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement or any other Loan Document to such Lender or its Affiliates, irrespective of whether or not such Lender or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower may be contingent or unmatured or are owed to a branch, office or Affiliate of such Lender different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness. The rights of each Lender and its Affiliates under this Section 11.17 are in addition to other rights and remedies (including other rights of setoff) that such Lender or its Affiliates may have. Each Lender agrees to notify the Borrower and the Administrative Agent promptly after any such setoff and application; provided that the failure to give such notice shall not affect the validity of such setoff and application. SECTION 11.18 Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any



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156 Second Amended and Restated Credit Agreement payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, appropriate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder. SECTION 11.19 Survival of Representations and Warranties. All representations and warranties made hereunder and in any document, certificate or statement delivered pursuant hereto or in connection herewith shall survive the making thereof and the termination of this Agreement. SECTION 11.20 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower acknowledges and agrees, and acknowledges its Affiliates' understanding that: (a) (i) the arranging and other services regarding this Agreement provided by the Arrangers, the Lender Parties and their Affiliates are arm's-length commercial transactions between the Borrower and its Affiliates, on the one hand, and the Arrangers, the Lender Parties and their Affiliates, on the other hand, (ii) the Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrower is capable of evaluating, and understand and accept, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (b) (i) the Arrangers, the Lender Parties and their Affiliates are and have been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, Administrative Agent or fiduciary for the Borrower or any of its Affiliates, or any other Person and (ii) neither the Arrangers, the Lender Parties nor their Affiliates have any obligation to the Borrower or any of its Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (c) the Arrangers, the Lender Parties and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower and its Affiliates, and neither the Arrangers, the Lender Parties nor their Affiliates have any obligation to disclose any of such interests to the Borrower or any of its Affiliates. To the fullest extent permitted by Law, the Borrower hereby waives and releases any claims that it may have against the Arrangers, the Lender Parties and their Affiliates with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transaction contemplated hereby. SECTION 11.21 Electronic Execution of Assignments and Certain Other Documents. The words "execute," "execution," "signed," "signature," and words of like import in any Assignment and Assumption or in any amendment or other modification hereof (including waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state Laws based on the Uniform Electronic Transactions Act.



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157 Second Amended and Restated Credit Agreement SECTION 11.22 Acknowledgement and Consent to Bail-In Affected Financial Institutions. Notwithstanding any other term of any Loan Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Affected Financial Institution arising under any Loan Documents may be subject to the write-down and conversion powers of the applicable Resolution Authority and acknowledges and accepts to be bound by the effect of: (a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Party hereto that is an Affected Financial Institution; and (b) the effects of any Bail-In Action on any such liability, including (without limitation), if applicable: (i) a reduction, in full or in part of any such liability; (ii) a conversion of all, or a portion of, any such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or (iii) a variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority. SECTION 11.23 Public Statement. Notwithstanding any other term of any Loan Document or any other agreement, arrangement, or understanding between the Parties, the Borrower may issue a press release or other public statement regarding the existence of this Agreement with the prior written approval of the Lenders, such approval not to be unreasonably withheld, conditioned, or delayed. The Borrower will provide the Lenders a reasonable opportunity (no less than three (3) Business Days) to review and comment on the content of such press release or public statement. SECTION 11.24 Effect of Amendment and Restatement. (a) On the Effectiveness Date, the Existing Credit Agreement shall be amended and restated in its entirety by this Agreement. The parties hereto acknowledge and agree that (i) this Agreement and the other Loan Documents, whether executed and delivered in connection herewith or otherwise, do not constitute a novation or termination of any of the obligations under the Existing Credit Agreement and the other Loan Documents as in effect prior to the Effectiveness Date and which remain outstanding and (ii) subject to this Agreement and the other Loan Documents entered into on the Effectiveness Date such obligations (including the guaranties and security interests created under the Existing Credit Agreement and the other Loan Documents existing on such date) are in all respects continuing. (b) On and after the Effectiveness Date (i) all references to the Existing Credit Agreement in the Loan Documents (other than this Agreement) shall be deemed to refer to the



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158 Second Amended and Restated Credit Agreement Existing Credit Agreement as amended and restated hereby, (ii) all references to any section (or subsection) of the Existing Credit Agreement in any Loan Documents (but not herein) shall be amended to become mutatis mutandis, references to the corresponding provisions of this Agreement, and (iii) except as the context otherwise provides, on and after the Effectiveness Date, all references to this Agreement herein (including for purposes of indemnification and reimbursement of fees) shall be deemed to be references to the Existing Credit Agreement as amended and restated hereby. (c) This amendment and restatement is limited as written and is not a consent to any other amendment, restatement or waiver or other modification, whether or not similar, and, except as expressly provided herein or in any other Loan Document, all terms and conditions of the Loan Documents remain in full force and effect unless otherwise specifically amended hereby or by any other Loan Document. [Signature Pages Follow]



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Signature Page to Second Amended and Restated Credit Agreement IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective officers, thereunto duly authorized, all as of the day and year first above written. BORROWER: SPRUCE POWER 2, LLC By: C C





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Signature Page to Second Amended and Restated Credit Agreement FIRST CITIZENS BANK & TRUST COMPANY, as Lender and Issuing Bank By: Name: Title: Sho Matsumoto Vice President



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Exhibit A-1 Exhibits to Credit Agreement 736629816 EXHIBIT A Form of Borrowing Notice BORROWING NOTICE (Delivered pursuant to Section 2.01(b) of the Credit Agreement) [____], 20[____] Silicon Valley Bank, a division of First-Citizens Bank & Trust Company as Administrative Agent Attn: Tai Pimputkar, Vice President 387 Park Ave South, 2nd Floor New York, NY 10016 Telephone: + 1 212-251-5639 E-mail: tpimputkar@svb.com Re: Spruce Power 2, LLC Ladies and Gentlemen: This Borrowing Notice (this "Notice") is delivered to you pursuant to Section 2.01(b) of that certain Second Amended and Restated Credit Agreement, dated as of August 18, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"), the financial institutions as Lenders from time to time party thereto (each individually a "Lender" and, collectively, the "Lenders"), Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent for the Lenders (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its successors and permitted assigns, the "Issuing Bank"). Capitalized terms used herein and not otherwise defined herein have the meanings given to them in the Credit Agreement. The Borrower hereby gives irrevocable notice to the Administrative Agent, pursuant to Section 2.01(b) of the Credit Agreement, that the undersigned Authorized Officer hereby requests the Additional Term Loan under the Credit Agreement on behalf of the Borrower. In connection with such request, the undersigned Authorized Officer certifies that he or she is an Authorized Officer and sets forth below the following information as required by Section 2.01(b) of the Credit Agreement: 1. The Borrower shall deliver a Borrowing Notice to the Administrative Agent no later than 10:00 a.m. (Pacific time) at least three (3) Business Days in advance of the proposed Borrowing Date, or a shorter timeframe, in the sole discretion of the Administrative Agent, but no less than one (1) Business Day in advance of the proposed Borrowing Date.



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Exhibit A-2 Exhibits to Credit Agreement (1) The proposed borrowing date for the Additional Term Loan is _____, which is a Business Day not earlier than three (3) U.S. Government Securities Business Days following the date hereof (the "Borrowing Date"). (2) The principal amount of the requested Additional Term Loan is \$ _____, which does not exceed the total aggregate Additional Term Loan Commitments of all Term Lenders on the Borrowing Date. (3) The proceeds of the Additional Term Loan shall be credited to the account of the Borrower as designated in writing to the Administrative Agent. The undersigned certifies on behalf of the Borrower and not in his or her individual capacity that as of the date hereof, all of the conditions precedent set forth in Section 8.01 of the Credit Agreement are satisfied or waived in accordance with the terms of the Credit Agreement. Delivery of an executed counterpart of this Borrowing Notice by telephonic, facsimile or other electronic means will be effective as delivery of any original executed counterpart of this Borrowing Notice. [Remainder of page intentionally blank]



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Exhibit A-3 Exhibits to Credit Agreement IN WITNESS WHEREOF, the Borrower has caused this Borrowing Notice to be duly executed and delivered as of the date first written above. BORROWER SPRUCE POWER 2, LLC By: _____
Name: Title: For internal Administrative Agent use only (for SOFR Loans) SOFR Pricing Date Term SOFR Reference Rate SOFR Variance Maturity Date _____%



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Exhibit B-1 Exhibits to Credit Agreement EXHIBIT B Form of Assignment and Assumption ASSIGNMENT AND ASSUMPTION This Assignment and Assumption (this "Assignment and Assumption") is dated as of the Effective Date set forth below and is entered into by and between the Assignor identified in item 1 below (the "Assignor") and the Assignee identified in item 2 below (the "Assignee"). Capitalized terms used but not defined herein shall have the meanings given to them in the Second Amended and Restated Credit Agreement identified below (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full. For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the facilities identified below and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by the Assignor to the Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as the "Assigned Interest"). Each such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor. 1. Assignor: _____ [Assignor [is] [is not] a Defaulting Lender] 2. Assignee: _____ [as [Lender] or [Affiliate][Approved Fund] of [Identify Lender]] 3. Borrower: Spruce Power 2, LLC. 1. Indicate the appropriate option only if the Assignee is a Lender, an Affiliate of a Lender or an Approved Fund.



Exhibit B-2 Exhibits to Credit Agreement 4. Administrative Agent: Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as administrative agent on behalf of the Lenders under the Credit Agreement. 5. Second Amended and Restated Credit Agreement: Dated as of August 18, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"), the financial institutions as Lenders from time to time party thereto (each individually a "Lender" and, collectively, the "Lenders"), Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent for the Lenders (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its successors and permitted assigns, the "Issuing Bank"). 6. Assigned Interest: Assignor Assignee. Aggregate Amount of Commitment/ Loans for Lender2 Amount of Commitment/ Loans Assigned Percentage3 Assigned of Commitment/ Loans \$ _____ % [7. Trade Date: _____]4 8. Effective Date: _____, 20____ [TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.] 9. The Assignee agrees to deliver to the Administrative Agent a completed Administrative Questionnaire in which the Assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower, the Lenders and their Affiliates or their securities) will be made available and who may receive such information in accordance with the Assignee's compliance procedures and applicable Laws, including Federal and state securities laws.5 2 Amounts in this column and in the column immediately to the right to be adjusted by the counterparty to take into account any payments or prepayments made between the Trade Date and the Effective Date. 3 Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder. 4 To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date. 5 Insert if Assignee is not already a Lender.



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Exhibit B-3 Exhibits to Credit Agreement The terms set forth in this Assignment and Assumption are hereby agreed to: ASSIGNOR6 [NAME OF ASSIGNOR] By: Name: Title: ASSIGNEE7 [NAME OF ASSIGNEE] By: Name: Title:
6 Include both Fund/Pension Plan and manager making the trade (if applicable). 7 Include both Fund/Pension Plan and manager making the trade (if applicable).



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Exhibit B-4 Exhibits to Credit Agreement [Consented to and]8 Accepted: FIRST-CITIZENS BANK & TRUST COMPANY, as Administrative Agent By: Name: Title: [Consented to:]9 FIRST-CITIZENS BANK & TRUST COMPANY, as Issuing Bank By: Name: Title: 8 To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement. 9 To be added only if the consent of the Issuing Bank is required by the terms of the Credit Agreement.



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Exhibit B-5 Exhibits to Credit Agreement [Consented to:]10 SPRUCE POWER 2, LLC, as Borrower By: Name: Title: 10 To be added only if the consent of the Borrower is required by the terms of the Credit Agreement.



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Exhibit B-6 Exhibits to Credit Agreement Annex 1 to Assignment and Assumption STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION 1. Representations and Warranties. 1.1. Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and (iv) it is not a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates, the Sponsor, any other Loan Party or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates, the Sponsor, any other Loan Party or any other Person of any of their obligations under any Loan Document. 1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under Section 11.05(b) of the Credit Agreement (subject to such consents, if any, as may be required under Section 11.05(b)(iii) of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 5.01(a)(i) or 5.01(a)(ii) thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest, and (vii) if it is a Foreign Lender, attached hereto is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement. (b) duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance upon the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents; and (ii) it will perform in accordance with



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Exhibit B-7 Exhibits to Credit Agreement their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender. 2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the

Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to the Assignee. 3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their successors and permitted assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of New York without reference to its conflict of laws other than Section 5-1401 of the New York General Obligations Law.



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Exhibit C-1 Exhibits to Credit Agreement EXHIBIT C Form of Notice of LC Activity NOTICE OF LC ACTIVITY (Delivered pursuant to Section 2.02(b) of the Credit Agreement) Date: _____ 1 Silicon Valley Bank, a division of First-Citizens Bank & Trust Company as Issuing Bank Attn: Tai Pimputkar, Vice President 387 Park Ave South, 2nd Floor New York, NY 10016 Telephone: + 1 212-251-5639 E-mail: tpimputkar@svb.com Re: Spruce Power 2, LLC Ladies and Gentlemen: Individually a "Lender" and, collectively, the "Lenders"), Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent for the Lenders (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its successors and permitted assigns, the "Issuing Bank"). Capitalized terms used and not defined herein shall have the meanings set forth in Section 1.01 of the Credit Agreement. 1. We request that [the [Insert description of Letter of Credit] (the "Letter of Credit") be [issued][extended][amended] as provided herein][Schedule 1 of the [Insert description of Letter of Credit] (the "Letter of Credit") be replaced as provided herein]. The Stated Amount of the [requested][current] Letter of Credit is the [insert dollar amount] Dollar amount for the relevant time period set forth on Schedule 1 hereto (such amount not to exceed [002]). 1 The Borrower shall deliver the Notice of LC Activity to the Administrative Agent (with a copy to the Issuing Bank) by 10:00 a.m. (Pacific time) at least three (3) Business Days before the date of issuance, extension, increase or decrease of the Stated Amount of the Letter of Credit (or such shorter timeframe as may be agreed by the Issuing Banks in their sole discretion, but in no event less than one (1) Business Day in advance of the proposed date of such issuance, extension, increase or decrease). 2 This figure will need to be updated to reflect increased LC commitment. This irrevocable Notice of LC Activity (this "Notice") is delivered to you pursuant to that certain Second Amended and Restated Credit Agreement, dated as of August 18, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"), the financial institutions as Lenders from time to time party thereto (each



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Exhibit C-2 Exhibits to Credit Agreement [Paragraph 2 to be added in the case of a request for decrease in the Stated Amount of a Letter of Credit] 2. We request that the Stated Amount of the Letter of Credit be decreased. [Paragraph 3 to be added in the case of a request for increase in the Stated Amount of a Letter of Credit] 3. We request that the Stated Amount of the Letter of Credit be increased. [Paragraph 4 to be added in the case of a request for the replacement of Schedule 1] 4. We request that Schedule 1 of the Letter of Credit be replaced with Schedule 1 attached hereto. [Paragraph 5 to be added in the case of a request for extension of a Letter of Credit] 5. We request the Expiration Date of the Letter of Credit be extended from _____ to _____, and such requested Expiration Date does not extend beyond the expiration date in Section 2.02(a)(iv)(B) of the Credit Agreement [Paragraph 6 to be added in the case of a request for reinstatement of a Letter of Credit] 6. The proposed date of the requested [issuance][extension][amendment] [increase in the Stated Amount][decrease in the Stated Amount][replacement of Schedule 1] of the Letter of Credit is _____. 7. The Expiration Date of the Letter of Credit is _____. 8. The Issuing Bank is instructed to deliver the [Letter of Credit][amended Letter of Credit]4 / [notice of [decrease]][increase] in the Stated Amount of the Letter of Credit]5 / [Letter of Credit with the replaced Schedule 1] to [Insert beneficiary of the Letter of Credit], at [Insert address of beneficiary of the Letter of Credit]. The Borrower hereby certifies to the Administrative Agent, the Issuing Bank and the Lenders that the following statements are accurate, true and complete as of the date hereof, and will be accurate, true and complete on and as of the proposed date of the requested [issuance][extension][amendment][decrease in the Stated Amount][increase in the Stated Amount][replacement of Schedule 1] of the Letter of Credit: A. The Letter of Credit requested or modified hereby shall only be used in the 3. The Borrower shall deliver the Notice of LC Activity to the Administrative Agent (with a copy to the Issuing Bank) by 10:00 a.m. (Pacific time) at least three (3) Business Days before the date of issuance, extension, increase or decrease of the Stated Amount of the Letter of Credit (or such shorter timeframe as may be agreed by the Issuing Banks in their sole discretion, but in no event less than one (1) Business Day in advance of the proposed date of such issuance, extension, increase or decrease). 4 Insert in case of amendment, issuance, increase or extension of a Letter of Credit. 5 Insert in case of decrease or increase in the Stated Amount of a Letter of Credit.



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Exhibit C-3 Exhibits to Credit Agreement manner and for the purposes specified and permitted by the Credit Agreement. B. Each of the applicable conditions set forth in Sections 2.02, 8.03 and other applicable Sections of the Credit Agreement has been satisfied or waived in accordance with the terms thereof. [In the case of a decrease in the Stated Amount, or the replacement of Schedule 1, of a Letter of Credit, add the following, as applicable: C. Attached hereto is a written confirmation of [insert beneficiary of the Letter of Credit] confirming the [decrease in the Stated Amount of the Letter of Credit] [the information set forth in the Schedule 1 attached hereto]]. [Remainder of page intentionally blank]



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Exhibit C-4 Exhibits to Credit Agreement IN WITNESS WHEREOF, the Borrower has caused this Notice of LC Activity to be duly executed and delivered as of the date first written above. BORROWER SPRUCE POWER 2, LLC
By: _____ Name: Title: _____



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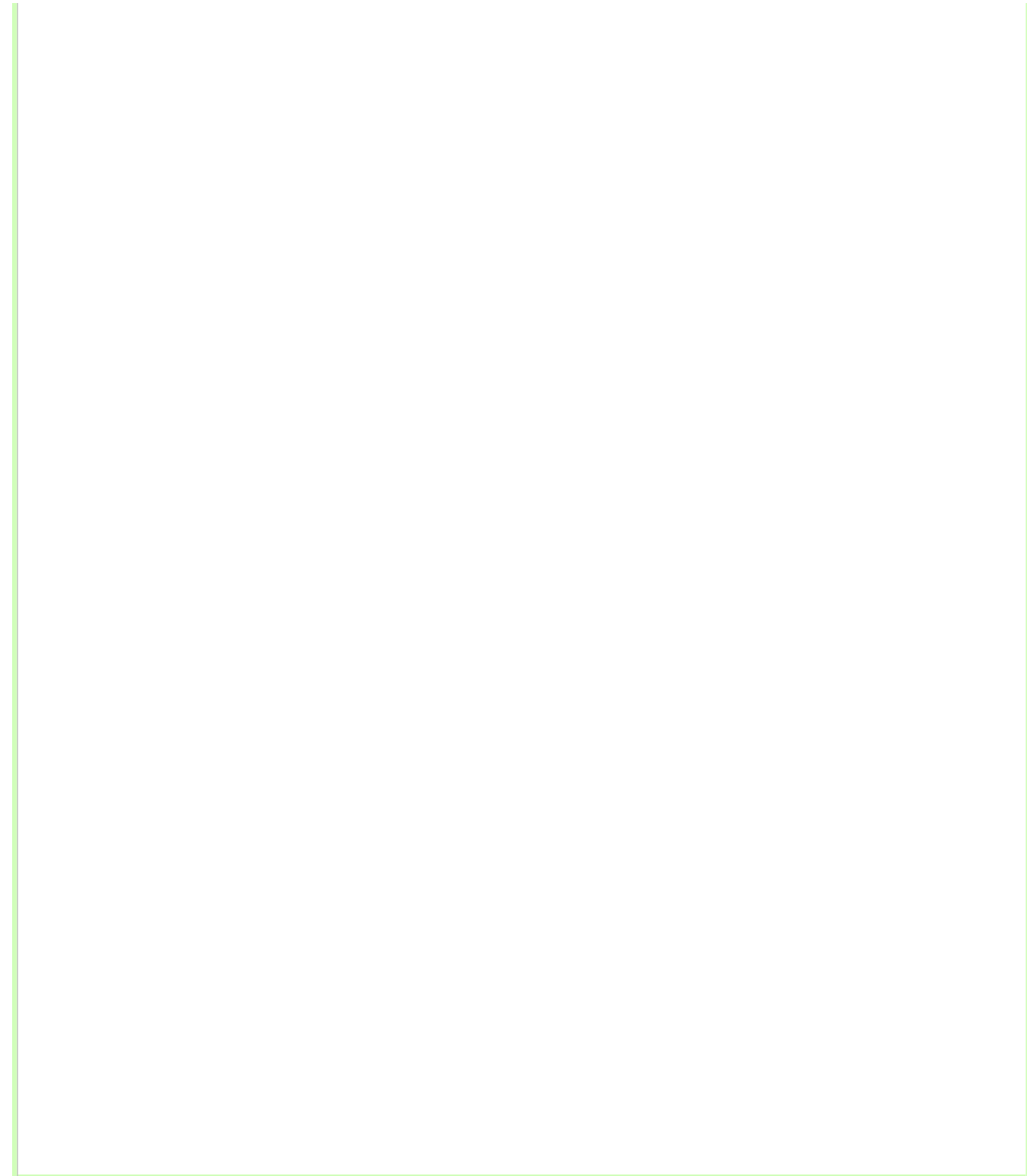


Exhibit C-5 Exhibits to Credit Agreement Schedule 1 to Notice of LC Activity The current Stated Amount available for drawing in accordance with the Amortization Schedule (which may be revised from time to time) delivered to the Borrower and each Lender in respect of the funding of the Draw Loans under this Letter of Credit is as follows: Current Stated Amount: \$[____], through and including [____]



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Exhibit D-1-1 Exhibits to Credit Agreement EXHIBIT D-1 Form of U.S. Tax Compliance Certificate U.S. TAX COMPLIANCE CERTIFICATE (For Foreign Lenders That Are Not Partnerships for U.S. Federal Income Tax Purposes)

Reference is made to that certain Second Amended and Restated Credit Agreement, dated as of August 18, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"), the financial institutions as Lenders from time to time party thereto (each individually a "Lender" and collectively, the "Lenders"), Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent for the Lenders (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its successors and permitted assigns, the "Issuing Bank"), Capitalized terms used herein and not otherwise defined herein have the meanings given to them in the Credit Agreement. Pursuant to the provisions of Section 3.09 of the Credit Agreement, the undersigned hereby certifies that:

(i) it is the sole record and beneficial owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower (or any Person from whom the Borrower is disregarded for U.S. federal income tax purposes) within the meaning of Section 881(c)(3)(B) of the Code and (iv) it is not a controlled foreign corporation related to the Borrower (or any Person from whom the Borrower is disregarded for U.S. federal income tax purposes) as described in Section 881(c)(3)(C) of the Code. The undersigned has furnished the Administrative Agent and the Borrower with a withholding certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E (whichever is applicable). By executing this withholding certificate, the undersigned agrees that (1) if the information provided on this withholding certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent and shall provide them with a new withholding certificate with the correct information, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective IRS Form W-8BEN or IRS Form W-8BEN-E (whichever is applicable) in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments. (Remainder of page intentionally blank)



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Exhibit D-1-2 Exhibits to Credit Agreement [NAME OF LENDER] By: Name: Title: Date: _____, 20____



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Exhibit D-2-1 Exhibits to Credit Agreement EXHIBIT D-2 Form of U.S. Tax Compliance Certificate U.S. TAX COMPLIANCE CERTIFICATE (For Foreign Participants That Are Not Partnerships for U.S. Federal Income Tax Purposes) Reference is made to that certain Second Amended and Restated Credit Agreement, dated as of August 18, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"), the financial institutions as Lenders from time to time party thereto (each individually a "Lender" and collectively, the "Lenders"), Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent for the Lenders (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its successors and permitted assigns, the "Issuing Bank"). Capitalized terms used herein and not otherwise defined herein have the meanings given to them in the Credit Agreement. Pursuant to the provisions of Section 3.09 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (ii) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (iii) it is not a ten percent shareholder of the Borrower (or any Person from whom the Borrower is disregarded for U.S. federal income tax purposes) within the meaning of Section 881(c)(3)(B) of the Code, and (iv) it is not a controlled foreign corporation related to the Borrower (or any Person from whom the Borrower is disregarded for U.S. federal income tax purposes) as described in Section 881(c)(3)(C) of the Code. The undersigned has furnished its participating Lender with a withholding certificate of its non-U.S. Person status on IRS Form W-8BEN or IRS Form W-8BEN-E (whichever is applicable). By executing this withholding certificate, the undersigned agrees that (1) if the information provided on this withholding certificate changes, the undersigned shall promptly so inform such Lender in writing and shall provide it with a new withholding certificate with the correct information and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective IRS Form W-8BEN or IRS Form W-8BEN-E (whichever is applicable) in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments. [Remainder of page intentionally blank]



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Exhibit D-2-2 Exhibits to Spruce Credit Agreement [NAME OF PARTICIPANT] By: Name: Title: _____, 20__



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Exhibit D-3-1 Exhibits to Credit Agreement EXHIBIT D-3 Form of U.S. Tax Compliance Certificate U.S. TAX COMPLIANCE CERTIFICATE (For Foreign Participants That Are Partnerships for U.S. Federal Income Tax Purposes). Reference is made to that certain Second Amended and Restated Credit Agreement, dated as of August 18, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time) (the "Credit Agreement"), among Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"), the financial institutions as Lenders from time to time party thereto (each individually a "Lender" and collectively, the "Lenders"), Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent for the Lenders (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its successors and permitted assigns, the "Issuing Bank"). Capitalized terms used herein and not otherwise defined herein have the meanings given to them in the Credit Agreement. Pursuant to the provisions of Section 3.09 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the participation in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such participation, (iii) with respect such participation, neither the undersigned nor any of its direct or indirect partners/members that are claiming the portfolio interest exemption is a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (iv) none of its direct or indirect partners/members is a ten percent shareholder of the Borrower (or any Person from whom the Borrower is disregarded for U.S. federal income tax purposes) within the meaning of Section 881(c)(3)(B) of the Code, and (v) none of its direct or indirect partners/members is a controlled foreign corporation related to the Borrower (or any Person from whom the Borrower is disregarded for U.S. federal income tax purposes) as described in Section 881(c)(3)(C) of the Code. The undersigned has furnished its participating Lender with its IRS Form W-8IMY accompanied by one of the following withholding certificates from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-8BEN-E (whichever is applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-8BEN-E (whichever is applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing its withholding certificate, the undersigned agrees that (1) if the information provided on its withholding certificate changes, the undersigned shall promptly so inform such Lender and shall provide it with a new withholding certificate with such correct information and (2) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective withholding certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments. [Remainder of page intentionally blank]



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Exhibit D-4-1 Exhibits to Credit Agreement EXHIBIT D-4 Form of U.S. Tax Compliance Certificate U.S. TAX COMPLIANCE CERTIFICATE (For Foreign Lenders That Are Partnerships for U.S. Federal Income Tax Purposes). Reference is made to that certain Second Amended and Restated Credit Agreement, dated as of August 18, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time) (the "Credit Agreement"), among Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"), the financial institutions as Lenders from time to time party thereto (each individually a "Lender" and collectively, the "Lenders"), Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent for the Lenders (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its successors and permitted assigns, the "Issuing Bank"). Capitalized terms used herein and not otherwise defined herein have the meanings given to them in the Credit Agreement. Pursuant to the provisions of Section 3.09 of the Credit Agreement, the undersigned hereby certifies that (i) it is the sole record owner of the Loan(s) (as well as any Note(s) evidencing such Loan(s)) in respect of which it is providing this certificate, (ii) its direct or indirect partners/members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)) and (iii) with respect to the extension of credit pursuant to this Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners/members that are claiming the portfolio interest exemption is (x) a bank extending credit pursuant to a loan agreement entered into in the ordinary course of its trade or business within the meaning of Section 881(c)(3)(A) of the Code, (y) a ten percent shareholder of the Borrower (or any Person from whom the Borrower is disregarded for U.S. federal income tax purposes) within the meaning of Section 881(c)(3)(B) of the Code or (z) a controlled foreign corporation related to the Borrower (or any Person from whom the Borrower is disregarded for U.S. federal income tax purposes) as described in Section 881(c)(3)(C) of the Code. The undersigned has furnished the Administrative Agent and the Borrower with IRS Form W-8IMY accompanied by one of the following forms from each of its partners/members that is claiming the portfolio interest exemption: (i) an IRS Form W-8BEN or IRS Form W-BEN-E (whichever is applicable) or (ii) an IRS Form W-8IMY accompanied by an IRS Form W-8BEN or IRS Form W-BEN-E (whichever is applicable) from each of such partner's/member's beneficial owners that is claiming the portfolio interest exemption. By executing its withholding certificate, the undersigned agrees that (1) if the information provided on its withholding certificate changes, the undersigned shall promptly so inform the Borrower and the Administrative Agent and shall provide them with a new withholding certificate with the correct information, and (2) the undersigned shall have at all times furnished the Borrower and the Administrative Agent with a properly completed and currently effective withholding certificate in either the calendar year in which each payment is to be made to the undersigned, or in either of the two calendar years preceding such payments.



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Exhibit D-4-2 Exhibits to Credit Agreement (Remainder of page intentionally blank) [NAME OF LENDER] By: Name: Title: Date: _____, 20



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Exhibit E-1-1 Exhibits to Credit Agreement EXHIBIT E-1 Form of Term Loan Note TERM LOAN NOTE No. [] [] 20[] For value received, the undersigned, Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"), unconditionally jointly and severally promises to pay to [] or its permitted assigns (the "Lender"), the principal amount of [] DOLLARS (\$ []), or if less, the aggregate unpaid and outstanding principal amount of this Term Loan Note advanced by the Lender to the Borrower pursuant to that certain Second Amended and Restated Credit Agreement, dated as of August 18, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, the financial institutions as Lenders from time to time party hereto, Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent for the Lenders (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its successors and permitted assigns, the "Issuing Bank"), and all other amounts owed by the Borrower to the Lender hereunder. Payments of principal of, and interest on, this Term Loan Note are to be made to the Administrative Agent, for the account of the Lender, in lawful money of the United States of America. This is one of the Notes referred to in Section 2.04 of the Credit Agreement and is entitled to the benefits thereof and is subject to all terms, provisions and conditions thereof. Capitalized terms used and not defined herein shall have the meanings set forth in Section 1.01 of the Credit Agreement. This Term Loan Note is made in connection with and is secured by, among other instruments, the provisions of the Collateral Documents. Reference is hereby made to the Credit Agreement and the Collateral Documents for the provisions, among others, with respect to the custody and application of the Collateral, the nature and extent of the security provided thereunder, the rights, duties and obligations of the Borrower and the rights of the holder of this Term Loan Note. The principal amount hereof is payable in accordance with the Credit Agreement, and such principal amount may be prepaid solely in accordance with the Credit Agreement. The Borrower authorizes the Lender to record on the schedule annexed to this Term Loan Note the date and amount of the Term Loan made by the Lender and each payment or prepayment of principal thereunder and agrees that all such notations shall constitute prima facie evidence of the accuracy of the matters noted. The Borrower further authorizes the Lender to attach to and make a part of this Term Loan Note continuations of the schedule attached thereto as necessary. No failure to make any such notations, nor any errors in making any such notations, shall affect



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Exhibit E-1-2 Exhibits to Credit Agreement the validity of the Borrower's obligations to repay the full unpaid principal amount of the Term Loans. The Borrower further agrees to pay, in lawful money of the United States of America and in immediately available funds, interest from the date hereof on the unpaid and outstanding principal amount hereof until such unpaid and outstanding principal amount shall become due and payable (whether at stated maturity, by acceleration or otherwise) at the rates of interest and at the times set forth in the Credit Agreement, and the Borrower agrees to pay other fees and costs as stated in the Credit Agreement at the times specified in, and otherwise in accordance with, the Credit Agreement. If any payment due on this Term Loan Note becomes due and payable on a date which is not a Business Day, such payment shall be made on the next succeeding Business Day, in accordance with the Credit Agreement. Upon the occurrence of any one or more Events of Default, all amounts then remaining unpaid on this Term Loan Note may become or be declared to be immediately due and payable as provided in the Credit Agreement and other Loan Documents, without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, or notices or demands of any kind, all of which are expressly waived by the Borrower. The Borrower agrees to pay all costs and expenses, including without limitation reasonable attorneys' fees, incurred in connection with the interpretation or enforcement of this Term Loan Note, at the times specified in, and otherwise in accordance with, the Credit Agreement. Except as permitted by the Credit Agreement, this Term Loan Note or the indebtedness evidenced hereby may not be assigned by Lender to any other Person. Transfer of this Term Loan Note may be effected only by a surrender of the Term Loan Note by Lender and either reissuance of the Term Loan Note or issuance of a new Term Loan Note by the Borrower to the new lender. THIS TERM LOAN NOTE SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO CONFLICTS OF LAWS (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATIONS LAW). [REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]





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Exhibit E-2-1 Exhibits to Credit Agreement EXHIBIT E-2 Form of Letter of Credit Loan Note LETTER OF CREDIT LOAN NOTE No. [_____] [_____] 20[_____] For value received, the undersigned, Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"), unconditionally jointly and severally promises to pay to [_____] or its permitted assigns (the "Lender"), the principal amount of [_____] DOLLARS (\$ _____), or if less, the aggregate unpaid and outstanding principal amount of this LC Loan Note advanced by the Lender to the Borrower pursuant to that certain Second Amended and Restated Credit Agreement, dated as of August 18, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, the financial institutions as Lenders from time to time party thereto, Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent for the Lenders (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its successors and permitted assigns, the "Issuing Bank"), and all other amounts owed by the Borrower to the Lender hereunder. Payments of principal of, and interest on, this LC Loan Note are to be made to the Administrative Agent, for the account of the Lender, in lawful money of the United States of America. This is one of the Notes referred to in Section 2.04 of the Credit Agreement and is entitled to the benefits thereof and is subject to all terms, provisions and conditions thereof. Capitalized terms used and not defined herein shall have the meanings set forth in Section 1.01 of the Credit Agreement. This LC Loan Note is made in connection with and is secured by, among other instruments, the provisions of the Collateral Documents. Reference is hereby made to the Credit Agreement and the Collateral Documents for the provisions, among others, with respect to the custody and application of the Collateral, the nature and extent of the security provided thereunder, the rights, duties and obligations of the Borrower and the rights of the holder of this LC Loan Note. The principal amount hereof is payable in accordance with the Credit Agreement, and such principal amount may be prepaid solely in accordance with the Credit Agreement. The Borrower authorizes the Lender to record on the schedule annexed to this LC Loan Note the date and amount of each LC Loan made by the Lender and each payment or prepayment of principal thereunder and agrees that all such notations shall constitute prima facie evidence of the accuracy of the matters noted. The Borrower further authorizes the Lender to attach to and make a part of this LC Loan Note continuations of the schedule attached thereto as necessary.



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Exhibit E-2-2 Exhibits to Credit Agreement No failure to make any such notations, nor any errors in making any such notations, shall affect the validity of the Borrower's obligations to repay the full unpaid principal amount of the LC Loans. The Borrower further agrees to pay, in lawful money of the United States of America and in immediately available funds, interest from the date hereof on the unpaid and outstanding principal amount hereof until such unpaid and outstanding principal amount shall become due and payable (whether at stated maturity, by acceleration or otherwise) at the rates of interest and at the times set forth in the Credit Agreement, and the Borrower agrees to pay other fees and costs as stated in the Credit Agreement at the times specified in, and otherwise in accordance with, the Credit Agreement. If any payment due on this LC Loan Note becomes due and payable on a date which is not a Business Day, such payment shall be made on the next succeeding Business Day, in accordance with the Credit Agreement. Upon the occurrence of any one or more Events of Default, all amounts then remaining unpaid on this LC Loan Note may become or be declared to be immediately due and payable as provided in the Credit Agreement and other Loan Documents without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor, or notices or demands of any kind, all of which are expressly waived by the Borrower. The Borrower agrees to pay all costs and expenses, including without limitation reasonable attorneys' fees, incurred in connection with the interpretation or enforcement of this LC Loan Note, at the times specified in, and otherwise in accordance with, the Credit Agreement. Except as permitted by the Credit Agreement, this LC Loan Note or the indebtedness evidenced hereby may not be assigned by Lender to any other Person. Transfer of this LC Loan Note may be effected only by a surrender of the LC Loan Note by Lender and either reissuance of the LC Loan Note or issuance of a new LC Loan Note by the Borrower to the new lender. THIS LC LOAN NOTE SHALL BE CONSTRUED AND INTERPRETED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO CONFLICTS OF LAWS (OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE NEW YORK GENERAL OBLIGATION'S LAW). [REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]



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Exhibit E-2-3 Exhibits to Credit Agreement BORROWER: SPRUCE POWER 2, LLC, By: _____ Name: Title: _____



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Exhibit E-2-4 Exhibits to Credit Agreement Date Advance Prepayment or Repayment Outstanding Balance



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Exhibit G-1 Exhibits to Credit Agreement EXHIBIT G Form of Debt Service Coverage Ratio Certificate DEBT SERVICE COVERAGE RATIO CERTIFICATE [_____] 202[] Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent Attn: Tai Pimputkar, Vice President 387 Park Ave South, 2nd Floor New York, NY 10016 Telephone: + 1 212-251-5639 E-mail: tpimputkar@svb.com Re: Spruce Power 2, LLC Ladies and Gentlemen: This certificate (this "Certificate") is delivered to you pursuant to Section 5.01(a)(v) of that certain Second Amended and Restated Credit Agreement, dated as of August 18, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"), the financial institutions as Lenders from time to time party thereto (each individually a "Lender" and, collectively, the "Lenders"), Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Administrative Agent for the Lenders (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its successors and permitted assigns, the "Issuing Bank"). Capitalized terms used herein and not otherwise defined herein have the meanings given to them in the Credit Agreement. The Borrower hereby certifies to the Administrative Agent that, as of the date hereof, attached hereto as Appendix A are calculations showing the Debt Service Coverage Ratio for the twelve-month period ending on the Payment Date immediately preceding this Certificate (or, if less than twelve months have elapsed since the Closing Date to such Payment Date, the period from the Closing Date and ending on such Calculation Date), and otherwise calculated in good faith and a manner consistent in all material respects with and supported by the Base Case Model. [Remainder of page intentionally blank]



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Exhibit G-2 Exhibits to Credit Agreement IN WITNESS WHEREOF, the Borrower has caused this Certificate to be duly executed and delivered as of the date first written above. BORROWER: SPRUCE POWER 2, LLC
By: _____ Name: Title: _____



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Exhibit G-3 Exhibits to Credit Agreement Appendix A to Debt Service Coverage Ratio Certificate Debt Service Coverage Ratio Calculations [To be attached]



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Exhibit H-1 Exhibits to Credit Agreement EXHIBIT H Form of Financial Statement Certificate FINANCIAL STATEMENT CERTIFICATE [], 20[] The undersigned officers of [Spruce Holding Company 1 LLC, a Delaware limited liability company, Spruce Holding Company 2 LLC, a Delaware limited liability company, and Spruce Holding Company 3 LLC, a Delaware limited liability company (the "Sponsors"); [Solar Services Experts, LLC, a Delaware limited liability company d/b/a Energy Service Experts ("ESE"); [Spruce Power 2, LLC, a Delaware limited liability company (the "Borrower"); [Level Solar Fund IV LLC, a Delaware limited liability company (the "Tax Equity Opco");][insert full legal name of applicable Opco if being delivered pursuant to Section 5.01(a)(ii)], a [Delaware limited liability company], (the "Opco") hereby deliver this Financial Statement Certificate pursuant to Section 5.01(a)(vi) of that certain Second Amended and Restated Credit Agreement, dated as of August 18, 2023 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, the financial institutions as Lenders from time to time party thereto (each individually a "Lender" and, collectively, the "Lenders"), Silicon Valley Bank, a division of First Citizens Bank & Trust Company, as Administrative Agent (in such capacity, and together with its successors and permitted assigns, the "Administrative Agent") and Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Issuing Bank (in such capacity, and together with its successors and permitted assigns, the "Issuing Bank"). Capitalized terms used herein which are not otherwise defined herein shall have the meanings assigned to such terms in the Credit Agreement. The undersigned hereby certify as of the date hereof on behalf of [the Borrower][the Sponsors][ESE][the Tax Equity Opco][each Opco], and not in such person's individual capacity, that the [audited Financial Statements of [ESE][the Borrower][the Tax Equity Opco] (on a consolidated basis for the applicable Person and its Subsidiaries) for the calendar year ended []], [unaudited Financial Statements of the Sponsors (on a consolidated basis for the Sponsors and their Subsidiaries) for the calendar year ended []] [unaudited Financial Statements of [the Sponsors][ESE][the Borrower][each Opco] (on a consolidated basis for the applicable Person and its Subsidiaries) for the calendar quarter ended []], provided to the Administrative Agent pursuant to [Section 5.01(a)(i)] [Section 5.01(a)(ii)] of the Credit Agreement, fairly present the financial condition and results of operations of the Borrower and [the Sponsors][ESE][the Tax Equity Opco][each Opco] on a consolidated basis for the period covered thereby [in accordance with GAAP (subject, in the case of any such unaudited Financial Statements, to changes resulting from audit and normal year-end adjustments, including the absence of footnotes and subject to validation of individual Subsidiary capital accounts in calculating net loss attributable to non-controlling interests in conformity with GAAP)]1. [Remainder of page intentionally blank] 1 To be included only with annual reports. Quarterly reports do not have the GAAP requirement.



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Exhibit H-2 Exhibits to Credit Agreement IN WITNESS WHEREOF, the undersigned have executed and delivered this Financial Statement Certificate and caused it to be delivered as of the date first written above. []
By: Name: Title: [Chief Executive Officer][Chief Financial Officer]



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Executive Summary Report □ Statement of Operations □ [Spruce Portfolio composition, other information] □ Management □ [Corp/Organization updates] □ PPA and Lease Revenue Summary □ [] □ System Performance Summary □ [recent portfolio system performance discussion] □ Expenses □ [] □ Accounts Receivable □ [receivables and delinquency discussion] □ Default Rate □ [Quarter or Annual amounts per the waterfall payment exhibits] □ Events: Service Transfers, Payment Facilitation Agreements and Prepayments □ [notation of system events during the quarter] Appendix A – Quarterly EBITDA [See attached: "Appendix A" tab] Appendix B – Quarterly Operations Report with Collections, Available Cash, FMV, and Production [See attached: "Appendix B" tab] Appendix C – Accounts Receivable Report [See attached: "Appendix C" tab] Appendix D – Service Event & Transfer Report [See attached: "Appendix D" tab]



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Appendix E – Write-offs [See attached: "Appendix E" tab] Appendix F – Appearances [See attached: "Appendix F" tab]



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QX 20XX Budget Actual Variance to Budget Comments PPA & Lease Revenue -\$ -\$ 0% Production Guarantee Payments -\$ -\$ 0% PBI Payments -\$ -\$ 0% O&M Routine Costs -\$ -\$ 0% O&M Non-Routine Costs -\$ -\$ 0% Insurance Cost -\$ -\$ 0% Accounting & Admin Expenses -\$ -\$ 0% EBITDA -\$ -\$ 0% EBITDA Spruce Juniper Portfolio



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Quarter Collections (Operating Revenues) \$ Cash Available for Debt Service \$ FMV \$ Production kWh Estimated Production kWh Production Performance (PR) % Q1 Q2 Q3 Q4 Spruce Juniper Portfolio Quarterly
Operations Report



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As of QX 20XX No ineligible systems Net Aging: Excludes Defaulted Systems (From Date of Default Forward) Delinquent: 60-120 days Period Current 1-30 31-60 61-90 91-120 >120 Total Net - \$ Net - % of AR Q1 - - - Q2 - - - Q3 - - Q4 - - Gross Aging: Includes Defaulted Systems Delinquent:>120 days Period Current 1-30 31-60 61-90 91-120 >120 Total Net - \$ Net - % of AR Q1 - - Q2 - - Q3 - - Q4 - - A/R Performance



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Exhibit K-1 Exhibits to Credit Agreement EXHIBIT K SVB Form of Letter of Credit [ISSUING BANK LETTERHEAD] IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER: _____ ISSUE DATE: _____ ISSUING BANK: FIRST CITIZENS BANK & TRUST COMPANY 3003 TASMAN DRIVE 2ND FLOOR, MAIL SORT HF210 SANTA CLARA, CALIFORNIA ATTN: GLOBAL TRADE FINANCE BENEFICIARY: FIRST-CITIZENS BANK & TRUST COMPANY, AS COLLATERAL AGENT 387 PARK AVE SOUTH, 2ND FLOOR NEW YORK, NY 10016 ATTN: TAI PIMPUTKAR, VICE PRESIDENT TELEPHONE: + 1 212-251-5639 E-MAIL: TPIMPUTKAR@SVB.COM APPLICANT: SPRUCE POWER 2, LLC



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Exhibit K-2 Exhibits to Credit Agreement AMOUNT: US\$ _____ (_____ AND XX/100 U.S. DOLLARS) EXPIRATION DATE: _____ PLACE OF EXPIRATION: ISSUING BANK'S COUNTERS AT ITS ABOVE ADDRESS DEAR SIR /
MADAM: AT THE REQUEST OF AND FOR THE ACCOUNT OF SPRUCE POWER 2, LLC ("APPLICANT"), WE [ISSUING BANK], HEREBY ESTABLISH IN YOUR FAVOR OUR IRREVOCABLE LETTER OF CREDIT NO. [0] (THIS "LETTER OF
CREDIT") WHEREBY, SUBJECT TO THE TERMS AND CONDITIONS CONTAINED HEREIN, YOU ARE HEREBY IRREVOCABLY AUTHORIZED TO DRAW ON US, BY YOUR DRAFT OR DRAFTS AT SIGHT, AN AGGREGATE AMOUNT NOT TO
EXCEED USD [0] (SUCH AMOUNT, AS IT MAY BE REDUCED IN ACCORDANCE WITH THE TERMS HEREOF, THE "STATED AMOUNT" HEREOF). WE ARE ADVISED BY THE APPLICANT THAT THIS LETTER OF CREDIT IS ISSUED FOR THE
BENEFIT OF FIRST-CITIZENS BANK & TRUST COMPANY, AS COLLATERAL AGENT (THE "COLLATERAL AGENT"), ON BEHALF OF THE SECURED PARTIES PURSUANT TO THE SECOND AMENDED AND RESTATED CREDIT
AGREEMENT, DATED AS OF AUGUST 18, 2023 (AS AMENDED, RESTATED, AMENDED AND RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "CREDIT AGREEMENT"), AMONG THE APPLICANT AS
BORROWER, FIRST- CITIZENS BANK & TRUST COMPANY, AS ADMINISTRATIVE AGENT, THE FINANCIAL INSTITUTIONS SIGNATORY THERETO AS LENDERS AND THE ISSUING BANK. THIS LETTER OF CREDIT SHALL BE EFFECTIVE
IMMEDIATELY AND SHALL EXPIRE ON THE EXPIRATION DATE (AS HEREINAFTER DEFINED). PARTIAL AND MULTIPLE DRAWINGS ON THIS LETTER OF CREDIT ARE PERMITTED. YOU MAY DRAW UPON THIS LETTER OF CREDIT AT
ANY TIME ON OR PRIOR TO THE EXPIRATION DATE BY PRESENTING (A) A SIGHT DRAFT IN THE FORM OF EXHIBIT A (A "SIGHT DRAFT") ATTACHED HERETO, COMPLETED IN ACCORDANCE WITH THE INSTRUCTIONS
CONTAINED IN SUCH EXHIBIT A AND EXECUTED BY YOUR OFFICER, (B) A CERTIFICATE IN THE FORM OF EXHIBIT B ATTACHED HERETO, COMPLETED IN ACCORDANCE WITH THE INSTRUCTIONS CONTAINED IN SUCH EXHIBIT
B AND EXECUTED BY YOUR OFFICER AND (C) THE ORIGINAL LETTER OF CREDIT, INCLUDING ALL AMENDMENTS, IF ANY. PRESENTATION OF ANY SIGHT DRAFT AND ACCOMPANYING CERTIFICATE SHALL BE MADE AT OUR
OFFICE LOCATED AT 3003 TASMAN DRIVE, 2ND FLOOR, MAIL SORT HF210, SANTA CLARA, CA, 95054. WE HEREBY AGREE THAT ANY SIGHT DRAFT DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS LETTER OF
CREDIT SHALL BE DULY HONORED BY US UPON DELIVERY OF THE ABOVE- SPECIFIED CERTIFICATES AND ACCOMPANIED BY THE ORIGINAL OF THIS LETTER



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Exhibit K-3 Exhibits to Credit Agreement OF CREDIT AND AMENDMENTS IF ANY, IF PRESENTED ON OR BEFORE OUR CLOSE OF BUSINESS ON THE EXPIRATION DATE AT OUR OFFICE SPECIFIED ABOVE. THE STATED AMOUNT SHALL BE AUTOMATICALLY AND PERMANENTLY REDUCED (I) UPON OUR RECEIPT OF NOTICES FROM YOU IN THE FORM OF EXHIBIT A AND EXHIBIT B ATTACHED HERETO, BY THE AMOUNT OF ANY DRAWING HEREUNDER OR (II) UPON OUR RECEIPT OF A NOTICE FROM YOU IN THE FORM OF EXHIBIT D ATTACHED HERETO, BY AN AMOUNT IN DOLLARS EQUAL TO THE AMOUNT OF DOLLARS STATED IN SUCH NOTICE. THIS LETTER OF CREDIT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR A PERIOD OF ONE (1) YEAR FROM THE EXPIRATION DATE AND THEREAFTER EACH ANNIVERSARY THEREOF, UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO ANY EXPIRATION DATE, WE NOTIFY BENEFICIARY IN WRITING BY COURIER SERVICE AT THE ABOVE ADDRESS, THAT WE ELECT NOT TO EXTEND THIS LETTER OF CREDIT FOR SUCH ADDITIONAL PERIOD. UPON RECEIPT OF SUCH NOTICE, YOU MAY DRAW ON US AT SIGHT BY DELIVERY OF A NOTICE IN THE FORM OF EXHIBIT A FOR THE REMAINING BALANCE UNDER THIS STANDBY LETTER OF CREDIT WITHIN THE PERIOD PRIOR TO THE EXPIRATION DATE. PROVIDED THAT A DRAWING AND THE DOCUMENTS PRESENTED IN CONNECTION THEREWITH CONFORM TO THE TERMS AND CONDITIONS HEREOF, PAYMENT SHALL BE MADE TO YOU OF THE AMOUNT SPECIFIED IN THE APPLICABLE SIGHT DRAFT, NOT TO EXCEED THE STATED AMOUNT, IN IMMEDIATELY AVAILABLE FUNDS, NOT LATER THAN 2:00 PM PACIFIC TIME ON THE SUCCEEDING BUSINESS DAY IF THE PRESENTATION IS MADE NOT LATER THAN 11:00 A.M., PACIFIC TIME ON A BUSINESS DAY. IF SUCH SIGHT DRAFT IS SO PRESENTED TO US AFTER 11:00 A.M., PACIFIC TIME ON ANY BUSINESS DAY, PAYMENT WILL BE MADE TO YOU NOT LATER THAN 2:00PM PACIFIC TIME ON THE SECOND SUCCEEDING BUSINESS DAY. AS USED HEREIN, "BUSINESS DAY" SHALL MEAN ANY DAY OTHER THAN A SATURDAY, SUNDAY OR DAY ON WHICH BANKING INSTITUTIONS IN THE STATE OF CALIFORNIA ARE AUTHORIZED OR REQUIRED BY LAW TO CLOSE. IF ANY DRAWINGS OR THE DOCUMENTATION PRESENTED IN CONNECTION THEREWITH DOES NOT CONFORM TO THE TERMS AND CONDITIONS HEREOF, WE WILL FURTHER ADVISE YOU OF THE SAME BY TELEPHONE OR ANY OTHER ELECTRONIC MEDIUM WITHIN ONE (1) BUSINESS DAY AND GIVE THE REASONS FOR SUCH NON-CONFORMANCE. UPON BEING NOTIFIED THAT THE PAYMENT WAS NOT EFFECTED IN CONFORMITY WITH THIS LETTER OF CREDIT, YOU MAY ATTEMPT TO CORRECT ANY SUCH NON-CONFORMING DOCUMENTS; PROVIDED, HOWEVER, THAT ANY DRAWINGS OR DOCUMENTS PRESENTED TO CORRECT SUCH NON-CONFORMING DEMAND MUST BE PRESENTED ON OR PRIOR TO THE EXPIRATION OF THIS LETTER OF CREDIT. THIS LETTER OF CREDIT MAY ALSO BE CANCELED PRIOR TO ANY PRESENT OR FUTURE EXPIRATION DATE, UPON RECEIPT BY THE ISSUING BANK BY OVERNIGHT COURIER SERVICE OR REGISTERED MAIL (RETURN RECEIPT).



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Exhibit K-4 Exhibits to Credit Agreement REQUESTED) OF THE ORIGINAL LETTER OF CREDIT AND ALL AMENDMENTS (IF ANY) TOGETHER WITH BENEFICIARY'S SIGNED STATEMENT STATING THAT THE LETTER OF CREDIT IS NO LONGER REQUIRED AND IS BEING RETURNED FOR CANCELLATION. THIS LETTER OF CREDIT SHALL BE SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, 2007 REVISION, INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 600 (THE "UCP"). AS TO MATTERS NOT SUBJECT TO THE UCP AND TO THE EXTENT NOT INCONSISTENT WITH THE UCP, THIS LETTER OF CREDIT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, UNITED STATES OF AMERICA, INCLUDING ARTICLE 5 OF THE UNIFORM COMMERCIAL CODE AS IN EFFECT IN THAT STATE. THIS LETTER OF CREDIT IS TRANSFERABLE IN ITS ENTIRETY TO ANY TRANSFEREE THAT HAS SUCCEEDED YOU AS COLLATERAL AGENT UNDER THE CREDIT AGREEMENT. NO TRANSFER SHALL BECOME EFFECTIVE, NOR SHALL ANY DRAWING HEREUNDER BE ALLOWED BY THE TRANSFEREE, UNTIL YOU HAVE DELIVERED TO US A TRANSFER CERTIFICATE IN THE FORM OF EXHIBIT C ATTACHED HERETO AND THE ORIGINAL LETTER OF CREDIT AND AMENDMENT(S), IF ANY. NO PARTIAL TRANSFER IS PERMITTED. REFERENCES HEREIN TO "YOU" INCLUDE ANY PERMITTED TRANSFEREE. ONLY YOU MAY DRAW UPON THIS LETTER OF CREDIT. OUR TRANSFER FEE ¼ OF 1% OF THE TRANSFER AMOUNT (MINIMUM US\$250.00) IS FOR THE ACCOUNT OF _____. UPON THE PAYMENT TO YOU OF THE FULL AGGREGATE STATED AMOUNT SPECIFIED HEREIN OR UPON THE OCCURRENCE OF THE EXPIRATION DATE OR EARLIER CANCELLATION HEREOF, WE SHALL BE FULLY DISCHARGED OF OUR OBLIGATIONS UNDER THIS LETTER OF CREDIT. ALL COMMUNICATIONS WITH RESPECT TO THIS LETTER OF CREDIT SHALL BE MADE, IN THE CASE OF THE APPLICANT OR THE BENEFICIARY OR THE ISSUING BANK, AT THE ADDRESS FOR SUCH PERSON SPECIFIED ABOVE AND SHALL SPECIFICALLY REFER TO THE NUMBER OF THIS LETTER OF CREDIT. AND SHALL BE IN WRITING UNLESS OTHERWISE EXPRESSLY PROVIDED HEREIN. THIS LETTER OF CREDIT SETS FORTH IN FULL THE TERMS OF OUR UNDERTAKING. REFERENCE IN THIS LETTER OF CREDIT TO OTHER DOCUMENTS OR INSTRUMENTS IS FOR IDENTIFICATION PURPOSES ONLY AND SUCH REFERENCE SHALL NOT MODIFY, AMEND, AMPLIFY, LIMIT OR AFFECT THE TERMS HEREOF OR CAUSE SUCH DOCUMENTS OR INSTRUMENTS TO BE DEEMED INCORPORATED HEREIN. VERY TRULY YOURS



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Exhibit K-5 Exhibits to Credit Agreement FIRST-CITIZENS BANK & TRUST COMPANY, BY: NAME: TITLE:



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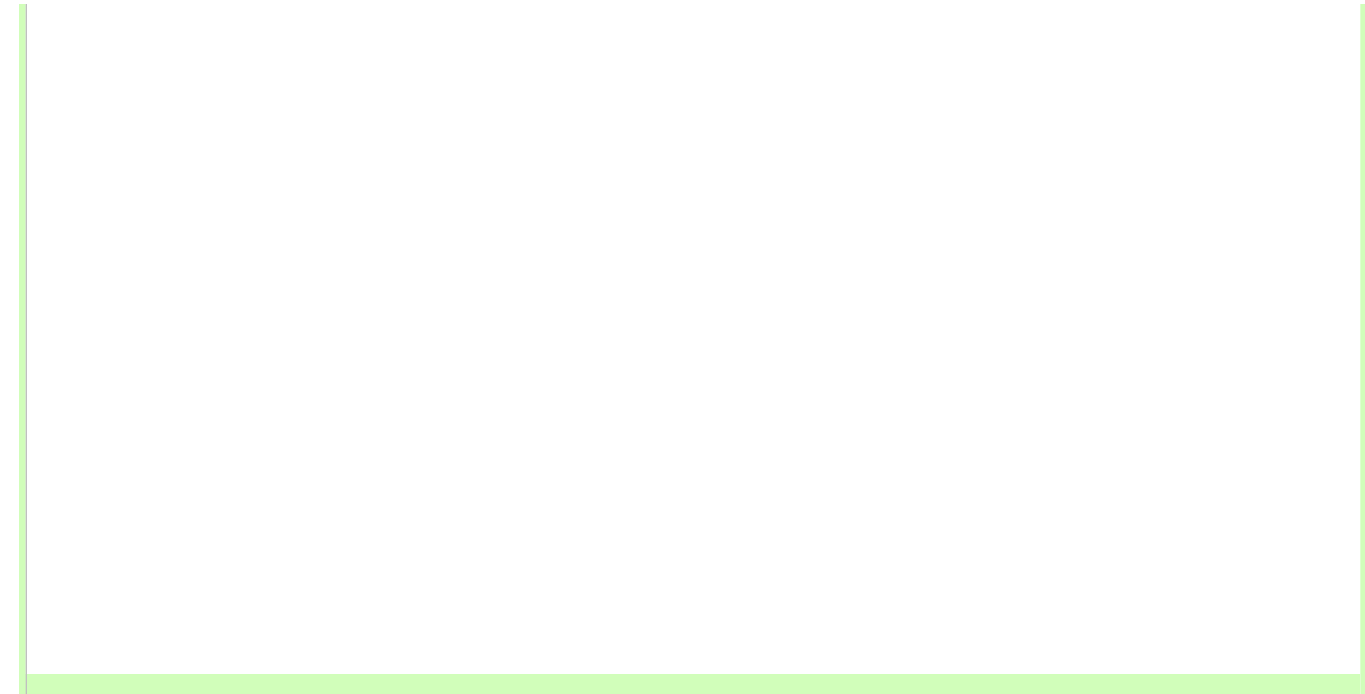


Exhibit K-6 Exhibits to Credit Agreement IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER _____ EXHIBIT A TO LETTER OF CREDIT NO. [] SIGHT DRAFT DATE: _____ [] RE: IRREVOCABLE LETTER OF CREDIT NO. [] ON SIGHT PAY TO FIRST-CITIZENS BANK & TRUST COMPANY, AS COLLATERAL AGENT, IN IMMEDIATELY AVAILABLE FUNDS _____ DOLLARS (\$) FOLLOWING RECEIPT HEREOF, PURSUANT TO IRREVOCABLE LETTER OF CREDIT NO. [] ISSUED BY FIRST-CITIZENS BANK & TRUST COMPANY. [BENEFICIARY] BY: _____ NAME: TITLE: _____



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Exhibit K-7 Exhibits to Credit Agreement IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER _____ EXHIBIT B TO LETTER OF CREDIT NO. [U] DATE: _____ [U] RE: IRREVOCABLE LETTER OF CREDIT NO. [U]
LADIES/GENTLEMEN: THIS IS A CERTIFICATE PRESENTED IN ACCORDANCE WITH YOUR IRREVOCABLE LETTER OF CREDIT NO. [U] HELD BY US (THE "LETTER OF CREDIT"). WE HEREBY CERTIFY THAT (A) WE ARE ENTITLED TO
DRAW UNDER THE IRREVOCABLE LETTER OF CREDIT NO. [U] PURSUANT TO SECTION 4.02 OF THE SECOND AMENDED AND RESTATED DEPOSITORY AGREEMENT, DATED AS OF AUGUST 18, 2023 (AS AMENDED, RESTATED,
AMENDED AND RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "DEPOSITORY AGREEMENT"), AMONG SPRUCE POWER 2, LLC, AS BORROWER (THE "BORROWER"), WILMINGTON TRUST, N.A.,
AS DEPOSITORY BANK, AND FIRST- CITIZENS BANK & TRUST COMPANY, AS ADMINISTRATIVE AGENT AND COLLATERAL AGENT AND (B) THE AMOUNT DRAWN DOES NOT EXCEED THE CURRENT STATED AMOUNT (AS DEFINED
IN THE LETTER OF CREDIT) OF THE LETTER OF CREDIT. WE AGREE TO APPLY THE PROCEEDS OF THE LETTER OF CREDIT DRAW TO BE MADE PURSUANT TO THE ACCOMPANYING SIGHT DRAFT IN ACCORDANCE WITH THE
DEPOSITORY AGREEMENT. THIS CERTIFICATE HAS BEEN EXECUTED AND DELIVERED BY A DULY AUTHORIZED OFFICER OF THE UNDERSIGNED ON THE DATE FIRST ABOVE WRITTEN. _____ (BENEFICIARY) BY:
NAME: TITLE:



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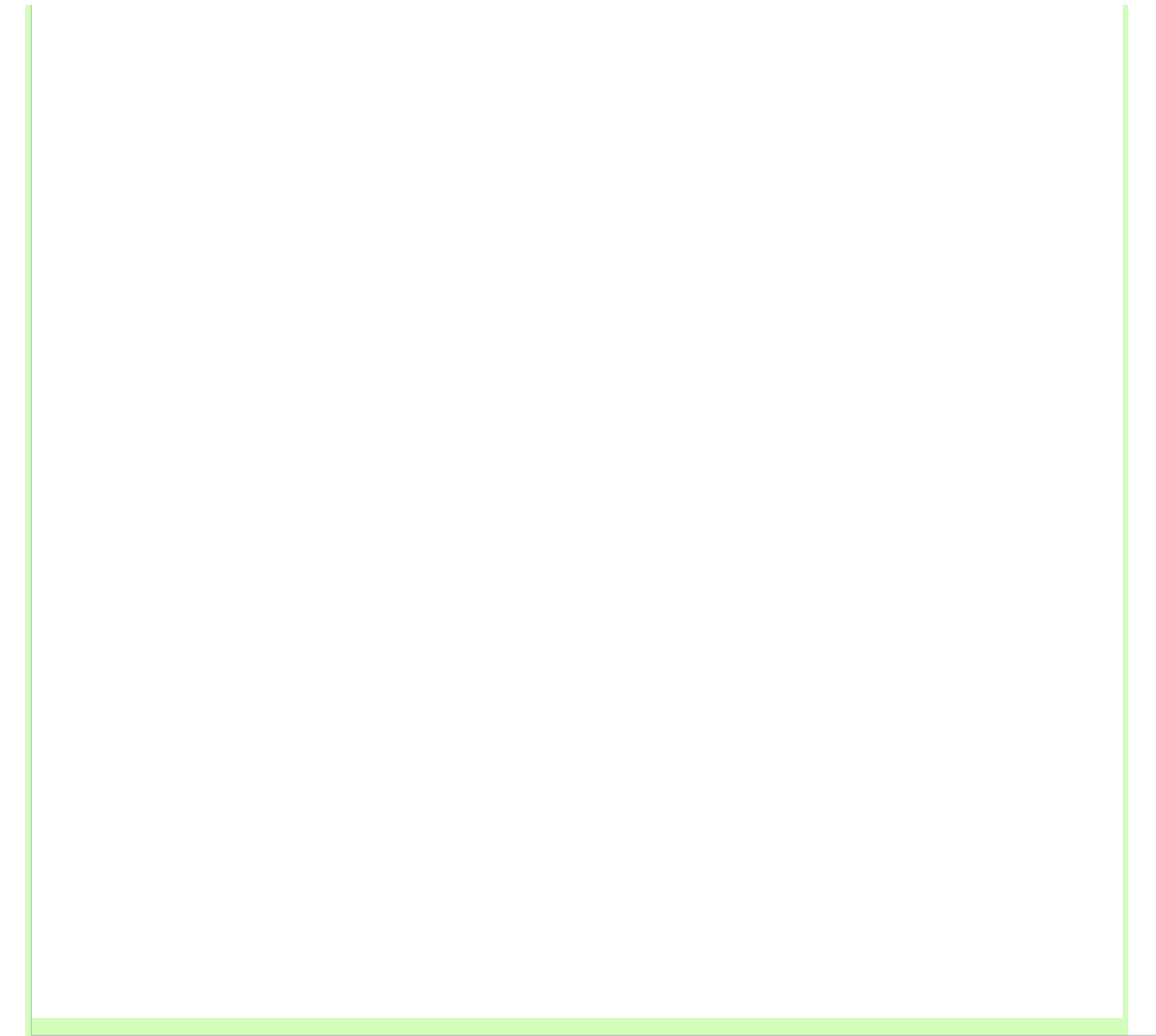


Exhibit K-8 Exhibits to Credit Agreement IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER _____ EXHIBIT C TO LETTER OF CREDIT NO. [] DATE: _____ [] RE: IRREVOCABLE LETTER OF CREDIT NO. []
LADIES/GENTLEMEN: FOR VALUE RECEIVED, THE UNDERSIGNED BENEFICIARY HEREBY IRREVOCABLY TRANSFERS TO: _____ (NAME OF TRANSFEREE)
(ADDRESS) ALL RIGHTS OF THE UNDERSIGNED BENEFICIARY TO DRAW UNDER THE ABOVE LETTER OF CREDIT UP TO ITS AVAILABLE AMOUNT AS SHOWN ABOVE AS OF THE DATE OF THIS TRANSFER. BY THIS TRANSFER, ALL
RIGHTS OF THE UNDERSIGNED BENEFICIARY IN SUCH LETTER OF CREDIT ARE TRANSFERRED TO THE TRANSFEREE. TRANSFEREE SHALL HAVE THE SOLE RIGHTS AS BENEFICIARY THEREOF, INCLUDING SOLE RIGHTS RELATING
TO ANY AMENDMENTS, WHETHER INCREASES OR EXTENSIONS OR OTHER AMENDMENTS, AND WHETHER NOW EXISTING OR HEREAFTER MADE. ALL AMENDMENTS ARE TO BE ADVISED DIRECTLY TO THE TRANSFEREE
WITHOUT NECESSITY OF ANY CONSENT OF OR NOTICE TO THE UNDERSIGNED BENEFICIARY. THE ORIGINAL OF SUCH LETTER OF CREDIT IS RETURNED HERewith, AND WE ASK YOU TO EITHER (1) ENDORSE THE TRANSFER
ON THE REVERSE THEREOF, AND FORWARD IT DIRECTLY TO THE TRANSFEREE WITH YOUR CUSTOMARY NOTICE OF TRANSFER.



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Exhibit K-9 Exhibits to Credit Agreement SINCERELY,

[BENEFICIARY] BY:

NAME: TITLE:



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Exhibit K-10 Exhibits to Credit Agreement IRREVOCABLE STANDBY LETTER OF CREDIT NUMBER _____ EXHIBIT D TO LETTER OF CREDIT NO. [] DATE: _____ [] RE: IRREVOCABLE LETTER OF CREDIT NO. []
LADIES/GENTLEMEN: FIRST-CITIZENS BANK & TRUST COMPANY, AS COLLATERAL AGENT (THE "COLLATERAL AGENT") UNDER AND IN CONNECTION WITH THE SECOND AMENDED AND RESTATED DEPOSITORY AGREEMENT,
DATED AS OF AUGUST 18, 2023 (AS AMENDED, RESTATED, AMENDED AND RESTATED, SUPPLEMENTED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "DEPOSITORY AGREEMENT"), AMONG SPRUCE POWER 2, LLC, AS
BORROWER (THE "BORROWER"), WILMINGTON TRUST, N.A., AS DEPOSITARY BANK, AND FIRST-CITIZENS BANK & TRUST COMPANY, AS ADMINISTRATIVE AGENT AND COLLATERAL AGENT, WITH REFERENCE TO THE
IRREVOCABLE STANDBY LETTER OF CREDIT NO. [] (THE "LETTER OF CREDIT") REPRESENT THAT: THE COLLATERAL AGENT IS THE "COLLATERAL AGENT" AS DEFINED IN THE DEPOSITORY AGREEMENT. THE UNDERSIGNED IS
DULY AUTHORIZED TO EXECUTE AND DELIVER THIS CERTIFICATE ON BEHALF OF THE COLLATERAL AGENT. THE BORROWER HAS DIRECTED THE COLLATERAL AGENT TO REDUCE THE AMOUNT OF THE LETTER OF CREDIT
PURSUANT TO SECTION 4.02(b)(iii) OF THE DEPOSITORY AGREEMENT. AS OF THE DATE OF THIS CERTIFICATE AND PRIOR TO GIVING EFFECT TO ANY REDUCTION IN THE STATED AMOUNT (AS DEFINED IN THE LETTER OF
CREDIT) PURSUANT TO THIS CERTIFICATE, THE BALANCE ON DEPOSIT IN OR CREDITED TO THE DEBT SERVICE RESERVE ACCOUNT (AS DEFINED IN THE DEPOSITORY AGREEMENT) EXCEEDS THE DEBT SERVICE RESERVE
REQUIRED AMOUNT (AS DEFINED IN THE DEPOSITORY AGREEMENT) FOR SUCH DATE BY AN AMOUNT EQUAL TO \$() (THE "BALANCE"). WITH EFFECT FROM THE DATE OF THIS CERTIFICATE, THE STATED AMOUNT SHALL BE
REDUCED BY \$(), WHICH AMOUNT IS EQUAL TO OR LESS THAN THE BALANCE. NEW STATE AMOUNT AFTER THE REDUCTION SHALL BE \$().



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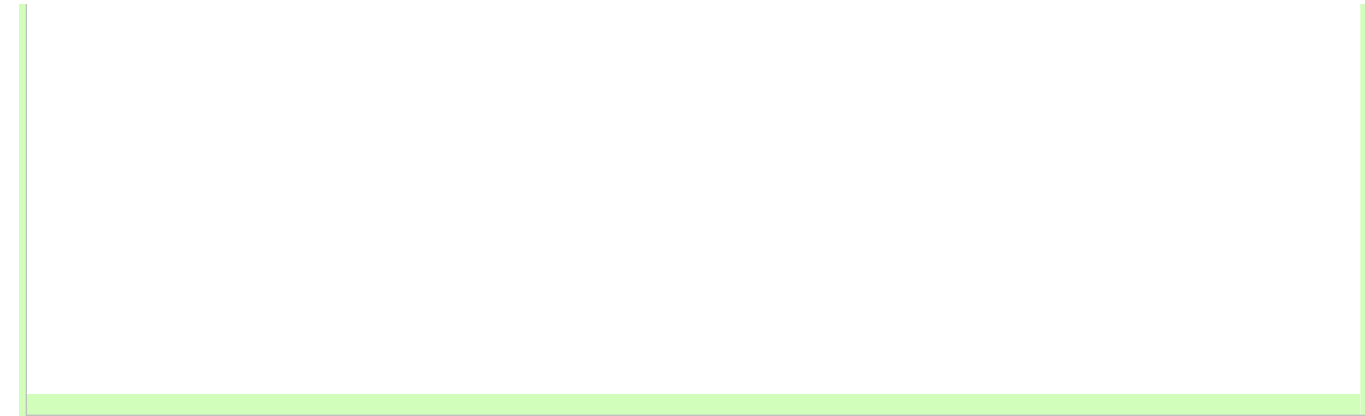


Exhibit K-11 Exhibits to Credit Agreement WE AGREE TO APPLY THE PROCEEDS OF THE LETTER OF CREDIT DRAW TO BE MADE PURSUANT TO THE ACCOMPANYING SIGHT DRAFT IN ACCORDANCE WITH THE DEPOSITORY AGREEMENT. IN WITNESS WHEREOF, THE COLLATERAL AGENT HAS EXECUTED AND DELIVERED THIS REDUCTION NOTICE ON THE DATE FIRST ABOVE WRITTEN. [BENEFICIARY] BY: [NAME: TITLE]



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Schedule I Schedules to Credit Agreement SCHEDULE I ADMINISTRATIVE AGENT'S OFFICE Administrative Agent Address Silicon Valley Bank, a division of First-Citizens Bank & Trust Company Attn: Tai Pimputkar, Vice President 387 Park Ave South, 2nd Floor New York, NY 10016 Telephone: + 1 212-251-5639 E-mail: tpimputkar@svb.com Administrative Agent Account Information Bank: First-Citizens Bank & Trust Company ABA Number: 121140399 Account Number: 1130560 Account Name: Wire Clearing Attn: Global Loan Services- Corporate Finance/Participation Desk



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Schedule 2.01 Schedules to Credit Agreement SCHEDULE 2.01 LENDER'S COMMITMENT	Term Lender Initial Term Loan Commitment	Existing Term Loan Commitment	Additional Term Loan Commitment	Total Term Loan Commitment
Silicon Valley Bank, a division of First-Citizens Bank & Trust Company	\$60,043,009.83	\$20,293,427.05	\$21,395,567.98	\$101,732,004.86
Total	\$60,043,009.83	\$20,293,427.05	\$21,395,567.98	\$101,732,004.86
LC Lender Initial LC Commitment	Existing LC Commitment	Additional LC Commitment	Total LC Commitment	Silicon Valley Bank, a division of First-Citizens Bank & Trust Company
\$2,654,795.45	\$6,965,073.13	Total	\$3,050,173.31	\$1,260,104.37
\$2,654,795.45	\$6,965,073.13			



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Schedule 4.03(c) Schedules to Credit Agreement SCHEDULE 4.03(c) TAX EQUITY OPKO OPTIONS, WARRANTS OR RIGHTS OF CONVERSION None



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Schedule 4.03(d) Schedules to Credit Agreement SCHEDULE 4.03(d) ORGANIZATIONAL STRUCTURE [See attached]



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3 Spruce Confidential Spruce Corporate Structure ("Spruce Power 2") Subsidiaries Subject to May 14, 2020 SVB Term Loan A Debt Facility Spruce Holding Company 2 LLC Spruce Holding Company 1 LLC Spruce Holding Company 3 LLC Spruce Power 2, LLC 49.010% 31.051% 19.939% KWS Solar Term Parent 1, LLC KWS Solar Term Parent 2, LLC KWS Solar Term Parent 3, LLC 100% 100% 100% Notes: (1) Class A Interests owned by tax equity investor. Denotes Audited Financials Available Level Solar Holdings IV, LLC Level Solar Fund IV, LLC (1) Class B 100% 100% Pro Forma



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Schedule 4.03(e) Schedules to Credit Agreement SCHEUDLE 4.03(e) SUBSIDIARIES Entity Name Jurisdiction Registered Owner Percentage of Ownership KWS Solar Term Parent 1 LLC Delaware Spruce Holding Company 1 LLC 100% KWS Solar Term Parent 2 LLC Delaware Spruce Holding Company 2 LLC 100% KWS Solar Term Parent 3 LLC Delaware Spruce Holding Company 3 LLC 100% Spruce Power 2, LLC Delaware KWS Solar Term Parent 1 LLC KWS Solar Term Parent 2 LLC KWS Solar Term Parent 3 LLC KWS Solar Term Parent 1 - 49.010% KWS Solar Term Parent 2 - 31.051% KWS Solar Term Parent 3 - 19.939% Level Solar Holdings IV LLC Delaware Spruce Power 2, LLC 100% of the Membership Interests Level Solar Fund IV LLC Delaware CT Solar Fund LLC 50% of the Investor Membership Interests Firstar Development, LLC 50% of the Investor Membership Interests Level Solar Holdings IV LLC 100% of the Managing Member Membership Interests



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Schedule 4.04 Schedules to Credit Agreement SCHEDULE 4.04 GOVERNMENTAL AUTHORIZATION; COMPLIANCE WITH LAWS None



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Schedule 4.10 Schedules to Credit Agreement SCHEDULE 4.10 LITIGATION; ADVERSE FACTS 1. Matthew Depue v. Tredegar Solar Fund I, LLC, et al. – Complaint filed in San Bernardino County Superior Court. The Company was served on June 2, 2023. The complaint alleges that Depue continues to be billed for a defective solar system that has not been fixed despite his requests. Depue is seeking an unspecified amount of damages for alleged violations of the California Consumer Legal Remedies Act, alleged violations of the California Song-Beverly Consumer Warranty Act, and breach of warranty. 2. Benancio Soto III v. Tredegar Solar Fund I, LLC, et al. – Complaint filed in Madera County Superior Court. The Company was served on May 23, 2023. The complaint alleges failure to provide a web-enabled meter, as well as failure to maintain and operate the solar system. Soto III is seeking an unspecified amount of damages over \$25K for alleged breach of contract, negligence, and breach of implied covenant of good faith and fair dealing. Soto III is also seeking declaratory and injunctive relief regarding removal of the solar system (with the Company being responsible for resulting damage). 3. Christopher Romero, et al. v. Tredegar Solar Fund I, LLC, et al. – Complaint filed in Fresno County Superior Court. The Company was served on July 11, 2022. The complaint alleges that plaintiffs continue to be billed for defective solar systems that have not been fixed. Plaintiffs are seeking an unspecified amount of damages over \$25K for alleged breach of contract, breach of implied covenant of good faith and fair dealing, intentional misrepresentation, and illegal and unfair business practices. Plaintiffs are also seeking declaratory relief. This matter was settled, but a number of the plaintiffs continued to be billed despite contrary language in the settlement agreement. Purchaser is a co-defendant and has potentially resolved this lingering issue. It is unclear whether a dismissal order has been entered. 4. Jennifer Lynn Middle v. Tredegar Solar Fund I, LLC, et al. – Complaint filed in Placer County Circuit Court. It is uncertain whether the complaint was ever served on the Company as the Company has no record of service of process. Purchaser is a co-defendant and that another co-defendant, Solcius, LLC, filed a cross-complaint against the Company. The cross-complaint seeks relief for equitable indemnity, equitable contribution and apportionment of fault, and declaratory relief. 5. Tara Wynne v. Tredegar Solar Fund I, LLC – Complaint filed in Amador County Superior Court. The Company was served on October 19, 2022. The complaint alleges the Company failed to remove and reinstall solar system following a fire. Wynne seeks an unspecified amount of damages over \$25K. At the outset of the suit, there was some confusion as Wynne filed suit in two different counties. It has since been confirmed that Wynne is proceeding in Amador County. 6. Diane Juarez v. Tredegar Solar Fund I, LLC – Complaint filed against the Company that went into arbitration and resulted in an arbitration award. Jon Norling, Purchaser's General Counsel, was the Company's witness at the arbitration. This matter was resolved by the arbitrator issuing an award, but there have been some lingering issues with system removal.



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Schedule 4.10 Schedules to Credit Agreement 7. Brad Cummings v. Tredegar Solar Fund I, LLC – Arbitration demand seeking \$351K in damages for alleged failure to maintain the solar system and for allegedly improper billing practices. Purchaser issued invoices for estimated billing, and Cummings alleged that the underlying contract does not specify the ability to do estimated billing. Jon Norling, Purchaser's General Counsel, was the Company's witness in the arbitration proceedings. The arbitrator awarded \$2,225 in damages to Cummings. This matter has been silent for some time, and the Company is not immediately aware of any outstanding issues related to the arbitration award. 8. Jeffrey Benter – In September 2022, the Company received a letter from an attorney representing Mr. Benter, an elderly gentleman dissatisfied with the operation of his system and alleging that the salesperson misled him. The Company asked Purchaser to contact the attorney and look into this, as the letter was addressed to both the Company and Purchaser. Nothing ever came of this to the knowledge of the Company. This has not resulted in any litigation to-date. 9. Peter and Melinda Themins – The Company received a demand letter from Peter and Melinda's attorney in April 2021 demanding removal of the solar system, \$2,800 in true- up damages, and the removal of any UCC liens that had been imposed. This has not resulted in any litigation to-date. 10. Sarah Bukewihge – The Company received a demand from Bukewihge's attorney in April 2023 seeking \$25K in damages for alleged overpayments, removal of the solar system, cancellation of the solar contract, removal of any adverse actions on her credit report, and documentation that would allow her to understand accurate meter readings of her system. This has not resulted in any litigation to-date. On July 26, 2023, Bukewihge renewed her demand and threatened litigation. She requested a response by Friday, July 28, 2023. The Company is coordinating a response with the service provider. 11. Jake Bendler – In 2019, the Company received a letter from an attorney regarding Mr. Bendler. The letter requested repair or removal of the solar panels in his system. The Company responded directly to Mr. Bendler (because the attorney was not representing him on the substance of his claim) and offered to replace his panels. The Company does not have record of a response from Mr. Bendler. This has not resulted in any litigation to- date. 12. Richard and Judith Lambert – In 2021, the Company received a letter from an attorney representing the Lamberts. They wanted to purchase their solar system, but noted some alleged (and unidentified) discrepancies between the information provided to them and the information associated with the Company contract agreement. They requested additional documentation. There is no indication of any further correspondence or concerns. This has not resulted in any litigation to-date. 13. Andy Bride – This is a customer account that Purchaser escalated to the Company's attention in 2022. The customer had defective solar panels and was arguing that the delay in getting new panels constituted a force majeure event under the contract agreement. Purchaser recommended terminating the customer relationship and removing the solar panels if Bride would allow access to his property. Bride demanded \$30K before he would



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Schedule 4.10 Schedules to Credit Agreement provide such access and threatened to send additional bills for having to store the panels. The Company agreed with Purchaser's recommendation to terminate the customer relationship. This has not resulted in any litigation to-date. 14. Eid Awimer – In June 2022, Purchaser forwarded an April 2022 letter addressed to the Company from Awimer's lawyer giving notice of his intent to arbitrate matters related to an allegedly non-functioning solar system. Purchaser and the Company sent a third-party servicer to the premises, but Awimer refused access. This has not resulted in any litigation to-date.



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Schedule 4.11 Schedules to Credit Agreement SCHEDULE 4.11 TAXES None



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Schedule 4.14 Schedules to Credit Agreement SCHEDULE 4.14 INSURANCE Schedule 4.14 – A Property Insurance Program General Property Insurance Information Insurance Carrier Aspen Specialty Insurance Company Financial Rating A+ XV by AM Best Coverage Term 4/1/23 – 4/1/24 Perils Insured "All-Risk", except as excluded Policy Number IMZ225623 Policy Valuation Replacement Cost (ACV in no rebuild scenario) Covered Property Residential solar installations, including but not limited to: solar panels and their supporting hardware, inverters, wiring and other related equipment at various locations Policy Territory United States of America, its territories and possessions, Canada and Puerto Rico Property Insurance Limits Property Damage \$52,529,472 per occurrence Business Interruption (time element) \$1,000,000 per occurrence Contingent Business Income 120 days Windstorm \$52,529,472 annual aggregate Earthquake \$20,000,000 annual aggregate Flood \$52,529,472 annual aggregate Demolition and Increased Cost of Construction \$1,000,000 per occurrence Architects, Surveyors and Other Fees \$2,500,000 per occurrence Debris removal \$1,000,000 per occurrence Escalation 125% Expediting expense \$1,000,000 per occurrence Inland transit \$1,000,000 per occurrence Newly acquired property \$5,000,000 per occurrence Local Authorities Clause \$1,000,000 per occurrence Leased Equipment Rental Costs \$2,500,000 per occurrence Pollution clean-up and removal \$1,000,000 per occurrence Offsite storage \$1,000,000 per occurrence Accountants Costs / Professional Services and Legal Costs \$1,000,000 per occurrence Tax Recapture \$100,000 per occurrence Deductibles All Risk \$5,000 per occurrence Windstorm \$5,000 per occurrence Earthquake California - 5% of physical damage subject to a minimum of \$100,000 Non-California - \$100,000 per occurrence Flood \$5,000 per occurrence



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Schedule 4.14 Schedules to Credit Agreement Business Income 10 day waiting period per occurrence Key Terms & Conditions First Named Insured Spruce Manager, LLC Named Insured Spruce Power 2, LLC; Spruce Power Holding Corp. Additional Insured Silicon Valley Bank, a division of First-Citizens Bank & Trust Company Lender's Loss Payable Silicon Valley Bank, a division of First-Citizens Bank & Trust Company, as Collateral Agent Waiver of Subrogation Included Non-Vitiation Included in multiple insured clause Notice of Cancellation Insured: Ninety (90) days' notice (but fifteen (15) days in respect of nonpayment of premium) Administrative Agent: sixty (60) days' notice (but fifteen (15) days in respect of nonpayment of premium) Coinsurance Nil Interim Payments Included Errors & omissions clause Included Policy primary Yes Serial Loss Clause First and second losses 100% Third and fourth losses 75% Fifth and sixth losses 50% Notable Exclusions and Restrictions Wear and tear Land, landscaping, lawns, trees, plants, shrubs, standing timber, crops, water or riverbeds, accounts, cash, etc. Piers, jetties, barges, supply vessels or other waterborne craft Electronic data Motor craft Terrorism Punitive, exemplary or any other similar damages War, invasion, acts of enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local Authority Criminal, fraudulent, dishonest, or illegal acts Shortage of inventory



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Schedule 4.14 Schedules to Credit Agreement Schedule 4.14.B General Liability Insurance Program General Liability Insurance Information Insurance Carrier Ironshore Specialty Insurance Company Financial Rating A XV
by AM Best Coverage Term 12/1/22 – 12/1/23 Policy Number IEPUW0014081500 Covered Locations United States of America, including the District of Columbia, and Puerto Rico Liability Insurance Limits Per Occurrence
\$1,000,000 General Aggregate \$2,000,000 Policy Aggregate \$5,000,000 Pollution Liability \$1,000,000 each condition Products Completed Operations Aggregate \$2,000,000 Personal and Advertising Injury \$1,000,000
Damage to Rented Premises / Fire Damage (Any One Fire) \$500,000 Medical Payment – Any One Person \$25,000 Hired and Non-owned Auto Liability \$1,000,000 Employee Benefits Liability \$1,000,000 Deductibles (per
occurrence) Per Occurrence \$5,000 Employee Benefits \$1,000 Auto \$1,000 Collision Key Terms & Conditions Named Insured Spruce Power 2, LLC; Spruce Power Holding Corp. Additional Insured Silicon Valley Bank, a
division of First-Citizens Bank & Trust Company Waiver of Subrogation Included – Blanket by written contract Cancellation Ninety (90) days' notice (but ten (10) days in respect of nonpayment of premium) Primary Non-
Contributory Included Cross Liability No Exclusions Severability on Interests Included Coverage Extensions Hired & Non-owned Auto Time element pollution Blanket waiver of subrogation Separation of Insureds Per
Project / Location Aggregate Limits Employee Benefits Liability Blanket Additional Insured Notable Exclusions and Restrictions Asbestos Professional Services



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Schedule 4.14 Schedules to Credit Agreement Biometric Information Privacy Fungus or Bacteria Aircraft and Watercraft Expected or Intended Injury Electronic Data Lead Liquor Liability Nuclear War or Terrorism Schedule 4.14 - C Umbrella Liability Insurance Program Umbrella Liability Insurance Information Insurance Carrier Ironshore Specialty Insurance Company Financial Rating A XIV by AM Best Coverage Term 12/1/22 - 12/1/23 Policy Number XSCUW0014081600 Coverage Territory United States of America, including the District of Columbia, and Puerto Rico Excess Liability Insurance Information (\$10M x \$10M) Insurance Carrier Capitol Specialty Insurance Corporation Financial Rating A XIV by AM Best Coverage Term 12/1/22 - 12/1/23 Policy Number EX20192036-04 Coverage Territory United States of America, including the District of Columbia, and Puerto Rico Umbrella Insurance Limits Per Occurrence \$10,000,000 General Aggregate \$10,000,000 Excess Liability Insurance Limits Per Occurrence \$10,000,000 xs \$10,000,000 General Aggregate \$10,000,000 xs \$10,000,000 Deductibles / Self-Insured Retention (per occurrence) Per Occurrence \$0 Key Terms & Conditions Named Insured Same as GL Additional Insureds Follow underlying policies Waiver of Subrogation Follow underlying policies Cancellation 60 Days Separation of Insureds Provided Other Insurance Provided Cancellation Insured: Ninety (90) days' notice (but ten (10) days in respect of non-payment of premium)



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Schedule 4.14 Schedules to Credit Agreement Coverage Extensions Schedule of underlying insurance Schedule of Underlying Insurance General Liability \$1,000,000 Occurrence \$2,000,000 Aggregate \$2,000,000
Products/Completed Operations Aggregate \$1,000,000 Personal/Advertising Injury Hired & Non-Owned Auto Liability \$1,000,000 combined single limit Employers Liability \$1,000,000 - Each Accident \$1,000,000 - Each
Employee \$1,000,000 - Policy Limit Notable Exclusions and Restrictions Same as underlying general liability (including Coronavirus Exclusion)



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Schedule 4.19 Schedules to Credit Agreement SCHEDULE 4.19 BROKERS None



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Schedule 4.23(f) Schedules to Credit Agreement SCHEDULE 4.23(f) PORTFOLIO DOCUMENT EXCEPTIONS The below project numbers reflect Customer Agreements that were not provided to the Borrower as part of the Level Solar Acquisition: 57872 68705 68957 69267 69277 70165 70894 72354 72494 72568 72962 72971 73073 73662 73760 73772 73787 73804 73814 73843 73869 73911 74316 74391 74450 74459 74470 76140 76174 76261 76272 76273 76294 76578 76616 76624 76681 76821 76965 76991 77009 77015 77030 77130 77147 77162 77180 77578 77579 78199 78224 78228 78391 78402 78427 79021 80114 80319 80326 81285 81302 81587 82256 82578 83270 87133 89090 89468 89602 89606 89830 90560 91252 91813 92311 94653 94654 94658 94667 95399 95633 96391 97722 100308 100339 100400 101072 101333 101344 101438 104036 105785 107837 107859 107872 109323 111195 111234 111959 111962 112326 112341 112520 112577 112621 115653 115984 117946 118124 118156 118169 118198 118701 118833 119842 120288 120591 121027 121037 121058 121083 121099 121165 121378 121427 121484 121492 121498 121516 121564 121587 121659 121667 121671 121673 121675 121692 121732 121734 121750 121756 121763 121764 121767 121768 121775 121781 121824 121891 121909 121911 121937 121983 121989 121999 122008 122010 122012 122019 122020 122021 122059 122064 122166 122167 122179 122183 122184 122189 122191 122377 122480 122523 122895 123306 123481 124732 125340 125474 125559 126678 126693 126960 127057 128168 128921 129438 130054 130633 130844 131435 131714 131720 132097 132194 132199 132373 132520 132524 132747 132825 132832 132839 132910 132995 132998 133111 133142 133163 133193



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Schedule 4.25(c) Schedules to Credit Agreement 133200 133213 133254 133263 133280 133338 133339 133377 133425 133462 133471 133522 133566 133711 133777 133827 133828 133932 133996 134040 134070
134091 134137 134144 134198 134204 134243 134291 134318 134331 134369 134376 134419 134430 134472 134482 134487 134532 134598 134599 134625 134644 134655 134707 134728 134737 134747
134754 134778 134803 134840 134870 134875 134878 134926 134956 134957 134960 134979 135005 135012 135025 135030 135053 135062 135079 135085 135092 135098 135105 135143 135148 135173
135174 135176 135193 135200 135230 135240 135245 135247 135248 135278 135290 135297 135301 135321 135322 135327 135328 135340 135348 135355 135356 135362 135371 135372 135374 135379
135395 135399 135425 135429 135430 135465 135484 135506 135512 135513 135519 135525 135526 135532 135537 135566 135581 135582 135584 135597 135600 135602 135609 135615 135623 135630
135632 135634 135644 135646 135664 135669 135678 135684 135694 135699 135702 135705 135711 135717 135744 135747 135749 135773 135785 135792 135793 135798 135801 135805 135808 135827
135836 135840 135841 135848 135852 135884 135890 135900 135912 135919 135990 136060 136106



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Schedule 4.23(m) Schedules to Credit Agreement SCHEDULE 4.23(m) PROJECT STATES Arizona California Colorado Connecticut Maryland Massachusetts New Jersey New York Pennsylvania South Carolina Texas



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Schedule 4.25(c) Schedules to Credit Agreement SCHEDULE 4.25(c) TAX EQUITY DOCUMENTS 1. Amended and Restated Operating Agreement of Level Solar Fund IV LLC, dated as of December 16, 2016, by and between Firststar Development, LLC, Level Solar Holdings IV LLC, CT Solar Fund I, LLC, and NuMaMe, LLC, as amended by that First Amendment to Amended and Restated Operating Agreement of Level Solar Fund IV LLC, dated as of October 2, 2017, as amended by that Second Amended and Restated Operating Agreement of Level Solar Fund IV LLC, dated as of April 27, 2018, as amended by that certain Consent and Agreement and Third Amendment, dated as of July 12, 2022, and as amended by that certain Fourth Amendment to Amended and Restated Operating Agreement of Level Solar Fund IV LLC, dated as of January 27, 2023. 2. Consent Agreement and Third Amendment, dated as of the July 12, 2022, by and among Level Solar Holdings IV LLC, Firststar Development, LLC, NuMaMe, LLC, and Spruce Power 2, LLC 3. Consent Agreement, dated as of the July 12, 2022, by and among Level Solar Holdings IV LLC, Silicon Valley Bank, CT Solar Fund 1, LLC, and Firststar Development, LLC, and acknowledged and agreed to by Level Solar Fund IV LLC. 4. Development, EPC and Purchase Agreement, dated December 16, 2016, by and between Level Solar Inc. and Level Solar Fund IV LLC. 5. Maintenance Services Agreement, dated as of the July 12, 2022, by and between Solar Service Experts, LLC, d/b/a Energy Service Experts, and Level Solar Fund IV LLC.



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Schedule 4.25(d) Schedules to Credit Agreement SCHEDULE 4.25(d) WHOLLY-OWNED DOCUMENTS None.



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Schedule 4.25(e) Schedules to Credit Agreement SCHEDULE 4.25(e) MAINTENANCE SERVICE AGREEMENTS 1. Maintenance Services Agreement, dated as of the Closing Date, by and between Solar Service Experts, LLC, d/b/a Energy Service Experts and Spruce Power 2, LLC. 2. Maintenance Services Agreement, dated as of the July 12, 2022, by and between Solar Service Experts, LLC, d/b/a Energy Service Experts, and Level Solar Fund IV, LLC. 3. Backup and Successor Servicing Agreement, dated as of March 19, 2021, by and between Spruce Power 2, LLC (f/k/a Spruce Juniper, LLC), Solar Service Experts, LLC, d/b/a Energy Service Experts, Silicon Valley Bank, and GreatAmerica Portfolio Services Group LLC, as amended by that First Amendment to the Backup and Successor Servicing Agreement, dated as of the July 12, 2022.



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Schedule A Schedules to Credit Agreement SCHEDULE A PROJECT INFORMATION Account Number Tranche Installer Product Category (PPA or Lease) Revenue Grade Meter Node ID Location (City, State, Zip, County)
Interconnection Date Final Acceptance Date Contract Start Date Year 1 Rate (\$/kWh) Escalator Term Installed Capacity (As Built) Year 1 Production Estimate (Contractual) Year 1 Production Estimate (As Built) Inverter
Manufacturer Inverter Model Module Manufacturer Module Model FICO ACH (Y/N) Cumulative Production Cumulative Production Estimate Cumulative Production Estimate (As Built) Delinquency Aging Category
Outstanding Balance Prepayment Amount Contract End Date Term Remaining Origination FMV



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Annex A-1 Annexes to Credit Agreement ANNEX A AMORTIZATION SCHEDULE Payment Date Principal Amortization Principal Repayment 1 October 31, 2023 2,074,375.58 - 2 January 31, 2024 1,747,987.15 - 3 April 30, 2024 1,231,032.79 - 4 July 31, 2024 1,764,021.84 - 5 October 31, 2024 2,147,947.16 - 6 January 31, 2025 1,847,373.75 - 7 April 30, 2025 1,333,337.49 - 8 July 31, 2025 1,804,915.69 - 9 October 31, 2025 2,142,932.07 - 10 January 31, 2026 1,838,393.89 - 11 April 30, 2026 1,224,140.92 - 12 July 31, 2026 1,645,482.21 - 13 October 31, 2026 2,077,453.30 - 14 January 31, 2027 1,865,368.03 - 15 April 30, 2027 1,258,442.46 - Maturity Date \$1,399,278.22 Amortization Schedule



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Annex B-1-1 Annexes to Credit Agreement ANNEX B-1 OPKO REPRESENTATIONS Part 1 With respect to Fund IV Opco, the Borrower makes the following Tax Equity Opco Representations: (a) No loan to Fund IV Opco has been required or permitted to be made under the Limited Liability Company Agreement of Fund IV Opco has been made and remains outstanding, except loans that constitute Permitted Indebtedness in accordance with Section 6.01(c) of the Credit Agreement. (b) Neither Fund IV Holdco nor Fund IV Opco is in breach or default under or with respect to any contractual obligation for or with respect to any outstanding amount or amounts payable under such contractual obligation that equals or exceeds \$50,000 individually or \$100,000 in the aggregate. (c) Fund IV Opco does not maintain any cash reserves that exceed \$50,000 individually or \$100,000 in the aggregate, except to the extent required pursuant to its Tax Equity Documents. (d) Fund IV Holdco has been restored as managing member pursuant to the Tax Equity Consent. (e) No event has occurred under the Limited Liability Company Agreement for Fund IV Opco that would allow the Tax Equity Members or another member to remove, or give notice of removal, of Fund IV Holdco as the managing member of Fund IV Opco. (f) With respect to Fund IV Opco, to the Knowledge of Borrower, and except as otherwise disclosed to the Lenders in connection with the Level Solar Acquisition: No event or circumstance occurred and is continuing that has resulted or could reasonably be expected to result in or trigger any material limitation, reduction, suspension, withholding or other restriction on distributions to the applicable Holdco, except as is already reflected in the Base Case Model pursuant to the terms of the Limited Liability Company Agreement for Fund IV Opco. (g) To the Knowledge of Borrower: other than as set forth on Schedule 4.10 and Schedule 4.11, there are no threatened (in writing or, to the knowledge of Borrower, otherwise), ongoing or, to the knowledge of Borrower, prior audits, challenges, or other actions regarding (i) the tax structure, tax basis, tax characterization or tax-related legal compliance of Fund IV Opco or any Project owned or leased by Fund IV Opco, or (ii) any ITC, Grant or other tax benefit or any other incentive claimed, awarded or received (or expected to be claimed, awarded or received) by or to Fund IV Opco or with respect to any Project owned or leased by Fund IV Opco. Any prior audit, challenge or other action regarding the foregoing has been resolved in a manner that is not adverse to Fund IV Opco, or its direct or indirect owners. (h) No Tax Equity Member (or any of its Affiliates or employees) has made a claim under any indemnity or otherwise in contract or in tort against Fund IV Opco.



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Annex B-1-2 Annexes to Credit Agreement (i) [Reserved]. (j) Fund IV Opco is required pursuant to the Tax Equity Consent (i) not to make an election to have the centralized partnership audit regime enacted by section 1101 of the BBA apply to any partnership taxable year beginning before January 1, 2018 and (ii) to timely elect to utilize the alternative procedure described in Section 6226 of the Code (as modified by the BBA) upon any final partnership adjustment occurring under the procedures of the BBA. (k) All accrued preferred return or priority return payments required to be made to any Tax Equity Member pursuant to the Limited Liability Company Agreement of Fund IV Opco have been made. (l) As of the Closing Date, the cash distribution percentages, with respect to distributions to the Fund IV Opco and the Tax Equity Members (including distributions related to proceeds from the sale of RECs), for Fund IV Opco are accurately reflected in the Base Case Model. (m) Neither Fund IV Holdco nor Fund IV Opco has conducted any business other than the business contemplated by the Portfolio Documents applicable to Fund IV Holdco and Fund IV Opco. (n) The total purchase price paid by Fund IV Opco for each Project was no greater than the fair market value of such Project. (o) [Reserved]. (p) [Reserved]. (q) With respect to Fund IV Opco there will be no "Recapture Event" (as defined in its Limited Liability Company Agreement) as a result of (A) the allocations set forth in the applicable Limited Liability Company Agreement not being respected by the IRS (including because the (i) allocations do not have "substantial economic effect" or are not otherwise consistent with the Members' interests in the applicable Opco within the meaning of Code Section 704(b), as amended from time to time, or (ii) with respect to Tax Credits, they are not consistent with the Members' interests in the "general profits" of the Company, for purposes of Treasury Regulation Section 1.46-3(f) or (B) a reduction in a Member's proportionate interest in the "general profits" of the applicable Opco pursuant to Treasury Regulation Section 1.47-6(a)(2). (r) There is, and has been, no breach of any representation or warranty contained in clause (i) of section 4.01(c), and sections 4.01(n), (p), (v) and (w) of the Limited Liability Company Agreement for Fund IV Opco.



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basis, tax characterization or tax-related legal compliance of any Wholly-Owned Opco or any Project owned by any Wholly-Owned Opco, as applicable, or (ii) any ITC, Grant or other tax benefit or any other incentive claimed, awarded or received (or expected to be claimed, awarded or received) by or to a Wholly-Owned Opco or with respect to any Project owned or leased by any Wholly-Owned Opco, as applicable. Any prior audit challenge or other action regarding the foregoing has been resolved in a manner that is not adverse to any Tax Equity Opco, or its direct or indirect owners.



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Exhibit 31.1

**CERTIFICATION PURSUANT TO
SECURITIES EXCHANGE ACT RULES 13a-14(a) and 15d-14(a) AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Christian Fong, certify that:

1. I have reviewed this Form 10-Q of Spruce Power Holding Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 10, 2023 November 13, 2023

By: /s/ Christian Fong
Christian Fong
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
SECURITIES EXCHANGE ACT RULES 13a-14(a) and 15d-14(a) AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Sarah Weber Wells, certify that:

1. I have reviewed this Form 10-Q of Spruce Power Holding Corporation.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to me by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under my supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 10, 2023 November 13, 2023

By: /s/ Sarah Weber Wells

Sarah Weber Wells
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

**CERTIFICATION PURSUANT TO SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Spruce Power Holding Corporation (the "Corporation") on Form 10-Q for the fiscal quarter ended June 30, 2023 September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Christian Fong, as Chief Executive Officer of the Corporation, certify, pursuant to 18 U.S.C.

Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: August 10, 2023 November 13, 2023

By: /s/ Christian Fong
Christian Fong
Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. This certification shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of Section 18 of the Exchange Act. Such certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

Exhibit 32.2

CERTIFICATION PURSUANT TO SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Spruce Power Holding Corporation (the "Corporation") on Form 10-Q for the fiscal quarter ended June 30, 2023 September 30, 2023, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Donald P. Klein, Sarah Weber Wells, as Chief Financial Officer of the Corporation, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: August 10, 2023 November 13, 2023

By: /s/ Sarah Weber Wells
Sarah Weber Wells,
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request. This certification shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of Section 18 of the Exchange Act. Such certification shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference.

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