

AMENDMENT NO. 5

To The

RENEWABLE POWER PURCHASE AND SALE AGREEMENT

Between

SOUTHERN CALIFORNIA EDISON COMPANY

And

REGULUS SOLAR, LLC

RAP ID #5297

This Amendment No. 5 (“Amendment No. 5”) to the Agreement (as that term is defined below) is entered into between Southern California Edison Company, a California corporation (“SCE”), and Regulus Solar, LLC, a Delaware limited liability company (f/k/a FRV Regulus Solar, L.P.) (“Seller”). SCE and Seller are hereinafter sometimes referred to individually as a “Party” and jointly as the “Parties”. Capitalized terms used and not otherwise defined in this Amendment No. 5 shall have the meanings ascribed to such terms in the Agreement.

RECITALS

The Parties enter into this Amendment No. 5 with reference to the following facts:

- A. SCE and Seller are Parties to that certain Renewable Power Purchase and Sale Agreement, dated as of December 21, 2010, as amended by that certain Amendment No. 1 dated March 6, 2011, that certain Amendment No. 2 dated December 21, 2011, that certain Amendment No. 3 dated November 12, 2013, that certain Amendment No. 4 dated November 10, 2014, that certain letter agreement dated November 12, 2014, and that certain letter agreement dated January 26, 2015 (as amended, supplemented, or otherwise modified from time to time, the “Agreement”), under which, among other things, Seller will sell to SCE, and SCE will purchase from Seller, Product upon commencement of the Delivery Term.
- B. SCE and Seller seek to modify the Agreement in order to reduce the Performance Assurance Amount to be posted and maintained by the Seller from Twenty-Three Million, Three Hundred Twenty-One Thousand, and One Hundred Eight Dollars and Seventy-Five Cents (\$23,321,108.75) to Six Million, Nine Hundred Ninety-Six Thousand, Three Hundred Dollars and Zero Cents (\$6,996,300.00) in exchange for SCE receiving the Performance Assurance Savings Amount (as that term is defined below) each year during the Term of the Agreement.

The contents of this document are subject to restrictions on disclosure as set forth in the Agreement.

- C. The Parties desire to amend the Agreement as set forth in this Amendment No. 5.

AGREEMENT

In consideration of the promises, mutual covenants and agreements hereinafter set forth, and for other good and valuable consideration, as set forth herein, the Parties agree as follows:

1. Seller represents and warrants that the Performance Assurance Savings Amount as of the Amendment No. 5 Effective Date in respect of the reduced Performance Assurance Amount equals Two Hundred Four Thousand, Sixty-Four Dollars (\$204,064.00) per year from the Amendment No. 5 Effective Date to November 25, 2018, and equals Two Hundred Twenty-Four Thousand, Four Hundred Seventy-One Dollars (\$224,471.00) per year from November 26, 2018 to November 22, 2021.
2. Seller represents and warrants that the Commitment Fee Costs as of the Amendment No. 5 Effective Date in respect of the Performance Assurance Amount equal Five Thousand, Ninety-Two Dollars (\$5,092.00) per year from the Amendment No. 5 Effective Date through November 22, 2021.
3. The Parties mutually agree that, in exchange for SCE's agreement to reduce the Performance Assurance Amount under the Agreement from Twenty-Three Million, Three Hundred Twenty-One Thousand, and One Hundred Eight Dollars and Seventy-Five Cents (\$23,321,108.75) to Six Million, Nine Hundred Ninety-Six Thousand, Three Hundred Dollars and Zero Cents (\$6,996,300.00), the Parties shall share equally in the actual savings from such reduction in Performance Assurance Costs that would otherwise have been borne by Seller had the Performance Assurance Amount not been reduced (SCE's share in such savings shall be referred to herein as the "Performance Assurance Savings Amount" (as defined below)). Further, the Parties mutually agree that they shall share equally in the Commitment Fee Costs (SCE's share in such savings shall be referred to herein as the "Commitment Fee Savings Amount" (as defined below)).
4. The Agreement is amended as follows: Section 1.08 is hereby deleted in its entirety and replaced with the following:

"1.08 Performance Assurance.

Commencing on the Amendment No. 5 Effective Date and continuing until the conditions of Section 8.02(a) have been satisfied, Seller shall post and maintain Performance Assurance in the amount of Six Million, Nine Hundred Ninety-Six Thousand, Three Hundred Dollars and Zero Cents (\$6,996,300.00)."

5. The Agreement is amended as follows: Article 8 is hereby amended by adding new Sections 8.06, 8.07, and 8.08 at the end of such Article:

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“8.06 Performance Assurance Savings Amount.

From the Amendment No. 5 Effective Date through the day upon which all conditions of Section 8.02(a) have been satisfied following the end of the Term, Seller shall pay to SCE an annual amount equal to the Performance Assurance Savings Amount, with one-half of such Performance Assurance Savings Amount being due and payable on or before each of June 30 and December 31 of each year; provided that the amount of the initial Performance Assurance Savings Amount payment shall be pro-rated for the number of days between the Amendment No. 5 Effective Date and December 31, 2016; and provided further that the final Performance Assurance Savings Amount payment shall be due and payable on or before the last Business Day of the month following the day upon which all conditions of Section 8.02(a) have been satisfied and shall be pro-rated for the number of days between the previous Performance Assurance Savings Amount payment due date and the day upon which all conditions of Section 8.02(a) have been satisfied. Any such Performance Assurance Savings Amounts may be netted against Product Payments from SCE to Seller.

8.07 Performance Assurance Savings Notice.

In the event that the Performance Assurance Costs should change at any time after the Amendment No. 5 Effective Date, Seller shall send Notice to SCE in the form attached as Exhibit A to Amendment No. 5 (the “Performance Assurance Savings Notice”) within ten (10) Business Days of any such change in Performance Assurance Costs. The next succeeding Performance Assurance Savings Payment will be determined by pro rating the periods in which the previous and the subsequent Performance Assurance Costs were in effect by the number of days that such Performance Assurance Costs shall pertain to within the calculation period.

In the event that Seller posts the Performance Assurance Amount, or any portion thereof, in cash or a Guaranty Agreement, then Seller shall send the Performance Assurance Savings Notice to SCE as described in this Section 8.07; provided Seller shall not deliver such Performance Assurance Savings Notice more frequently than semi-annually for the duration during which Seller shall be continuously posting cash in lieu of a Letter of Credit.

8.08 Commitment Fee Savings Amount.

From the Amendment No. 5 Effective Date through November 22, 2021, Seller shall pay to SCE an annual amount equal to the Commitment Fee Savings Amount, with one-half of such Commitment Fee Savings Amount being due and payable on or before each of June 30 and December 31 of each year; provided that the amount of the initial Commitment Fee Savings Amount payment shall be pro-rated for the number of days between the Amendment No. 5 Effective Date and December 31, 2016. Any such

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Commitment Fee Savings Amounts may be netted against Product Payments from SCE to Seller.”

6. The Agreement is amended as follows: Section 10.15 is hereby amended to add the phrase “or Automated Clearing House (ACH)” following the phrase “wire transfer”.
7. The Agreement is amended as follows: Exhibit A is amended by adding the following defined terms thereto in alphabetical order:
 - (a) “Amendment No. 5” means the fifth amendment to this Agreement.
 - (b) “Amendment No. 5 Effective Date” means the date upon which the last Party executes Amendment No. 5.
 - (c) “Commitment Fee Costs” means those annual commitment fees that Seller would have borne absent the execution of Amendment No. 5 for the maintenance of the Performance Assurance Amount at a level of Twenty-Three Million, Three Hundred Twenty-One Thousand, and One Hundred Eight Dollars and Seventy-Five Cents (\$23,321,108.75) with a Letter of Credit commitment in place at a level of Twenty-Four Million Dollars (\$24,000,000.00).
 - (d) “Commitment Fee Savings Amount” means that one half of Seller’s Commitment Fee Costs which are payable to SCE pursuant to Section 8.08.
 - (e) “Performance Assurance Costs” means (i) with respect to Performance Assurance in the form of a Letter of Credit, all of Seller’s costs in dollars of posting and maintaining Performance Assurance, including its actual rate of interest, fees such as commitment fees, issuance fees or similar fees, and any charges incurred in connection with the Letter of Credit financing facility or facilities, but excluding transaction costs such as attorneys’ fees, or (ii) with respect to Performance Assurance in the form of cash or a Guaranty Agreement, all of the costs in dollars that Seller would have incurred had Seller posted and maintained Performance Assurance in the form of a Letter of Credit in lieu of cash or a Guaranty Agreement, as determined by a quote from a financial institution that regularly transacts business with Seller or any of Seller’s affiliates or parent companies, including the quoted rate of interest, all fees, such as commitment fees, issuance fees or similar fees, and any other charges that Seller would have incurred in connection with a Letter of Credit financing facility or facilities, but excluding transaction costs such as attorneys’ fees.
 - (f) “Performance Assurance Savings Amount” means 1.1667 multiplied by Seller’s Performance Assurance Costs.
 - (g) “Performance Assurance Savings Notice” has the meaning set forth in Section 8.07.

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RAP ID #5297, Regulus Solar, LLC

8. The Agreement is amended as follows: Exhibit C is amended to add the following new section thereto:

REGULUS SOLAR, LLC (“Seller”)	SOUTHERN CALIFORNIA EDISON COMPANY (“SCE”)
Automated Clearing House: BNK: Deutsche Bank Trust Company Americas ABA: 021001033 ACCT: 01419647	Automated Clearing House: BNK: JPMorgan Chase ABA: 021000021 ACCT: 323-394434

9. The Agreement is amended as follows: Exhibit E, Section 2.04(a) is amended to add the phrase “or Automated Clearing House (ACH)” following the phrase “wire transfer”
10. The Parties agree that the value of 1.1667 set forth in the definition of Performance Assurance Savings Amount is intended to reflect SCE’s fifty percent (50%) share of Seller’s actual Performance Assurance Costs savings realized by SCE’s agreement to reduce the Performance Assurance Amount from Twenty-Three Million, Three Hundred Twenty-One Thousand, and One Hundred Eight Dollars and Seventy-Five Cents (\$23,321,108.75) to Six Million, Nine Hundred Ninety-Six Thousand, Three Hundred Dollars and Zero Cents (\$6,996,300.00) and was calculated using the following formula and calculation:

$$\text{Performance Assurance Savings Amount} = \text{PAC} / \text{PA}_r * (\text{PA}_o - \text{PA}_r) * (1/2)$$

Where:

- PAC = (i) In the case of a Letter of Credit: Seller’s actual Performance Assurance Costs for the posted Letter of Credit; or
- (ii) In the case of cash or a Guaranty Agreement: the quoted Performance Assurance Costs that Seller would have incurred as described in sub-paragraph (ii) of the definition of Performance Assurance Costs had Seller posted a Letter of Credit in lieu of cash or a Guaranty Agreement.

PA_r = Reduced Performance Assurance Amount (i.e. \$6,996,300.00).

PA_o = Original Performance Assurance Amount (i.e. \$23,321,108.75).

Calculation:

$$\text{Performance Assurance Savings Amount} = \text{PAC} / (\$6,996,300) * (\$23,321,108.75 - \$6,996,300) * (1/2)$$

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Performance Assurance Savings Amount = PAC / (\$6,996,300) * (\$8,162,404.38)

Performance Assurance Savings Amount = PAC * 1.1667

11. MISCELLANEOUS

- (a) Reservation of Rights. Each of the Parties expressly reserves all of its respective rights and remedies under the Agreement.
- (b) Legal Effect. Except as expressly modified as set forth herein, the Agreement remains unchanged and, as so modified, the Agreement shall remain in full force and effect.
- (c) Governing Law. THIS AMENDMENT NO. 5 AND THE RIGHTS AND DUTIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED, ENFORCED AND PERFORMED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. TO THE EXTENT ENFORCEABLE AT SUCH TIME, EACH PARTY WAIVES ITS RESPECTIVE RIGHT TO ANY JURY TRIAL WITH RESPECT TO ANY LITIGATION ARISING UNDER OR IN CONNECTION WITH THIS AMENDMENT NO. 5.
- (d) Successors and Assigns. This Amendment No. 5 shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.
- (e) Authorized Signatures; Notices. Each Party represents and warrants that the person who signs below on behalf of that Party has authority to execute this Amendment No. 5 on behalf of such Party and to bind such Party to this Amendment No. 5. Any written notice required to be given under the terms of this Amendment No. 5 shall be given in accordance with the terms of the Agreement.
- (f) Effective Date. This Amendment No. 5 shall be deemed effective as of the date upon which the last Party executes this Amendment No. 5 (“Amendment No. 5 Effective Date”).
- (g) Further Agreements. This Amendment No. 5 shall not be amended, changed, modified, abrogated or superseded by a subsequent agreement unless such subsequent agreement is in the form of a written instrument signed by the Parties.
- (h) Counterparts; Electronic Signatures. This Amendment No. 5 may be executed in one or more counterparts, each of which will be deemed to be an original of this Amendment No. 5 and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this

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Amendment No. 5 and of signature pages by facsimile transmission, Portable Document Format (i.e., PDF), or by other electronic means shall constitute effective execution and delivery of this Amendment No. 5 as to the Parties and may be used in lieu of the original Amendment No. 5 for all purposes.

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RAP ID #5297, Regulus Solar, LLC

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment No. 5 to be executed by their duly authorized representatives on the dates indicated below their respective signatures.


REGULUS SOLAR, LLC,
a Delaware limited liability
company.

By: 

Rebecca Cranna
Authorized Representative

Date: August 9, 2016

**SOUTHERN CALIFORNIA
EDISON COMPANY,**
a California corporation.

By: 

Colin E. Cushnie
Vice President, Energy Procurement
& Management

Date: July 25, 2016

Exhibit A

Performance Assurance Savings Notice Template

[Date]

Southern California Edison Company
2244 Walnut Grove Avenue
Rosemead, CA 91770
Attn: Vice President,
Energy Procurement & Management

Subject: Performance Assurance Savings Notice; Renewable Power Purchase and Sale Agreement (“PPA”) between Southern California Edison Company (“SCE”) and Regulus Solar, LLC (RAP ID #5297) (“Regulus”)

Dear Vice President,

Reference is made to the above-mentioned PPA. Capitalized terms used and not defined in this Notice have the meanings set forth in the PPA.

In accordance with Section 8.07 of the PPA (added by Amendment No. 5 to the PPA), Regulus hereby provides Notice and represents and warrants that the Performance Assurance Costs for the Performance Assurance posted in accordance with Section 8.02(a) has changed to [Dollars (\$____.____)] per year effective from [Date].

Sincerely,

[Name]
[Title]
[Company]