UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☐ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2019

OR

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

Commission File Number 001-37511

Sunrun Inc.

(Exact name of Registrant as specified in its Charter)

Delaware	**26-2841711**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

225 Bush Street, Suite 1400
San Francisco, California 94104
(Address of principal executive offices and Zip Code)

(415) 580-6900
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.0001 par value per share	RUN	Nasdaq Global Select Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

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 and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 the definition of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐
		Emerging growth company	☐

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 ☒

The aggregate market value of the voting and non-voting common equity held by non-affiliates of the Registrant, based on the closing price of the shares of common stock on The Nasdaq Stock Market on, December 31, 2019 was approximately $1.57 billion.

The number of shares of Registrant's Common Stock outstanding as of February 24, 2020 was 119,385,549.

Portions of the information called for by Part III of this Form 10-K is hereby incorporated by reference from the definitive Proxy Statements for our annual meeting of stockholders, which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2019.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The discussion in this Annual Report on Form 10-K contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and the Private Securities Litigation Reform Act of 1995, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements contained in this Annual Report on Form 10-K include, but are not limited to, statements about:

- the availability of rebates, tax credits and other financial incentives, and decreases to federal solar tax credits;
- determinations by the Internal Revenue Service of the fair market value of our solar energy systems;
- the retail price of utility-generated electricity or electricity from other energy sources;
- regulatory and policy development and changes;
- our ability to manage our supply chains and distribution channels and the impact of natural disasters and other events beyond our control;
- our industry’s, and specifically our, continued ability to manage costs (including, but not limited to, equipment costs) associated with solar service offerings;
- our strategic partnerships and expected benefits of such partnerships;
- the sufficiency of our cash, investment fund commitments and available borrowings to meet our anticipated cash needs;
- the expected size and time frame of our stock repurchase program;
- our need and ability to raise capital, refinance existing debt, and finance our operations and solar energy systems from new and existing investors;
- the potential impact of interest rates on our interest expense;
- our business plan and our ability to effectively manage our growth, including our rate of revenue growth;
- our ability to further penetrate existing markets, expand into new markets and our expectations regarding market growth (including, but not limited to, expected cancellation rates);
- our expectations concerning relationships with third parties, including the attraction, retention and continued existence of qualified solar partners;
- the impact of seasonality on our business;
- our investment in research and development and new product offerings;
- our ability to protect our intellectual property and customer data, as well as to maintain our brand;
- technical and capacity limitations imposed by power grid operators;
- the willingness of and ability of our solar partners to fulfill their respective warranty and other contractual obligations;
- our ability to renew or replace expiring, cancelled or terminated Customer Agreements at favorable rates or on a long-term basis;
- the ability of our solar energy systems to operate or deliver energy for any reason, including if interconnection or transmission facilities on which we rely become unavailable;
- our expectations regarding certain performance objectives and the renewal rates and purchase value of our solar energy systems after expiration of our Customer Agreements; and
- the calculation of certain of our key financial and operating metrics and accounting policies.

These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in the section titled “Risk Factors” and elsewhere in this Annual Report on Form 10-K. Moreover, we operate in a very competitive and rapidly changing environment, and new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our 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 we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Annual Report on Form 10-K may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. We undertake no obligation to update publicly any forward-looking statements for any reason after the date of this Annual Report on Form 10-K to conform these statements to actual results or to changes in our expectations, except as required by law.

You should read this Annual Report on Form 10-K and the documents that we reference in this Annual Report on Form 10-K and have filed with the Securities and Exchange Commission (the “SEC”) as exhibits to this Annual Report on Form 10-K with the understanding that our actual future results, levels of activity, performance, and events and circumstances may be materially different from what we expect.

PART I

Item 1. Business.

Overview

Sunrun's (the "Company") mission is to provide our customers with clean, affordable solar energy and storage, and a best-in-class customer experience. In 2007, we pioneered the residential solar service model, creating a low-cost solution for customers seeking to lower their energy bills. By removing the high initial cost and complexity of cash system sales that used to define the residential solar industry, we have fostered the industry's rapid growth and exposed an enormous market opportunity. Our relentless drive to increase the accessibility of solar energy is fueled by our enduring vision: to create a planet run by the sun.

We provide clean, solar energy typically at savings compared to traditional utility energy. Our primary customers are residential homeowners. We also offer battery storage along with solar energy systems to our customers in select markets and sell our services to certain commercial developers through our multi-family and new homes offerings. After inventing the residential solar service model and recognizing its enormous market potential, we have built the infrastructure and capabilities necessary to rapidly acquire and serve customers in a low-cost and scalable manner. Today, our scalable operating platform provides us with a number of unique advantages. First, we are able to drive distribution by marketing our solar service offerings through multiple channels, including our diverse partner network and direct-to-consumer operations. This multi-channel model supports broad sales and installation capabilities, which together allow us to achieve capital-efficient growth. Second, we are able to provide differentiated solutions to our customers that, combined with a great customer experience, we believe will drive meaningful margin advantages for us over the long term as we strive to create the industry's most valuable and satisfied customer base.

Our core solar service offerings are provided through our lease and power purchase agreements, which we refer to as our "Customer Agreements" and which provide customers with simple, predictable pricing for solar energy that is insulated from rising retail electricity prices. While customers have the option to purchase a solar energy system outright from us, most of our customers choose to buy solar as a service from us through our Customer Agreements without the significant upfront investment of purchasing a solar energy system. With our solar service offerings, we install solar energy systems on our customers' homes and provide them the solar power produced by those systems for typically a 20-year initial term. In certain markets, we offer a 25-year initial term service offering. In addition, we monitor, maintain and insure the system during the term of the contract. In exchange, we receive predictable cash flows from high credit quality customers and qualify for tax and other benefits. We finance portions of these tax benefits and cash flows through tax equity, non-recourse debt and project equity structures in order to fund our upfront costs, overhead and growth investments. We develop valuable customer relationships that can extend beyond this initial contract term and provide us an opportunity to offer additional services in the future, such as our home battery storage service. Since our founding, we have continued to invest in a platform of services and tools to enable large scale operations for us and our partner network, and these partners include solar integrators, sales partners, installation partners and other strategic partners. The platform includes processes and software, as well as fulfillment and acquisition of marketing leads. We believe our platform empowers new market entrants and smaller industry participants to profitably serve our large and underpenetrated market without making the significant investments in technology and infrastructure required to compete effectively against established industry players. Our platform provides the support for our multi-channel model, which drives broad customer reach and capital-efficient growth.

Delivering a differentiated customer experience is core to our strategy. We emphasize a customized solution, including a design specific to each customer's home and pricing configurations that typically drive both customer savings and value to us. We believe that our passion for engaging our customers, developing a trusted brand, and providing a customized solar service offering resonates with our customers who are accustomed to a traditional residential power market that is often overpriced and lacking in customer choice.

We have experienced substantial growth in our business and operations since our inception in 2007. As of December 31, 2019, we operated the second largest fleet of residential solar energy systems in the United States. We have an aggregate of 1,987 Megawatts Deployed as of December 31, 2019, and our Gross Earning Assets as of December 31, 2019 were approximately $3.7 billion. Please see the section entitled "Management's Discussion

and Analysis of Financial Condition and Results of Operations — Key Operating Metrics" for more details on how we calculate Megawatts Deployed and Gross Earning Assets.

We also have a long track record of attracting low-cost capital from diverse sources, including tax equity and debt investors. Since inception we have raised tax equity investment funds to finance the installation of solar energy systems.

Our Multi-Channel Capabilities

Our unique, multi-channel capabilities offer consumers a compelling solar service through scalable, cost-effective and consumer-friendly channels. Customers can access our products through three channels: direct-to-consumer, solar partnerships and strategic partnerships.

Direct-to-Consumer

We sell solar service offerings and install solar energy systems for customers through our direct-to-consumer channel. These solar energy systems are offered to customers either under a Customer Agreement or for purchase. This channel consists of an online lead generation function, a telesales and field sales team, a direct-to-home sales force, a retail sales team and an industry-leading installation organization.

Solar Partnerships

We contract with diverse solar organizations that act as either exclusive or non-exclusive (depending on the terms of their contract with us) distributors of our solar service offerings and subcontractors for the installation of the related solar energy systems. Because of our commitment to these solar organizations and our vested interest in their success, we refer to them as our "solar partners," although the actual legal relationship is that of an independent contractor. Our solar partners include:

- Solar integrators: trained and trusted partners who originate customers for our solar service offerings and procure and install the solar energy systems on our customers' homes on our behalf as our subcontractors. Partnerships with solar integrators allow us to expand our brand, quickly enter new markets and drive capital-efficient growth. We compensate our solar integrators on a per solar energy system basis for generating Customer Agreements and the installation work they perform for us.
- Sales partners: sales and lead generation partners who provide us with high-quality leads and customers at competitive prices. We compensate our sales partners on a per customer basis for the sales and lead generation services they perform for us. All contracts are between the customer and us, based on a price set by us.
- Installation partners: trusted installation partners who procure and install a subset of our solar energy systems as our subcontractors and allow us to more efficiently deploy a mix of in-house and outsourced installation capabilities. We compensate our installation partners on a per solar energy system basis for the procurement of materials and installation work they perform for us. Installation partners are solely our subcontractors and do not enter into any agreements with our customers.

Our ability to connect specialized sales and installation firms on a single platform, which we license to our solar partners at no cost, allows us to enjoy the benefits of vertical integration without the additional fixed cost structure. This creates margin opportunities, system efficiencies and benefits from network effects in matching these ecosystem participants.

Strategic Partnerships

Our strategic partnerships encompass relationships with new market entrants not previously engaged in solar, including consumer marketing, retail and specialized energy retail companies. Our strategic partners find the residential solar market attractive, but recognize that significant barriers to entry make partnerships the preferred method to reach solar customers. Through these strategic arrangements, we typically market our solar service offerings to the strategic partner's customer base and install the solar energy systems directly or through one of our solar partners. We manage the customer experience and retain the value of the economic relationship through the term of the customer's contract and potential renewal period. We have executed strategic partnerships in competitive processes that give us access to millions of potential customers. As our industry grows, we believe that our unique platform and deep partnership experience position us to be the partner of choice for new market entrants. We believe that these broad strategic relationships will help us drive down our customer acquisition costs and make solar accessible to even more customers.

The combination of direct-to-consumer, solar partnerships and strategic partnerships offers distinct advantages. The direct-to-consumer channel allows us to scale rapidly, drive incremental unit costs down over the long term, and refine operational processes to share with our partners. Our solar partnerships and strategic partnerships enable nimble market entry and exit, while allowing for capital efficient growth. Together, this multi-channel strategy supported by our open platform allows us to reach more customers with our leading solar service without compromising our ability to provide exceptional customer service.

Customer Agreements

Since we were founded in 2007, we have been providing solar energy to residential customers at prices typically below utility rates through a variety of offerings, most commonly through our leases and power purchase agreements which we refer to as our "Customer Agreements." Under our Customer Agreements, customers have the right to use and consume all electricity produced by the solar energy system, on a continuous basis. Most Customer Agreements entitle the customer to a refund for underproduction below a guaranteed amount, which we refer to as our "performance guarantee." Either directly or through a solar partner, we construct a solar energy system on a customer's home which generates electricity at set prices through Customer Agreements which typically have an initial term of 20 or 25 years. Rates for both forms of our Customer Agreements can be fixed for the duration of the contract or escalated at a pre-determined percentage annually. Upon installation, a system is interconnected to the local utility grid. The home's energy usage is provided by the solar energy system with any additional energy needs provided by the local utility. Any excess solar energy, including amounts in excess of battery storage, that is not immediately used by our customers is exported to the utility grid using a bi-directional utility net meter, and the customer generally receives a credit for this excess power from their utility to offset future usage of utility-generated energy.

Although many of our customers choose to pay little-to-nothing upfront and instead receive a monthly bill, some customers choose to prepay an amount upfront, thereby reducing their monthly bill. The amount of an upfront payment is customized for each customer. Customers may also choose to fully prepay their 20- or 25-year contracts. The prepayment amount is based on the estimated amount of the solar energy system's output over the typically 20- or 25-year term of the Customer Agreement. If the estimated production of the solar energy system is less than the actual production for a given year after the first full one to two years of the agreement, prepaid customers are refunded the difference at the end of each such year. If the solar energy system's energy production is in excess of the estimate, we allow customers to keep the excess energy at no charge. After the initial term of the Customer Agreement, customers have the option to renew their contracts for the remaining life of the solar energy system, typically at a 10% discount to then-prevailing power prices, to purchase the system from us at its fair market value, or have us remove the system.

Regardless of the type of Customer Agreement our customers choose, we operate the system and agree to monitor and maintain it in good condition at no cost to the customer. We offer an industry-leading performance guarantee to ensure that our customers are receiving the energy they expect at the price they expect. Our customers also receive up to a ten-year warranty for roof penetrations.

If a customer sells his or her home, the customer has the right to purchase the system or assign the Customer Agreement to the new homeowner, provided the new homeowner meets our credit requirements and agrees to be bound by the terms and conditions of the Customer Agreement. In connection with this service transfer, the customer may prepay all or a portion of the remaining payments due under the Customer Agreement to lower or eliminate the monthly rate to be paid by the new homeowner. If the customer fails to purchase the system or assign the Customer Agreement to a new homeowner, we may negotiate directly with the new homeowner to transfer the Customer Agreement (at times on modified terms) and/or look to the original customer to pay all remaining payments due. We have completed thousands of service transfers and, from inception through December 31, 2019, the aggregate expected net present value of the Customer Agreements once assigned represented approximately 100% of what it was prior to assignment.

Sales and Marketing

We sell our solar energy offerings through a scalable sales organization using both a direct-to-consumer approach across online, retail, mass media, digital media, canvassing, field marketing and referral channels as well as our diverse partner network. We sell to customers over the phone, online, in the field through canvassing and in-home sales and through our strategic retail sales partnerships. We also partner with sales-only organizations that focus on direct-to-consumer marketing and sales on our behalf, typically with a Sunrun-branded offering at point of sale, which further increases our brand and reach. We believe that a customized, customer-focused selling process is important before, during and after the sale of our solar services.

We train our sales team to customize their consultative presentation to the individual customer based on guidelines and principles outlined in our training materials. We are able to provide our sales team with real-time data and pricing tools through our proprietary technology which is designed to generate a tailored product offering with optimized pricing based on the actual characteristics of a customer's home, including roof characteristics and shading, as well as actual energy usage. This allows our sales team to differentially price homes in the same geographic region quickly and effectively.

Supply Chain

We purchase equipment, including solar panels, inverters and batteries from a limited number of manufacturers and suppliers. If we fail to maintain or expand our relationships with these suppliers and manufacturers, or if one or more that we rely upon to meet anticipated demand reduces or ceases production, it may be difficult to quickly identify and qualify alternatives on acceptable terms. In addition, equipment prices may increase in the coming years, or not decrease at the rates we historically have experienced, due to tariffs or other factors. As discussed in Item 1A. Risk Factors---"*We have historically benefited from declining costs in our industry, and our business and financial results may be harmed not only as a result of any increases in costs associated with our solar service offerings but also any failure of these costs to continue to decline as we currently expect. If we do not reduce our cost structure in the future, our ability to continue to be profitable may be impaired.*"--tariffs on both solar modules and inverters were imposed in 2018 and 2019. While these tariffs did not have a material negative impact on our business in either year, we believe the tariffs were a contributing factor to smaller decreases to equipment costs than we would have otherwise experienced in 2019.

Competition

We believe that our primary competitors are the traditional utilities that supply electricity to our potential customers. We compete with these traditional utilities primarily based on price (cents per kilowatt hour), predictability of future prices (by providing pre-determined annual price escalations), the backup power capabilities of our Brightbox™ battery storage solution and the ease by which customers can switch to electricity generated by our solar energy systems.

We also compete with companies that are not regulated like traditional utilities but that have access to the traditional utility electricity transmission and distribution infrastructure pursuant to state and local pro-competitive and consumer choice policies and with solar companies with business models that are similar to ours. We believe that we compete favorably with these companies based on our unique multi-channel approach and differentiated customer experience.

We also face competition from purely finance-driven organizations that acquire customers and then subcontract out the installation of solar energy systems, from installation businesses that seek financing from external parties, from large construction companies and utilities and from sophisticated electrical and roofing companies.

Intellectual Property

As of December 31, 2019, we had 30 issued patents and 10 filed patent applications in the United States and foreign jurisdictions relating to a variety of aspects of our solar solutions. Our issued U.S. patents will expire 20 years from their respective filing dates, with the earliest expiring in 2029. We intend to file additional patent applications as we continue to innovate through our research and development efforts.

Government Regulation

Although we are not regulated as a public utility in the United States under applicable national, state or other local regulatory regimes where we conduct business, we compete primarily with regulated utilities. As a result, we have developed and are committed to maintaining a policy team to focus on the key regulatory and legislative issues impacting the entire industry. We believe these efforts help us better navigate local markets through relationships with key stakeholders and facilitate a deep understanding of the national and regional policy environment.

To operate our systems, we obtain interconnection permission from the applicable local primary electric utility. Depending on the size of the solar energy system and local law requirements, interconnection permission is provided by the local utility directly to us and/or our customers. In almost all cases, interconnection permissions are issued on the basis of a standard process that has been pre-approved by the local public utility commission or other regulatory body with jurisdiction over net metering policies. As such, no additional regulatory approvals are required once interconnection permission is given.

Our operations are subject to stringent and complex federal, state and local laws, including regulations governing the occupational health and safety of our employees and wage regulations. For example, we are subject to the requirements of the federal Occupational Safety and Health Act, as amended ("OSHA"), the U.S. Department of Transportation ("DOT"), and comparable state laws that protect and regulate employee health and safety. We endeavor to maintain compliance with applicable DOT, OSHA and other comparable government regulations. However, we have in the past experienced workplace accidents and received citations from regulators resulting in fines, as discussed in Item 1A. *Risk Factors*--"*Compliance with occupational safety and health requirements and best practices can be costly, and noncompliance with such requirements may result in potentially significant penalties, operational delays and adverse publicity.*" These incidents have not had a material impact on our business or our relations with our employees .

Government Incentives

Federal, state and local government bodies provide incentives to owners, distributors, system integrators and manufacturers of solar energy systems to promote solar energy in the form of rebates, tax credits, payments for renewable energy credits associated with renewable energy generation and exclusion of solar energy systems from property tax assessments. These incentives enable us to lower the price we charge customers for energy from, and to lease, our solar energy systems, helping to catalyze customer acceptance of solar energy as an alternative to utility-provided power.

As of January 1, 2020, the federal government offers a 26%, which is reduced from 30%, investment tax credit ("Commercial ITC") under Section 48(a) of the Internal Revenue Code of 1986, as amended (the "Code"), for the installation of certain solar power facilities owned for business purposes. The depreciable basis of a solar facility is also reduced by 50% of the tax credit claimed. Similarly, the federal government currently offers a 26%, which is also reduced from 30%, personal income tax credit under Section 25D of the Internal Revenue Code ("Residential Energy Efficiency Tax Credit"), for the installation of certain solar power facilities owned by residential taxpayers, which is applicable to homeowners who purchase a solar system outright as opposed to entering into a Customer Agreement. Both the Residential Energy Efficiency Tax Credit and the Commercial ITC will step down to 22% for solar property commencing construction in 2021. In 2022, the Residential Energy Efficiency Tax Credit will expire and the Commercial ITC will step down to 10%. The Internal Revenue Service ("IRS") provided taxpayers a safe

harbor opportunity to retain access to the pre-2020 30% tax credit amount through specific rules released in Notice 2018-59. We have sought to avail ourselves of the safe harbor in order to retain the 30% Commercial ITC that was available in 2019 with respect to approximately 500 MW of projects by incurring certain costs and taking title to equipment in 2019. We also plan to similarly further utilize the safe harbor program for solar equipment purchases in future years as the Commercial ITC step down continues.

More than half of the states, and many local jurisdictions, have established property tax incentives for renewable energy systems that include exemptions, exclusions, abatements and credits. Many states also have adopted procurement requirements for renewable energy, and in 2018 the California Energy Commission and California Building Standards Commission approved a standard for newly constructed single-family and multifamily residences up to three stories tall to be solar-powered beginning in 2020. Twenty-nine states and the District of Columbia have adopted a renewable portfolio standard (and nine other states have some voluntary goal) that requires regulated utilities to procure a specified percentage of total electricity delivered in the state from eligible renewable energy sources, such as solar energy systems, by a specified date. To prove compliance with such mandates, utilities must surrender solar renewable energy credits ("SRECs") to the applicable authority. Solar energy system owners such as our investment funds often are able to sell SRECs to utilities directly or in SREC markets.

While there are numerous federal, state and local government incentives that benefit our business, some adverse interpretations or determinations of new and existing laws can have a negative impact on our business. For example, in the state of Texas, the Court of Appeals for the Fifth District of Texas at Dallas recently held that a personal property tax exemption on solar panels does not apply to solar panels that are leased (as opposed to owned), and counties in that district have subjected our leased solar panels to personal property taxes. That decision is currently being challenged; however, an adverse outcome will subject us to an increase in personal property taxes. If we pass this additional tax on to our customers in the form of higher prices, it could reduce or eliminate entirely any savings that these solar panels might otherwise provide to our customers in Texas.

Employees

As of December 31, 2019, we had approximately 4,800 employees. We also engage independent contractors and consultants. None of our employees are covered by collective bargaining agreements. We have not experienced any work stoppages.

Corporate Information

Our principal executive offices are located at 225 Bush Street, Suite 1400, San Francisco, California 94104, and our telephone number is (415) 580-6900. Our website address is www.sunrun.com. Information contained on, or that can be accessed through, our website does not constitute part of this Annual Report on Form 10-K and inclusions of our website address in this Annual Report on Form 10-K are inactive textual references only. We were formed in 2007 as a California limited liability company, and converted in 2008 into a Delaware corporation.

The Sunrun design logo, "Sunrun", "Brightbox" and our other registered or common law trademarks, service marks or trade names appearing in this Annual Report on Form 10-K are the property of Sunrun Inc. Other trademarks and trade names referred to in this Annual Report on Form 10-K are the property of their respective owners.

Available Information

We file annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Exchange Act. The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements and other information that we file with the SEC electronically. Copies of our reports on Form 10-K, Forms 10-Q, Forms 8-K, and amendments to those reports may also be obtained, free of charge, electronically on the investor relations page on our website located at investors.sunrun.com as soon as reasonably practical after we file such material with, or furnish it to, the SEC.

We also use the investor relations page on our website as a channel of distribution for important company information. Important information, including press releases, analyst presentations and financial information regarding us, as well as corporate governance information, is routinely posted and accessible on the investor relations page on our website. Information on or that can be accessed through our website is not part of this Annual Report on Form 10-K, and the inclusion of our website address is an inactive textual reference only.

Item 1A. Risk Factors.

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K, including the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes, before making a decision to invest in our common stock. The risks and uncertainties described below may not be the only ones we face. If any of the risks actually occur, our business, financial condition, results of operations, cash flows and prospects could be materially and adversely affected. In that event, the market price of our common stock could decline, and you could lose part or all of your investment.

Risks Related to Our Business and Our Industry

We need to raise capital to finance the continued growth of our operations and solar service business. If capital is not available to us on acceptable terms, as and when needed, our business and prospects would be materially and adversely impacted. In addition, our business is affected by general economic conditions and related uncertainties affecting markets in which we operate. Volatility in current economic conditions could adversely impact our business, including our ability to raise financing.

Our future success depends on our ability to raise capital from third parties to grow our business. To date, we have funded our business principally through low-cost tax equity investment funds. If we are unable to establish new investment funds when needed, or upon desirable terms, the growth of our solar service business would be impaired. Changes in tax law could also affect our ability to establish such tax equity investment funds, impact the terms of existing or future funds, or reduce the pool of capital available for us to grow our business.

The contract terms in certain of our existing investment fund documents contain various conditions with respect to our ability to draw on financing commitments from the fund investors, including conditions that restrict our ability to draw on such commitments if an event occurs that could reasonably be expected to have a material adverse effect on the fund or, in some instances, us. If we are not able to satisfy such conditions due to events related to our business, a specific investment fund, developments in our industry, including tax or regulatory changes, or otherwise, and as a result, we are unable to draw on existing funding commitments, we could experience a material adverse effect on our business, liquidity, financial condition, results of operations and prospects. If any of the investors that currently invest in our investment funds decide not to invest in future investment funds to finance our solar service offerings due to general market conditions, concerns about our business or prospects or any other reason, or materially change the terms under which they are willing to provide future financing, we would need to identify new investors to invest in our investment funds and our cost of capital may increase.

In addition, our business and results of operations are materially affected by conditions in the global capital markets and the economy. A general slowdown or volatility in current economic conditions, stemming from the level of U.S. national debt, currency fluctuations, unemployment rates, the availability and cost of credit, the U.S. housing market, tariffs, trade wars, inflation levels, interest rates, energy costs and concerns over a slowing economy, could adversely affect our business, including our ability to raise financing.

There can be no assurance that we will be able to continue to successfully access capital in a manner that supports the growth of our business. Certain sources of capital may not be available in the future, and competition for any available funding may increase. We cannot be sure that we will be able to maintain necessary levels of funding without incurring high funding costs, unfavorable changes in the terms of funding instruments or the liquidation of certain assets. If we are unable to continue to offer a competitive investment profile, we may lose access to these funds or they may only be available on less favorable terms than those provided to our competitors or currently provided to us. If we are unable to arrange new or alternative methods of financing on favorable terms, our business, liquidity, financial condition, results of operations and prospects could be materially and adversely affected.

Rising interest rates will adversely impact our business.

Rising interest rates may increase our cost of capital. Our future success depends on our ability to raise capital from fund investors and obtain secured lending to help finance the deployment of our solar service offerings. Part of our business strategy is to seek to reduce our cost of capital through these arrangements to improve our margins, offset reductions in government incentives and maintain the price competitiveness of our solar service offerings. Rising interest rates may have an adverse impact on our ability to offer attractive pricing on our solar service offerings to customers, which could negatively impact sales of our solar energy offerings.

The majority of our cash flows to date have been from solar service offerings under Customer Agreements that have been monetized under various investment fund structures. One of the components of this monetization is the present value of the payment streams from customers who enter into these Customer Agreements. If the rate of return required by capital providers, including debt providers, rises as a result of a rise in interest rates, it will reduce the present value of the customer payment stream and consequently reduce the total value derived from this monetization. Any measures that we could take to mitigate the impact of rising interest rates on our ability to secure third-party financing could ultimately have an adverse impact on the value proposition that we offer customers.

The solar energy industry is an emerging market that is constantly evolving and may not develop to the size or at the rate we expect.

The solar energy industry is an emerging and constantly evolving market opportunity. We believe the solar energy industry will still take several years to fully develop and mature, and we cannot be certain that the market will grow to the size or at the rate we expect. For example, we have experienced increases in cancellations of our Customer Agreements in certain geographic markets during certain periods in our operating history. Any future growth of the solar energy market and the success of our solar service offerings depend on many factors beyond our control, including recognition and acceptance of the solar service market by consumers, the pricing of alternative sources of energy, a favorable regulatory environment, the continuation of expected tax benefits and other incentives, and our ability to provide our solar service offerings cost-effectively. If the markets for solar energy do not develop to the size or at the rate we expect, our business may be adversely affected.

Solar energy has yet to achieve broad market acceptance and depends in part on continued support in the form of rebates, tax credits and other incentives from federal, state and local governments. If this support diminishes materially, our ability to obtain external financing on acceptable terms, or at all, could be materially adversely affected. These types of funding limitations could lead to inadequate financing support for the anticipated growth in our business. Furthermore, growth in residential solar energy depends in part on macroeconomic conditions, retail prices of electricity and customer preferences, each of which can change quickly. Declining macroeconomic conditions, including in the job markets and residential real estate markets, could contribute to instability and uncertainty among customers and impact their financial wherewithal, credit scores or interest in entering into long-term contracts, even if such contracts would generate immediate and long-term savings.

Furthermore, market prices of retail electricity generated by utilities or other energy sources could decline for a variety of reasons, as discussed further below. Any such declines in macroeconomic conditions, changes in retail prices of electricity or changes in customer preferences would adversely impact our business.

Our ability to provide our solar service offerings to customers on an economically viable basis depends in part on our ability to finance these systems with fund investors who seek particular tax and other benefits.

Our solar service offerings have been eligible for federal commercial investment tax credits, U.S. Treasury grants and other tax benefits. We have relied on, and will continue to rely on, tax equity investment funds, which are financing structures that monetize a substantial portion of those benefits, in order to finance our solar service offerings. If, for any reason, we are unable to continue to monetize those benefits through these arrangements, we may be unable to provide and maintain our solar service offerings for customers on an economically viable basis.

The availability of this tax-advantaged financing depends upon many factors, including:

- our ability to compete with other solar energy companies for the limited number of potential fund investors, each of which has limited funds and limited appetite for the tax benefits associated with these financings;
- the state of financial and credit markets;
- changes in the legal or tax risks associated with these financings; and
- non-renewal of these incentives or decreases in the associated benefits (including the anticipated step-down of the Commercial ITC described below).

As of January 1, 2020, the federal government offers a 26% investment tax credit ("Commercial ITC") under Section 48(a) of the Internal Revenue Code of 1986, as amended (the "Code"), for the installation of certain solar power facilities owned for business purposes. The depreciable basis of a solar facility is also reduced by 50% of the tax credit claimed. Similarly, the federal government currently offers a 26% personal income tax credit under Section 25D of the Internal Revenue Code ("Residential Energy Efficiency Tax Credit"), for the installation of certain solar power facilities owned by residential taxpayers, which is applicable to customers who purchase a solar system outright as opposed to entering into a Customer Agreement. Both the Residential Energy Efficiency Tax Credit and the Commercial ITC will step down to 22% for solar property commencing construction in 2021. In 2022, the Residential Energy Efficiency Tax Credit will expire and the Commercial ITC will step down to 10%.

Further reductions in the Commercial ITC as scheduled may impact the attractiveness of solar energy to certain tax equity investors and could potentially harm our business. Obtaining tax equity funding (and tax equity funding on advantageous terms) may become more challenging. Additionally, the benefits of the Commercial ITC have historically enhanced our ability to provide competitive pricing for customers. Further reductions in, eliminations of, or expirations of, governmental incentives such as the Residential Energy Efficiency Tax Credit could reduce the number of customers who choose to purchase our solar energy systems.

The IRS provided taxpayers a safe harbor opportunity to retain access to the pre-2020 30% Commercial ITC amount through specific rules released in Notice 2018-59. We have sought to avail ourselves of the safe harbor in order to retain the 30% Commercial ITC that was available in 2019 with respect to approximately 500 MW of projects by incurring certain costs and taking title to equipment in 2019. We also plan to similarly further utilize the safe harbor program for solar equipment purchases in future years if the Commercial ITC step down continues. While we have attempted to ensure that these transactions will comply with guidance issued by the IRS, this guidance is relatively limited and potentially subject to change. Either the IRS or our financing partners could challenge whether the purchased equipment is properly qualified for safe harbor tax treatment, which could either result in lower tax equity advances or trigger indemnification obligations to our tax equity investors. It is also possible that we will not be able to use all of the equipment purchased through this safe harbor program.

Additionally, potential investors must remain satisfied that the funding structures that we offer make the tax benefits associated with solar energy systems available to these investors, which depends on the investors' assessment of the tax law, the absence of any unfavorable interpretations of that law and the continued application of existing tax law and interpretations to our funding structures. Changes in existing law or interpretations of existing law by the Internal Revenue Service (the "IRS") and the courts could reduce the willingness of investors to invest in funds associated with these solar energy systems. Moreover, corporate tax rate reductions could reduce the appetite for tax benefits overall, which could reduce the pool of available funds. Additionally, certain tax deductions, such as depreciation, will have less value to investors, requiring additional cash to be paid to investors to meet return demands. Accordingly, we cannot assure you that this type of financing will continue to be available to us. New investment fund structures or other financing mechanisms may become available, but if we are unable to take advantage of these fund structures and financing mechanisms, we may be at a competitive disadvantage. If, for any reason, we are unable to finance our solar service offerings through tax-advantaged structures or if we are unable to realize or monetize Commercial ITCs or other tax benefits, we may no longer be able to provide our solar service offerings to new customers on an economically viable basis, which would have a material adverse effect on our business, financial condition and results of operations.

If the Internal Revenue Service makes determinations that the fair market value of our solar energy systems is materially lower than what we have claimed, we may have to pay significant amounts to our fund investors, and our business, financial condition and prospects may be materially and adversely affected.

We and our fund investors claim the Commercial ITC or the U.S. Treasury grant in amounts based on the fair market value of our solar energy systems. We have obtained independent appraisals to determine the fair market values we report for claiming Commercial ITCs and U.S. Treasury grants. The IRS reviews these fair market values. With respect to U.S. Treasury grants, the U.S. Treasury Department reviews the reported fair market value in determining the amount initially awarded, and the IRS may also subsequently audit the fair market value and determine that amounts previously awarded constitute taxable income for U.S. federal income tax purposes. With respect to Commercial ITCs, the IRS may review the fair market value on audit and determine that the tax credits previously claimed must be reduced. If the fair market value is determined in these circumstances to be less than what we reported, we may owe our fund investors an amount equal to this difference, plus any costs and expenses associated with a challenge to that valuation. We could also be subject to tax liabilities, including interest and penalties. If the IRS further disagrees now or in the future with the amounts we reported regarding the fair market value of our solar energy systems, it could have a material adverse effect on our business, financial condition and prospects. Since we do not know how the IRS will determine system values in claiming Commercial ITCs, we are unable to reliably estimate the maximum potential tax liabilities across our fleet as of each balance sheet date. One of our investment funds has been selected for audit by the IRS. In addition, one of our investors is currently being audited by the IRS. Both our and our investor's audits involve a review of the fair market value determination of our solar energy systems. If these audits result in an adverse finding, we may be subject to an indemnity obligation to our investors. We purchased an insurance policy in 2018 insuring us and related parties for additional taxes owed in respect of lost Commercial ITCs, gross-up costs and expenses incurred in defending the types of claims described above. However, this policy only covers certain investment funds and has negotiated exclusions from, and limitations to, coverage and therefore may not cover us for all such lost Commercial ITCs, taxes, costs and expenses.

We have historically benefited from declining costs in our industry, and our business and financial results may be harmed not only as a result of any increases in costs associated with our solar service offerings but also any failure of these costs to continue to decline as we currently expect. If we do not reduce our cost structure in the future, our ability to continue to be profitable may be impaired.

Declining costs related to raw materials, manufacturing and the sale and installation of our solar service offerings have been a key driver in the pricing of our solar service offerings and, more broadly, customer adoption of solar energy. While historically the prices of solar panels and raw materials have declined, the cost of solar panels and raw materials could increase in the future, and such products' availability could decrease, due to a variety of factors, including tariffs and trade barriers, export regulations, regulatory or contractual limitations, industry market requirements and changes in technology and industry standards.

For example, we and our solar partners purchased a significant portion of the solar panels used in our solar service offerings from overseas manufacturers. In January 2018, in response to a petition filed under Section 201 of the Trade Act of 1974, the President imposed four-year tariffs on imported solar modules and imported solar cells not assembled into other products (the "Section 201 Module Tariffs") that apply to all imports above a 2.5 gigawatts (GW) annual threshold. The Section 201 Module Tariffs were 30% in 2018 and stepped down by 5% annually in the second, third and fourth years. In September 2018, the U.S. Trade Representative ("USTR") granted SunPower Corporation ("SunPower") an exemption, making SunPower a domestic solar panel manufacturer that is not subject to the Section 201 Module Tariffs. This could give SunPower, which offers home solar service offerings using its own panels a cost advantage over competitors like us that rely, in part, on imported solar panels that are currently subject to these tariffs.

The United States and China each imposed additional new tariffs in 2018 on various products imported from the other country. These include an additional 25% tariff on solar panels and cells that are manufactured in China and a tariff on inverters, certain batteries and other electrical equipment initially set at 10%. In May 2019, the 10% tariff was increased to 25%, and the current administration has threatened additional incremental increases. The United States also has, from time to time, announced potential tariffs on goods imported from other countries. We cannot predict what actions may ultimately be taken with respect to tariffs or trade relations between the United States and other countries, what products may be subject to such actions, or what actions may be taken by the other countries in retaliation. The tariffs described above, the adoption and expansion of trade restrictions, the occurrence of a trade war, or other governmental action related to tariffs, trade agreements or related policies have the potential to adversely impact our supply chain and access to equipment, our costs and ability to economically serve certain markets. Any such cost increases or decreases in availability could slow our growth and cause our financial results and operational metrics to suffer.

Other factors may also impact costs, such as our choice to make significant investments to drive growth in the future.

We rely on net metering and related policies to offer competitive pricing to customers in all of our current markets, and changes to such policies may significantly reduce demand for electricity from our solar service offerings.

As of December 31, 2019, a substantial majority of states have adopted net metering policies. Net metering policies are designed to allow homeowners to serve their own energy load using on-site generation. Electricity that is generated by a solar energy system and consumed on-site avoids a retail energy purchase from the applicable utility, and excess electricity that is exported back to the electric grid generates a retail credit within a homeowner’s monthly billing period. At the end of the monthly billing period, if the homeowner has generated excess electricity within that month, the homeowner typically carries forward a credit for any excess electricity to be offset against future utility energy purchases. At the end of an annual billing period or calendar year, utilities either continue to carry forward a credit, or reconcile the homeowner’s final annual or calendar year bill using different rates (including zero credit) for the exported electricity.

Utilities, their trade associations, and fossil fuel interests in the country are currently challenging net metering policies, and seeking to eliminate them, cap them, or impose charges on homeowners that have net metering. For example, in October 2015 the Hawaii Public Utilities Commission (the "Hawaii Commission") issued an order that eliminates net metering for all new homeowners. All existing net metering customers and customers who submitted net metering applications before October 12, 2015 are grandfathered indefinitely under the old rules. Some interim programs created by the Hawaii Commission are grandfathered for customers who applied in a timely fashion. We continue to build and service these systems. These new interim programs are more complex, which decreases certainty in the economic value proposition we provide to customers and potentially slows down market growth.

In addition, in early 2016 we ceased new installations in Nevada in response to the elimination of net metering by the Public Utilities Commission of Nevada (“PUCN”). However, in September 2016, the PUCN issued an order grandfathering in customers under the prior net metering rules that had installed a solar energy system or had submitted a net metering application prior to December 31, 2015. Furthermore, in June 2017, Nevada enacted legislation, AB 405, that restores net metering at a reduced credit and grandfathers new

customers for 20 years at the net metering rate in effect at the time they applied for interconnection. As another example, in December 2016, the Arizona Corporation Commission (“ACC”) issued a decision to eliminate net metering for new solar customers and replace it with a net-feed in tariff (a fixed export rate). In May 2018, Connecticut enacted legislation to end the state's net metering program upon the conclusion of the Residential Solar Investment Program, and replace it with two yet-to-be-determined rate structures. On June 28, 2019, legislation was signed into law delaying the implementation of these programs and continuing the net metering program through the end of 2021.

Some states set limits on the total percentage of a utility’s customers that can adopt net metering. For example, South Carolina had a net metering cap that was eliminated in May 2019 when South Carolina enacted the Energy Freedom Act. The new law allows for regulatory review of net metering after two years, with such review set to occur in June 2021. New Jersey currently has no net metering cap; however, it has a threshold that triggers commission review of its net metering policy. These policies could be subject to change in the future, and other states we serve now or in the future may adopt net metering caps. If the net metering caps in these jurisdictions are reached without an extension of net metering policies, homeowners in those jurisdictions will not have access to the economic value proposition net metering provides. Our ability to sell our solar service offerings may be adversely impacted by the failure to extend existing limits to net metering or the elimination of currently existing net metering policies. The failure to adopt a net metering policy where it currently is not in place would pose a barrier to entry in those states. Additionally, the imposition of charges that only or disproportionately impact homeowners that have solar energy systems, or the introduction of rate designs mentioned above, would adversely impact our business.

California's Public Utilities Commission (“CPUC”) has made changes to rate design for solar customers, such as adopting "time of use" rates with different electricity prices during peak and off peak hours, as well as modifications to the minimum bill for solar customers. The CPUC is expected to revisit its net metering policy in a proceeding that is expected to begin in mid-2020.

Electric utility statutes and regulations and changes to such statutes or regulations may present technical, regulatory and economic barriers to the purchase and use of our solar service offerings that may significantly reduce demand for such offerings.

Federal, state and local government statutes and regulations concerning electricity heavily influence the market for our solar service offerings and are constantly evolving. These statutes, regulations, and administrative rulings relate to electricity pricing, net metering, consumer protection, incentives, taxation, competition with utilities, and the interconnection of homeowner-owned and third party-owned solar energy systems to the electrical grid. These statutes and regulations are constantly evolving. Governments, often acting through state utility or public service commissions, change and adopt different rates for residential customers on a regular basis and these changes can have a negative impact on our ability to deliver savings to customers.

In addition, many utilities, their trade associations, and fossil fuel interests in the country, each of which has significantly greater economic and political resources than the residential solar industry, are currently challenging solar-related policies to reduce the competitiveness of residential solar energy. Any adverse changes in solar-related policies could have a negative impact on our business and prospects.

We face competition from traditional energy companies as well as solar and other renewable energy companies.

The solar energy industry is highly competitive and continually evolving as participants strive to distinguish themselves within their markets and compete with large utilities. We believe that our primary competitors are the established utilities that supply energy to homeowners by traditional means. We compete with these utilities primarily based on price, predictability of price, and the ease by which homeowners can switch to electricity generated by our solar service offerings. If we cannot offer compelling value to customers based on these factors, then our business and revenue will not grow. Utilities generally have substantially greater financial, technical, operational and other resources than we do. As a result of their greater size, these competitors may be able to devote more resources to the research, development, promotion and sale of their products or respond more quickly to evolving industry standards and changes in market conditions than we

can. Furthermore, these competitors are able to devote substantially more resources and funding to regulatory and lobbying efforts.

Utilities could also offer other value-added products or services that could help them compete with us even if the cost of electricity they offer is higher than ours. In addition, a majority of utilities' sources of electricity are non-solar, which may allow utilities to sell electricity more cheaply than we can. Moreover, regulated utilities are increasingly seeking approval to "rate-base" their own residential solar and storage businesses. Rate-basing means that utilities would receive guaranteed rates of return for their solar and storage businesses. This is already commonplace for utility scale solar projects and commercial solar projects. While few utilities to date have received regulatory permission to rate-base residential solar or storage, our competitiveness would be significantly harmed should more utilities receive such permission because we do not receive guaranteed profits for our solar service offerings.

We also face competition from other residential solar service providers. Some of these competitors have a higher degree of brand name recognition, differing business and pricing strategies, and greater capital resources than we have, as well as extensive knowledge of our target markets. If we are unable to establish or maintain a consumer brand that resonates with customers, maintain high customer satisfaction, or compete with the pricing offered by our competitors, our sales and market share position may be adversely affected, as our growth is dependent on originating new customers. We also face competitive pressure from companies that may offer lower-priced consumer offerings than we do.

In addition, we compete with companies that are not regulated like traditional utilities but that have access to the traditional utility electricity transmission and distribution infrastructure. These energy service companies are able to offer customers electricity supply-only solutions that are competitive with our solar service offerings on both price and usage of solar energy technology while avoiding the long-term agreements and physical installations that our current fund-financed business model requires. This may limit our ability to attract customers, particularly those who wish to avoid long-term contracts or have an aesthetic or other objection to putting solar panels on their roofs.

Furthermore, we face competition from purely finance-driven nonintegrated competitors that subcontract out the installation of solar energy systems, from installation businesses (including solar partners) that seek financing from external parties, from large construction companies and from electrical and roofing companies. In addition, local installers that might otherwise be viewed as potential solar partners may gain market share by being able to be the first providers in new local markets. Some of these competitors may provide energy at lower costs than we do. Finally, as declining prices for solar panels and related equipment has resulted in an increase in consumers purchasing instead of leasing solar energy systems, we face competition from companies that offer consumer loans for these solar panel purchases.

As the solar industry grows and evolves, we will continue to face existing competitors as well as new competitors who are not currently in the market (including those resulting from the consolidation of existing competitors) that achieve significant developments in alternative technologies or new products such as storage solutions, loan products or other programs related to third-party ownership. Our failure to adapt to changing market conditions, to compete successfully with existing or new competitors and to adopt new or enhanced technologies could limit our growth and have a material adverse effect on our business and prospects.

Regulations and policies related to rate design could deter potential customers from purchasing our solar service offerings, reduce the value of the electricity our systems produce, and reduce any savings that our customers could realize from our solar service offerings.

All states regulate investor-owned utility retail electricity pricing. In addition, there are numerous publicly owned utilities and electric cooperatives that establish their own retail electricity pricing through some form of regulation or internal process. These regulations and policies could deter potential customers from purchasing our solar service offerings. For example, some utilities in states such as Arizona and Utah have sought and secured rate design changes that reduce credit for residential solar exports to below the retail rate and impose new charges for rooftop solar customers. Utilities in additional states may follow suit. Such rate

changes can include changing rates to charge lower volume-based rates--the rates charged for kilowatt hours of electricity purchased by a residential customer--while raising unavoidable fixed charges that a homeowner is subject to when they purchase solar energy from third parties, and levying charges on homeowners based on their point of maximum demand during a month (referred to as “demand charge”). For example, the Arizona Public Service Company offers residential demand charge rate plans and if our solar customers have subscribed to those plans, they may not realize typical savings from our offerings. These forms of rate design could adversely impact our business by reducing the value of the electricity our solar energy systems produce and reducing any savings customers realize by purchasing our solar service offerings. These proposals could continue or be replicated in other states. In addition to changes in general rates charged to all residential customers, utilities are increasingly seeking solar-specific charges (which may be fixed charges, capacity-based charges, or other rate charges). Any of these changes could materially reduce the demand for our offerings and could limit the number of markets in which our offerings are competitive with electricity provided by the utilities.

Our business currently depends on the availability of utility rebates, tax credits, tax exemptions and other financial incentives in addition to other tax benefits. The expiration, elimination or reduction of these rebates and incentives could adversely impact our business.

Our business depends on government policies that promote and support solar energy and enhance the economic viability of owning solar energy systems. U.S. federal, state and local governmental bodies provide incentives to owners, distributors, installers and manufacturers of solar energy systems to promote solar energy. These incentives include Commercial ITCs, as discussed above, as well as other tax credits, rebates and SRECs associated with solar energy generation. Some markets, such as New Jersey and Maryland, currently utilize SRECs. SRECs can be volatile and could decrease over time as the supply of SREC-producing solar energy systems installed in a particular market increases. For example, in New Jersey, because of the substantial supply of solar energy systems installed, the state was on the cusp of reaching the solar carve-out under the state's Renewable Portfolio Standard. In May 2018, legislation was enacted to expand New Jersey's solar carve-out to 5.1% of kilowatt hours of electricity sold in the state, and state regulators project that such threshold will be met in June 2020. In December 2019, the state regulators adopted a transition program to follow the current SREC program that will be based on a fixed price SREC model and which is anticipated to be available prior to the closure of the current SREC program. We rely on these incentives to lower our cost of capital and to attract investors, all of which enable us to lower the price we charge customers for our solar service offerings. These incentives have had a significant impact on the development of solar energy but they could change at any time, especially in light of the recent change in administration, as further described below. These incentives may also expire on a particular date (as discussed above with respect to the Commercial ITC), end when the allocated funding is exhausted, or be reduced, terminated or repealed without notice. The financial value of certain incentives may also decrease over time.

After the Tax Act's enactment in December 2017, the corporate tax rate was reduced to 21% and now limits interest deductibility and allows full and immediate expensing of capital costs. A reduction in the corporate tax rate and the expensing of capital costs could diminish the capacity of potential fund investors to benefit from tax incentives, and could require additional cash to be distributed to such fund investors in lieu of tax benefits. Furthermore, the current administration has overturned and modified policies of, and regulations enacted by, the prior administration that placed limitations on coal and gas electric generation, mining and/or exploration. Any effort to overturn federal and state laws, regulations or policies that are supportive of solar energy generation or that remove costs or other limitations on other types of energy generation that compete with solar energy projects could materially and adversely affect our business.

Our business model also relies on multiple tax exemptions offered at the state and local levels. For example, some states have property tax exemptions that exempt the value of solar energy systems in determining values for calculation of local and state real and personal property taxes. State and local tax exemptions can be changed by state legislatures and other regulators, and if solar energy systems were not exempt from such taxes, the property taxes payable by customers would be higher, which could offset any potential savings our solar service offerings could offer. Similarly, if state or local legislatures or tax

administrators impose property taxes on third-party owners of solar energy systems, solar companies like us would be subject to higher costs. For example, South Carolina counties do not currently assess property tax on customer-owned residential solar energy systems; however, third-party-owned systems are subject to business personal property taxes. In Connecticut, a number of municipalities have assessed property tax on third-party-owned solar energy systems, despite an applicable exemption under state law. In general, we rely on certain state and local tax exemptions that apply to the sale of equipment, sale of power, or both. These state and local tax exemptions can be changed by state legislatures, regulators, tax administrators, or court rulings and such changes could adversely impact our business and the profitability of our offerings in certain markets.

We are not currently regulated as a utility under applicable laws, but we may be subject to regulation as a utility in the future or become subject to new federal and state regulations for any additional solar service offerings we may introduce in the future.

Most federal, state, and municipal laws do not currently regulate us as a utility. As a result, we are not subject to the various regulatory requirements applicable to U.S. utilities. However, any federal, state, local or other applicable regulations could place significant restrictions on our ability to operate our business and execute our business plan by prohibiting or otherwise restricting our sale of electricity. These regulatory requirements could include restricting our sale of electricity, as well as regulating the price of our solar service offerings. For example, the New York Public Service Commission and the Illinois Power Agency have issued orders regulating distributed energy providers in certain ways as if they were energy service companies, which increases the regulatory compliance burden for us in such states. If we become subject to the same regulatory authorities as utilities in other states or if new regulatory bodies are established to oversee our business, our operating costs could materially increase.

Our business depends in part on the regulatory treatment of third-party-owned solar energy systems.

Our Customer Agreements are third-party ownership arrangements. Sales of electricity by third parties face regulatory challenges in some states and jurisdictions. These challenges pertain to issues such as whether third-party-owned systems qualify for the same rebates, tax exemptions or other non-tax incentives available for homeowner-owned solar energy systems, whether third-party-owned systems are eligible at all for these incentives, and whether third-party-owned systems are eligible for net metering and the associated significant cost savings. Adverse regulatory treatment of third-party ownership arrangements could reduce demand for our solar service offerings, adversely impact our access to capital and cause us to increase the price we charge customers for energy.

Interconnection limits or circuit-level caps imposed by regulators may significantly reduce our ability to sell electricity from our solar service offerings in certain markets or slow interconnections, harming our growth rate and customer satisfaction scores.

Interconnection rules establish the circumstances in which rooftop solar will be connected to the electricity grid. Interconnection limits or circuit-level caps imposed by regulators may curb our growth in key markets. Utilities throughout the country have different rules and regulations regarding interconnection and some utilities cap or limit the amount of solar energy that can be interconnected to the grid. Our systems do not provide power to customers until they are interconnected to the grid.

Interconnection regulations are based on claims from utilities regarding the amount of solar energy that can be connected to the grid without causing grid reliability issues or requiring significant grid upgrades. Although recent rulings from the Hawaii Utilities Commission have helped resolve some problems, historically, interconnection limits or circuit-level caps have slowed the pace of our installations in Hawaii. Similar interconnection limits could slow our future installations in Hawaii or other markets, harming our growth rate and customer satisfaction scores. Similarly, the California and Hawaii Public Utilities Commissions recently required the activation of some advanced inverter functionality to head off presumed grid reliability issues, which may require more expensive equipment and more oversight of the operation of the solar energy systems over time. As

a result, these regulations may hamper our ability to sell our offerings in certain markets and increase our costs, adversely affecting our business, operating results, financial condition and prospects.

We may be required to make payments or contribute assets to our investors upon the occurrence of certain events, including one-time reset or true-up payments or upon the exercise of a redemption option by one of our investors.

Our fund investors typically advance capital to us based on production capacity estimates. The models we use to calculate prepayments in connection with certain of our investment funds will be updated for each investment fund at a fixed date occurring after placement in service of all applicable solar energy systems or an agreed upon date (typically within the first year of the applicable term) to reflect certain specified conditions as they exist at such date including the ultimate system size of the equipment that was leased, how much it cost, and when it went into service. In some cases, these true-up models will also incorporate any changes in law, which would include any reduction in rates (and thus any reduction in the benefits of depreciation). As a result of this true-up, applicable payments are resized, and we may be obligated to refund a portion of the investor's prepayments or to contribute additional assets to the investment fund. In addition, certain of our fund investors have the right to require us to purchase their interests in the investment funds after a set period of time, generally at a price equal to the greater of a set purchase price or fair market value of the interests at the time of the repurchase. Any significant refunds, capital contributions or purchases that we may be required to make could adversely affect our liquidity or financial condition.

A material drop in the retail price of utility-generated electricity or electricity from other sources would harm our business, financial condition and results of operations.

We believe that a customer's decision to buy solar energy from us is primarily driven by a desire to lower electricity costs. Decreases in the retail prices of electricity from utilities or other energy sources would harm our ability to offer competitive pricing and could harm our business. The price of electricity from utilities could decrease as a result of:

- the construction of a significant number of new power generation plants, including nuclear, coal, natural gas or renewable energy technologies;
- the construction of additional electric transmission and distribution lines;
- a reduction in the price of natural gas or other natural resources as a result of new drilling techniques or other technological developments, a relaxation of associated regulatory standards, or broader economic or policy developments;
- energy conservation technologies and public initiatives to reduce electricity consumption; and
- development of new energy technologies that provide less expensive energy.

A reduction in utility electricity prices would make the purchase of our solar service offerings less attractive. If the retail price of energy available from utilities were to decrease due to any of these or other reasons, we would be at a competitive disadvantage. As a result, we may be unable to attract new customers and our growth would be limited.

It is difficult to evaluate our business and prospects due to our limited operating history.

Our limited operating history, particularly as a publicly traded company, combined with the rapidly evolving and competitive nature of our industry, may not provide an adequate basis for you to evaluate our results of operations and business prospects. We cannot assure you that we will continue to be successful in generating

revenue from our current solar service offerings or from any additional solar service offerings we may introduce in the future. In addition, we only have limited insight into emerging trends, such as alternative energy sources, commodity prices in the overall energy market, and legal and regulatory changes that impact the solar industry, any of which could adversely impact our business, prospects and results of operations.

We have incurred losses and may be unable to sustain profitability in the future.

We have incurred net losses in the past and may continue to incur net losses as we increase our spending to finance the expansion of our operations, expand our installation, engineering, administrative, sales and marketing staffs, increase spending on our brand awareness and other sales and marketing initiatives, make significant investments to drive future growth in our business and implement internal systems and infrastructure to support our growth. We do not know whether our revenue will grow rapidly enough to absorb these costs and our limited operating history makes it difficult to assess the extent of these expenses or their impact on our results of operations. Our ability to sustain profitability depends on a number of factors, including but not limited to:

- growing our customer base;
- finding investors willing to invest in our investment funds on favorable terms;
- maintaining or further lowering our cost of capital;
- reducing the cost of components for our solar service offerings;
- growing and maintaining our channel partner network;
- maintaining high levels of product quality, performance and customer satisfaction;
- growing our direct-to-consumer business to scale; and
- reducing our operating costs by lowering our customer acquisition costs and optimizing our design and installation processes and supply chain logistics.

Even if we do sustain profitability, we may be unable to achieve positive cash flows from operations in the future.

Our results of operations may fluctuate from quarter to quarter, which could make our future performance difficult to predict and could cause our results of operations for a particular period to fall below expectations, resulting in a decline in the price of our common stock.

Our quarterly results of operations are difficult to predict and may fluctuate significantly in the future. We have experienced seasonal and quarterly fluctuations in the past and expect these fluctuations to continue. However, given that we are operating in a rapidly changing industry, those fluctuations may be masked by our recent growth rates and thus may not be readily apparent from our historical results of operations. As such, our past quarterly results of operations may not be good indicators of likely future performance.

In addition to the other risks described in this “Risk Factors” section, as well as the factors discussed in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section, the following factors could cause our results of operations and key performance indicators to fluctuate:

- the expiration, reduction or initiation of any governmental tax rebates, tax exemptions or incentives;
- significant fluctuations in customer demand for our solar service offerings or fluctuations in the geographic concentration of installations of solar energy systems;
- changes in financial markets, which could restrict our ability to access available and cost-effective financing sources;
- seasonal, environmental or weather conditions that impact sales, energy production and system installations;
- the amount and timing of operating expenses related to the maintenance and expansion of our business, operations and infrastructure;
- announcements by us or our competitors of new products or services, significant acquisitions, strategic partnerships, joint ventures or capital-raising activities or commitments;
- changes in our pricing policies or terms or those of our competitors, including utilities;
- changes in regulatory policy related to solar energy generation;
- the loss of one or more key partners or the failure of key partners to perform as anticipated;
- actual or anticipated developments in our competitors' businesses or the competitive landscape;
- actual or anticipated changes in our growth rate;
- general economic, industry and market conditions; and
- changes to our cancellation rate.

In the past, we have experienced seasonal fluctuations in sales and installations, particularly in the fourth quarter. This has been the result of decreased sales through the holiday season and weather-related installation delays. Our incentives revenue is also highly variable due to associated revenue recognition rules, as discussed in greater detail in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations." Seasonal and other factors may also contribute to variability in our sales of solar energy systems and product sales. For these or other reasons, the results of any prior quarterly or annual periods should not be relied upon as indications of our future performance. In addition, our actual revenue or key operating metrics in one or more future quarters may fall short of the expectations of investors and financial analysts. If that occurs, the trading price of our common stock could decline and you could lose part or all of your investment.

Our actual financial results may differ materially from any guidance we may publish from time to time.

We have in the past and may, from time to time, provide guidance regarding our future performance that represents our management's estimates as of the date such guidance is provided. Any such guidance is based upon a number of assumptions with respect to future business decisions (some of which may change) and estimates that, while presented with numerical specificity, are inherently subject to significant business, economic and competitive uncertainties and contingencies (many of which are beyond our control). Guidance is

necessarily speculative in nature, and it can be expected that some or all of the assumptions that inform such guidance will not materialize or will vary significantly from actual results. Our ability to meet deployment volume, cost, net present value or any other forward-looking guidance is impacted by a number of factors including, but not limited to, the number of our solar energy systems sold versus leased, changes in installation costs, the availability of additional financing on acceptable terms, changes in the retail prices of traditional utility generated electricity, the availability of rebates, tax credits and other incentives, changes in policies and regulations including net metering and interconnection limits or caps, the availability of solar panels and other raw materials, as well as the other risks to our business that are described in this section. Accordingly, our guidance is only an estimate of what management believes is realizable as of the date such guidance is provided. Actual results may vary from such guidance and the variations may be material. Investors should also recognize that the reliability of any forecasted financial data diminishes the farther in the future that the data is forecast. In light of the foregoing, investors should not place undue reliance on our financial guidance, and should carefully consider any guidance we may publish in context.

If we fail to manage our recent and future growth effectively, we may be unable to execute our business plan, maintain high levels of customer service or adequately address competitive challenges.

We have experienced significant growth in recent periods, and we intend to continue to expand our business within existing markets and in a number of new locations in the future. This growth has placed, and any future growth may place, a significant strain on our management, operational and financial infrastructure. In particular, we will be required to expand, train and manage our growing employee base and solar partners. Our management will also be required to maintain and expand our relationships with customers, suppliers and other third parties and attract new customers and suppliers, as well as to manage multiple geographic locations.

In addition, our current and planned operations, personnel, systems and procedures might be inadequate to support our future growth and may require us to make additional unanticipated investment in our infrastructure, including additional costs for the expansion of our employee base and our solar partners as well as marketing and branding costs. Our success and ability to further scale our business will depend, in part, on our ability to manage these changes in a cost-effective and efficient manner. If we cannot manage our growth, we may be unable to take advantage of market opportunities, execute our business strategies or respond to competitive pressures. This could also result in declines in quality or customer satisfaction, increased costs, difficulties in introducing new solar service offerings or other operational difficulties. Any failure to effectively manage growth could adversely impact our business and reputation.

Servicing our debt requires a significant amount of cash to comply with certain covenants and satisfy payment obligations, and we may not have sufficient cash flow from our business to pay our substantial debt and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful.

We have substantial amounts of debt, including the working capital facility and the non-recourse debt facilities entered into by our subsidiaries, as discussed in more detail in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our consolidated financial statements. Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures to operate our business. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to timely repay or otherwise refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations and negatively impact our financial condition and prospects.

We expect to incur substantially more debt in the future, which could intensify the risks to our business.

We and our subsidiaries expect to incur additional debt in the future, subject to the restrictions contained in our debt instruments. Our existing debt arrangements restrict our ability to incur additional indebtedness, including secured indebtedness, and we may be subject to similar restrictions under the terms of future debt arrangements. These restrictions could inhibit our ability to pursue our business strategies. Increases in our existing debt obligations would further heighten the debt related risk discussed above.

Furthermore, there is no assurance that we will be able to enter into new debt instruments on acceptable terms or at all. If we were unable to satisfy financial covenants and other terms under existing or new instruments, or obtain waivers or forbearance from our lenders, or if we were unable to obtain refinancing or new financings for our working capital, equipment and other needs on acceptable terms if and when needed, our business would be adversely affected.

The production and installation of solar energy systems depends heavily on suitable meteorological and environmental conditions. If meteorological or environmental conditions are unexpectedly unfavorable, the electricity production from our solar service offerings may be below our expectations, and our ability to timely deploy new systems may be adversely impacted.

The energy produced and revenue and cash flows generated by a solar energy system depend on suitable solar and weather conditions, both of which are beyond our control. Furthermore, components of our systems, such as panels and inverters, could be damaged by severe weather or natural catastrophes, such as hailstorms, tornadoes, fires or earthquakes. In these circumstances, we generally would be obligated to bear the expense of repairing the damaged solar energy systems that we own. Sustained unfavorable weather or environmental conditions also could unexpectedly delay the installation of our solar energy systems, leading to increased expenses and decreased revenue and cash flows in the relevant periods. Extreme weather conditions, as well as the natural catastrophes that could result from such conditions, can severely impact our operations by delaying the installation of our systems, lowering sales, and causing a decrease in the output from our systems due to smoke or haze. Weather patterns could change, making it harder to predict the average annual amount of sunlight striking each location where our solar energy systems are installed. This could make our solar service offerings less economical overall or make individual systems less economical. Any of these events or conditions could harm our business, financial condition and results of operations.

Our business is concentrated in certain markets, putting us at risk of region specific disruptions.

As of December 31, 2019, more than 40% of our customers were in California. Accordingly, our business and results of operations are particularly susceptible to adverse economic, regulatory, political, weather and other conditions in this market and in other markets that may become similarly concentrated, in particular the east coast, where we have seen significant growth recently. In addition, our corporate and sales headquarters are located in San Francisco, California, an area that has a heightened risk of earthquakes and nearby wildfires. We may not have adequate insurance, including business interruption insurance, to compensate us for losses that may occur from any such significant events, including damage to our solar energy systems. A significant natural disaster, such as an earthquake or wildfire, could have a material adverse impact on our business, results of operations and financial condition. In addition, acts of terrorism or malicious computer viruses could cause disruptions in our or our solar partners' businesses or the economy as a whole. To the extent that these disruptions result in delays or cancellations of installations or the deployment of our solar service offerings, our business, results of operations and financial condition would be adversely affected.

Loan financing developments could adversely impact our business.

The third-party ownership structure, which we bring to market through our solar service offerings, continues to be the predominant form of system ownership in the residential solar market in many states. However, with the development of new loan financing products, we have seen a modest shift from leasing to outright purchases of the solar energy system by the customer (i.e., a customer purchases the solar energy

system outright instead of leasing the system from us). Continued increases in third-party loan financing products and outright purchases could result in the demand for long-term Customer Agreements to decline, which would require us to shift our product focus to respond to the market trend and could have an adverse effect on our business. In 2019, 2018 and 2017, the majority of our customers chose our solar service offerings as opposed to buying a solar energy system outright. Our financial model is impacted by the volume of customers who choose our solar service offerings, and an increase in the number of customers who choose to purchase solar energy systems (whether for cash or through third-party financing) may harm our business and financial results.

Additionally, as discussed above, further reductions in the Commercial ITC as scheduled may impact the attractiveness of solar energy to certain customers and could potentially harm our business. Further reductions in, eliminations of, or expirations of, governmental incentives such as the Residential Energy Efficiency Tax Credit could reduce the number of customers who choose to purchase our solar energy systems.

Our growth depends in part on the success of our relationships with third parties, including our solar partners.

A key component of our growth strategy is to develop or expand our relationships with third parties. For example, we are investing resources in establishing strategic relationships with market players across a variety of industries, including large retailers, to generate new customers. These programs may not roll out as quickly as planned or produce the results we anticipated. A significant portion of our business depends on attracting and retaining new and existing solar partners. Negotiating relationships with our solar partners, investing in due diligence efforts with potential solar partners, training such third parties and contractors, and monitoring them for compliance with our standards require significant time and resources and may present greater risks and challenges than expanding a direct sales or installation team. If we are unsuccessful in establishing or maintaining our relationships with these third parties, our ability to grow our business and address our market opportunity could be impaired. Even if we are able to establish and maintain these relationships, we may not be able to execute on our goal of leveraging these relationships to meaningfully expand our business, brand recognition and customer base. This would limit our growth potential and our opportunities to generate significant additional revenue or cash flows.

We and our solar partners depend on a limited number of suppliers of solar panels and other system components to adequately meet anticipated demand for our solar service offerings. Any shortage, delay or component price change from these suppliers, or the acquisition of any of these suppliers by a competitor, could result in sales and installation delays, cancellations and loss of market share.

We and our solar partners purchase solar panels, inverters and other system components and batteries from a limited number of suppliers, making us susceptible to quality issues, shortages and price changes. If we or our solar partners fail to develop, maintain and expand our relationships with these or other suppliers, we may be unable to adequately meet anticipated demand for our solar service offerings, or we may only be able to offer our systems at higher costs or after delays. If one or more of the suppliers that we or our solar partners rely upon to meet anticipated demand ceases or reduces production, we may be unable to quickly identify alternate suppliers or to qualify alternative products on commercially reasonable terms, and we may be unable to satisfy this demand.

The acquisition of a supplier by one of our competitors could also limit our access to such components and require significant redesigns of our solar energy systems or installation procedures and have a material adverse effect on our business.

In particular, there is a limited number of suppliers of inverters, which are components that convert electricity generated by solar panels into electricity that can be used to power the home. For example, once we design a system for use with a particular inverter, if that type of inverter is not readily available at an anticipated price, we may incur delays and additional expenses to redesign the system. Further, the inverters on our solar energy systems generally carry only ten year warranties. If there is an inverter equipment shortage in a year when a substantial number of inverters on our systems need to be replaced, we may not be able to replace the inverters to maintain proper system functioning or may be forced to do so at higher than anticipated prices, either of which would adversely impact our business.

There have also been periods of industry-wide shortage of key components, including solar panels, in times of rapid industry growth or regulatory change. For example, guidance from the IRS on the steps required for construction to be deemed to have commenced in time to qualify for federal investment tax credits has recently resulted in significant module shortages in the market as utilities and large commercial customers started purchasing supplies in advance of the December 2019 deadline to qualify for a 30% Commercial ITC. Further, new or unexpected changes in rooftop fire codes or building codes may require new or different system components to satisfy compliance with such newly effective codes or regulations, which may not be readily available for distribution to us or our suppliers. The manufacturing infrastructure for some of these components has a long lead time, requires significant capital investment and relies on the continued availability of key commodity materials, potentially resulting in an inability to meet demand for these components and, as a result, could negatively impact our ability to install systems in a timely manner. Additionally, any decline in the exchange rate of the U.S. dollar compared to the functional currency of our component suppliers could increase our component prices. Any of these shortages, delays or price changes could limit our growth, cause cancellations or adversely affect our operating margins, and result in loss of market share and damage to our brand.

In addition, our supply chain and operations (or those of our partners) could be subject to natural disasters and other events beyond our control, such as earthquakes, wildfires, flooding, hurricanes, tsunamis, typhoons, volcanic eruptions, droughts, tornadoes, the effects of climate change and related extreme weather, public health issues and pandemics, war, terrorism, and geo-political unrest and uncertainties. For example, in December 2019, a strain of coronavirus surfaced in Wuhan, China, and at this point, the extent to which the coronavirus may impact our supply chain and operations is uncertain. The extent of the impact of the coronavirus on our business and operations will depend on several factors, such as the duration, severity, and geographic spread of the outbreak and the extent of travel restrictions and business closures imposed in China, the United States, and other countries. In the event of a public health emergency in the United States, such as a significant outbreak of the coronavirus, our business and operations could be adversely impacted.

As the primary entity that contracts with customers, we are subject to risks associated with construction, cost overruns, delays, customer cancellations, regulatory compliance and other contingencies, any of which could have a material adverse effect on our business and results of operations.

We are a licensed contractor in certain communities that we service, and we are ultimately responsible as the contracting party for every solar energy system installation. We may be liable, either directly or through our solar partners, to customers for any damage we cause to them, their home, belongings or property during the installation of our systems. For example, we, either directly or through our solar partners, frequently penetrate customers' roofs during the installation process and may incur liability for the failure to adequately weatherproof such penetrations following the completion of construction. In addition, because the solar energy systems we or our solar partners deploy are high voltage energy systems, we may incur liability for any failure to comply with electrical standards and manufacturer recommendations.

Completing the sale and installation of a solar energy system requires many different steps including a site audit, completion of designs, permitting, installation, electrical sign-off and interconnection. Customers may cancel their Customer Agreement, subject to certain conditions, during this process until commencement of installation, and we have experienced increased customer cancellations in certain geographic markets during certain periods in our operating history. We or our solar partners may face customer cancellations, delays or cost overruns which may adversely affect our or our solar partners' ability to ramp up the volume of sales or installations in accordance with our plans. These cancellations, delays or overruns may be the result of a variety of factors, such as labor shortages or other labor issues, defects in materials and workmanship, adverse weather

conditions, transportation constraints, construction change orders, site changes or roof conditions, geographic factors and other unforeseen difficulties, any of which could lead to increased cancellation rates, reputational harm and other adverse effects. For example, some customer orders are cancelled after a site visit if we determine that a customer needs to make repairs to or install a new roof, or that there is excessive shading on their property. If we continue to experience increased customer cancellations, our financial results may be materially and adversely affected.

In addition, the installation of solar energy systems and other energy-related products requiring building modifications are subject to oversight and regulation in accordance with national, state and local laws and ordinances relating to building, fire and electrical codes, safety, environmental protection, utility interconnection and metering, and related matters. We also rely on certain of our and our partners' employees to maintain professional licenses in many of the jurisdictions in which we operate, and our failure to employ properly licensed personnel could adversely affect our licensing status in those jurisdictions. It is difficult and costly to track the requirements of every individual authority having jurisdiction over our installations and to design solar energy systems to comply with these varying standards. Any new government regulations or utility policies pertaining to our systems may result in significant additional expenses to us and our customers and, as a result, could cause a significant reduction in demand for our solar service offerings.

While we have a variety of stringent quality standards that we apply in the selection of our solar partners, we do not control our suppliers and solar partners or their business practices. Accordingly, we cannot guarantee that they will follow our standards or ethical business practices, such as fair wage practices and compliance with environmental, safety and other local laws. A lack of demonstrated compliance could lead us to seek alternative suppliers or contractors, which could increase our costs and result in delayed delivery or installation of our products, product shortages or other disruptions of our operations. Violation of labor or other laws by our suppliers and solar partners or the divergence of a supplier’s or solar partner's labor or other practices from those generally accepted as ethical in the United States or other markets in which we do business could also attract negative publicity for us and harm our business, brand and reputation in the market.

We typically bear the risk of loss and the cost of maintenance, repair and removal on solar energy systems that are owned or leased by our investment funds.

We typically bear the risk of loss and are generally obligated to cover the cost of maintenance, repair and removal for any solar energy system that we sell or lease to our investment funds. At the time we sell or lease a solar energy system to an investment fund, we enter into a maintenance services agreement where we agree to operate and maintain the system for a fixed fee that is calculated to cover our future expected maintenance costs. If our solar energy systems require an above-average amount of repairs or if the cost of repairing systems were higher than our estimate, we would need to perform such repairs without additional compensation. If our solar energy systems, of which more than 40% of which are located in California, are damaged as the result of a natural disaster beyond our control, losses could exceed or be excluded from, our insurance policy limits, and we could incur unforeseen costs that could harm our business and financial condition. We may also incur significant costs for taking other actions in preparation for, or in reaction to, such events. We purchase property insurance with industry standard coverage and limits approved by an investor’s third-party insurance advisors to hedge against such risk, but such coverage may not cover our losses.

Disruptions to our solar production metering solution could negatively impact our revenue and increase our expenses.

Our ability to monitor solar energy production for various purposes depends on the operation of our metering solution. We could incur significant expense and disruption to our operations in connection with failures of our metering solution, including meter hardware failures and failure or obsolescence of the cellular technology that we use to communicate with those meters. For example, many of our meters operate on either the 3G or 4G cellular data networks, which are expected to sunset before the term of our Customer Agreements, and newer technologies we use today may become obsolete before the end of the term of Customer Agreements entered into now. Upgrading our metering solution may cause us to incur significant expense. Additionally, our meters communicate data through proprietary software, which we license from our metering partners. Should we be unable to continue to license, on agreeable terms, the software necessary to communicate with our meters, it could cause a significant disruption in our business and operations.

Problems with product quality or performance may cause us to incur warranty expenses and performance guarantee expenses, may lower the residual value of our solar energy systems and may damage our market reputation and cause our financial results to decline.

Customers who enter into Customer Agreements with us are covered by production guarantees and roof penetration warranties. As the owners of the solar energy systems, we or our investment funds receive a warranty from the inverter and solar panel manufacturers, and, for those solar energy systems that we do not install directly, we receive workmanship and material warranties as well as roof penetration warranties from our solar partners. For example, in 2015 and 2014, we had to replace a significant number of defective inverters, the cost of which was borne by the manufacturer. However, our customers were without solar service for a period of time while the work was done, which impacted customer satisfaction. Furthermore, one or more of our third-party manufacturers or solar partners could cease operations and no longer honor these warranties, leaving us to fulfill these potential obligations to customers, or such warranties may be limited in scope and amount, and may be inadequate to protect us. We also provide a performance guarantee with certain solar service offerings pursuant to which we compensate customers on an annual basis if their system does not meet the electricity production guarantees set forth in their agreement with us. Customers who enter into Customer Agreements with us are covered by production guarantees equal to the length of the term of these agreements, typically 20 or 25 years. We may suffer financial losses associated if significant performance guarantee payments are triggered.

Because of our limited operating history and the length of the term of our Customer Agreements, we have been required to make assumptions and apply judgments regarding a number of factors, including our anticipated rate of warranty claims and the durability, performance and reliability of our solar energy systems. Our assumptions could prove to be materially different from the actual performance of our systems, causing us to incur substantial expense to repair or replace defective solar energy systems in the future or to compensate customers for systems that do not meet their production guarantees. Product failures or operational deficiencies also would reduce our revenue from power purchase or lease agreements because they are dependent on system production. Any widespread product failures or operating deficiencies may damage our market reputation and adversely impact our financial results.

Product liability claims against us could result in adverse publicity and potentially significant monetary damages.

If our solar service offerings, including our racking systems or other products, injured someone, we would be exposed to product liability claims. Because solar energy systems and many of our other current and anticipated products are electricity-producing devices, it is possible that customers or their property could be injured or damaged by our products, whether by product malfunctions, defects, improper installation or other causes. We rely on third-party manufacturing warranties, warranties provided by our solar partners and our general liability insurance to cover product liability claims and have not obtained separate product liability insurance. Any product liability claim we face could be expensive to defend and divert management’s attention. The successful assertion of product liability claims against us could result in potentially significant monetary damages that could require us to make significant payments, as well as subject us to adverse publicity, damage

our reputation and competitive position and adversely affect sales of our systems and other products. In addition, product liability claims, injuries, defects or other problems experienced by other companies in the residential solar industry could lead to unfavorable market conditions to the industry as a whole, and may have an adverse effect on our ability to attract customers, thus affecting our growth and financial performance.

The value of our solar energy systems at the end of the associated term of the lease or power purchase agreement may be lower than projected, which may adversely affect our financial performance and valuation.

We depreciate the costs of our solar energy systems over their estimated useful life of 35 years. At the end of the initial typically 20- or 25-year term of the Customer Agreement, customers may choose to purchase their solar energy systems, ask to remove the system at our cost or renew their Customer Agreements. Customers may choose to not renew or purchase for any reason, including pricing, decreased energy consumption, relocation of residence or switching to a competitor product.

Furthermore, it is difficult to predict how future environmental regulations may affect the costs associated with the removal, disposal or recycling of our solar energy systems. If the value in trade or renewal revenue is less than we expect, we may be required to recognize all or some of the remaining unamortized costs. This could materially impair our future results of operations.

Damage to our brand and reputation or failure to expand our brand would harm our business and results of operations.

We depend significantly on our brand and reputation for high-quality solar service offerings, engineering and customer service to attract customers and grow our business. If we fail to continue to deliver our solar service offerings within the planned timelines, if our solar service offerings do not perform as anticipated or if we damage any customers' properties or cancel projects, our brand and reputation could be significantly impaired. We also depend greatly on referrals from customers for our growth. Therefore, our inability to meet or exceed customers' expectations would harm our reputation and growth through referrals. We have at times focused particular attention on expeditiously growing our direct sales force and our solar partners, leading us in some instances to hire personnel or partner with third parties who we may later determine do not fit our company culture and standards. Given the sheer volume of interactions our direct sales force and our solar partners have with customers and potential customers, it is also unavoidable that some interactions will be perceived by customers and potential customers as less than satisfactory and result in complaints. If we cannot manage our hiring and training processes to limit potential issues and maintain appropriate customer service levels, our brand and reputation may be harmed and our ability to grow our business would suffer. In addition, if we were unable to achieve a similar level of brand recognition as our competitors, some of which may have a broader brand footprint as a result of a larger direct sales force, more resources and longer operational history, we could lose recognition in the marketplace among prospective customers, suppliers and partners, which could affect our growth and financial performance. Our growth strategy involves marketing and branding initiatives that will involve incurring significant expenses in advance of corresponding revenue. We cannot assure you that such marketing and branding expenses will result in the successful expansion of our brand recognition or increase our revenue. We are also subject to marketing and advertising regulations in various jurisdictions, and overly restrictive conditions on our marketing and advertising activities may inhibit the sales of the affected products.

A failure to hire and retain a sufficient number of employees and service providers in key functions would constrain our growth and our ability to timely complete customers' projects and successfully manage customer accounts.

To support our growth, we need to hire, train, deploy, manage and retain a substantial number of skilled employees, engineers, installers, electricians, sales and project finance specialists. Competition for qualified personnel in our industry is increasing, particularly for skilled personnel involved in the installation of solar energy systems. We have in the past been, and may in the future be, unable to attract or retain qualified and skilled installation personnel or installation companies to be our solar partners, which would have an adverse effect on our business. We and our solar partners also compete with the homebuilding and construction industries for

skilled labor. As these industries grow and seek to hire additional workers, our cost of labor may increase. The unionization of the industry's labor force could also increase our labor costs. Shortages of skilled labor could significantly delay a project or otherwise increase our costs. Because our profit on a particular installation is based in part on assumptions as to the cost of such project, cost overruns, delays or other execution issues may cause us to not achieve our expected margins or cover our costs for that project. In addition, because we are headquartered in the San Francisco Bay Area, we compete for a limited pool of technical and engineering resources that requires us to pay wages that are competitive with relatively high regional standards for employees in these fields. Further, we need to continue to expand upon the training of our customer service team to provide high-end account management and service to customers before, during and following the point of installation of our solar energy systems. Identifying and recruiting qualified personnel and training them requires significant time, expense and attention. It can take several months before a new customer service team member is fully trained and productive at the standards that we have established. If we are unable to hire, develop and retain talented technical and customer service personnel, we may not be able to realize the expected benefits of this investment or grow our business.

In addition, to support the growth and success of our direct-to-consumer channel, we need to recruit, retain and motivate a large number of sales personnel on a continuing basis. We compete with many other companies for qualified sales personnel, and it could take many months before a new salesperson is fully trained on our solar service offerings. If we are unable to hire, develop and retain qualified sales personnel or if they are unable to achieve desired productivity levels, we may not be able to compete effectively.

If we or our solar partners cannot meet our hiring, retention and efficiency goals, we may be unable to complete customers' projects on time or manage customer accounts in an acceptable manner or at all. Any significant failures in this regard would materially impair our growth, reputation, business and financial results. If we are required to pay higher compensation than we anticipate, these greater expenses may also adversely impact our financial results and the growth of our business.

The loss of one or more members of our senior management or key employees may adversely affect our ability to implement our strategy.

We depend on our experienced management team, and the loss of one or more key executives could have a negative impact on our business. In particular, we are dependent on the services of our chief executive officer and co-founder, Lynn Jurich, and our Chairman and co-founder, Edward Fenster. We also depend on our ability to retain and motivate key employees and attract qualified new employees. Neither our founders nor our key employees are bound by employment agreements for any specific term, and we may be unable to replace key members of our management team and key employees in the event we lose their services. Integrating new employees into our management team could prove disruptive to our operations, require substantial resources and management attention and ultimately prove unsuccessful. An inability to attract and retain sufficient managerial personnel who have critical industry experience and relationships could limit or delay our strategic efforts, which could have a material adverse effect on our business, financial condition and results of operations.

We may not realize the anticipated benefits of past or future investments, strategic transactions, or acquisitions, and integration of these acquisitions may disrupt our business and management.

We have in the past and may in the future acquire companies, Project pipelines, Projects, SRECs, products or technologies or enter into joint ventures or other strategic transactions. We may not realize the anticipated benefits of past or future investments, strategic transactions, or acquisitions, and these transactions involve numerous risks that are not within our control. These risks include the following, among others:

- difficulty in assimilating the operations and personnel of the acquired company, especially given our unique culture;

- difficulty in effectively integrating the acquired technologies or products with our current products and technologies;
- difficulty in maintaining controls, procedures and policies during the transition and integration;
- disruption of our ongoing business and distraction of our management and employees from other opportunities and challenges due to integration issues;
- difficulty integrating the acquired company's accounting, management information and other administrative systems;
- inability to retain key technical and managerial personnel of the acquired business;
- inability to retain key customers, vendors and other business partners of the acquired business;
- inability to achieve the financial and strategic goals for the acquired and combined businesses;
- incurring acquisition-related costs or amortization costs for acquired intangible assets that could impact our results of operations;
- significant post-acquisition investments which may lower the actual benefits realized through the acquisition;
- potential failure of the due diligence processes to identify significant issues with product quality, legal and financial liabilities, among other things;
- potential inability to assert that internal controls over financial reporting are effective; and
- potential inability to obtain, or obtain in a timely manner, approvals from governmental authorities, which could delay or prevent such acquisitions.

Our failure to address these risks, or other problems encountered in connection with our past or future investments, strategic transactions, or acquisitions, could cause us to fail to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally. Future acquisitions could also result in dilutive issuances of our equity securities, the incurrence of debt, contingent liabilities, amortization expenses, incremental expenses or the write-off of goodwill, any of which could harm our financial condition or results of operations.

Mergers and acquisitions are inherently risky, may not produce the anticipated benefits and could adversely affect our business, financial condition or results of operations.

If we are unsuccessful in developing and maintaining our proprietary technology, including our BrightPath software, our ability to attract and retain solar partners could be impaired, our competitive position could be harmed and our revenue could be reduced.

Our future growth depends on our ability to continue to develop and maintain our proprietary technology that supports our solar service offerings, including our design and proposal software, BrightPath. In addition, we rely, and expect to continue to rely, on licensing agreements with certain third parties for aerial images that allow us to efficiently and effectively analyze a customer's rooftop for solar energy system specifications. In the event that our current or future products require features that we have not developed or licensed, or we lose the benefit of an existing license, we will be required to develop or obtain such technology through purchase, license or other arrangements. If the required technology is not available on commercially reasonable terms, or at all, we may incur additional expenses in an effort to internally develop the required technology. In addition, our BrightPath software was developed, in part, with U.S. federal government funding. When new technologies are developed with U.S. government funding, the government obtains certain rights in any resulting patents, including a nonexclusive license authorizing the government to use the invention for non-commercial purposes. These rights may permit the government to disclose certain confidential information related to BrightPath to third parties and to exercise "march-in" rights to use or allow third parties to use our patented technology. We are also subject to certain reporting and other obligations to the U.S. government in connection with funding for BrightPath. If we were unable to maintain our existing proprietary technology, our ability to attract and retain solar partners could be impaired, our competitive position could be harmed and our revenue could be reduced.

Our business may be harmed if we fail to properly protect our intellectual property, and we may also be required to defend against claims or indemnify others against claims that our intellectual property infringes on the intellectual property rights of third parties.

We believe that the success of our business depends in part on our proprietary technology, including our software, information, processes and know-how. We rely on copyright, trade secret and patent protections to secure our intellectual property rights. Although we may incur substantial costs in protecting our technology, we cannot be certain that we have adequately protected or will be able to adequately protect it, that our competitors will not be able to utilize our existing technology or develop similar technology independently, that the claims allowed with respect to any patents held by us will be broad enough to protect our technology or that foreign intellectual property laws will adequately protect our intellectual property rights. Moreover, we cannot be certain that our patents provide us with a competitive advantage. Despite our precautions, it may be possible for third parties to obtain and use our intellectual property without our consent. Unauthorized use of our intellectual property by third parties, and the expenses incurred in protecting our intellectual property rights, may adversely affect our business. In the future, some of our products could be alleged to infringe existing patents or other intellectual property of third parties, and we cannot be certain that we will prevail in any intellectual property dispute. In addition, any future litigation required to enforce our patents, to protect our trade secrets or know-how or to defend us or indemnify others against claimed infringement of the rights of third parties could harm our business, financial condition and results of operations.

We are subject to legal proceedings, regulatory inquiries and litigation, and we have previously been, and may in the future be, named in additional legal proceedings, become involved in regulatory inquiries or be subject to litigation in the future, all of which are costly, distracting to our core business and could result in an unfavorable outcome, or a material adverse effect on our business, financial condition, results of operations, or the trading price for our securities.

We are involved in legal proceedings and receive inquiries from government and regulatory agencies from time to time. In the event that we are involved in significant disputes or are the subject of a formal action by a regulatory agency, we could be exposed to costly and time-consuming legal proceedings that could result in any number of outcomes. Although outcomes of such actions vary, any current or future claims or regulatory actions initiated by or against us, whether successful or not, could result in significant costs, costly damage awards or settlement amounts, injunctive relief, increased costs of business, fines or orders to change certain business practices, significant dedication of management time, diversion of significant operational resources, or otherwise harm our business.

If we are not successful in our legal proceedings and litigation, we may be required to pay significant monetary damages, which could hurt our results of operations. Lawsuits are time-consuming and expensive to resolve and divert management's time and attention. Although we carry general liability insurance, our insurance may not cover potential claims or may not be adequate to indemnify us for all liability that may be imposed. We cannot predict how the courts will rule in any potential lawsuit against us. Decisions in favor of parties that bring lawsuits against us could subject us to significant liability for damages, adversely affect our results of operations and harm our reputation.

A failure to comply with laws and regulations relating to our interactions with current or prospective residential customers could result in negative publicity, claims, investigations, and litigation, and adversely affect our financial performance.

Our business involves transactions with customers. We and our solar partners must comply with numerous federal, state and local laws and regulations that govern matters relating to our interactions with customers, including those pertaining to privacy and data security, consumer financial and credit transactions, home improvement contracts, warranties and direct-to-home solicitation. These laws and regulations are dynamic and subject to potentially differing interpretations, and various federal, state and local legislative and regulatory bodies may expand current laws or regulations, or enact new laws and regulations, regarding these matters. Changes in these laws or regulations or their interpretation could dramatically affect how we do business, acquire customers, and manage and use information we collect from and about current and prospective customers and the costs associated therewith. We strive to comply with all applicable laws and regulations relating to our interactions with residential customers. It is possible, however, that these requirements may be interpreted and applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other rules or our practices. Noncompliance with any such laws or regulations, or the perception that we or our solar partners have violated such laws or regulations or engaged in deceptive practices that could result in a violation, could also expose us to claims, proceedings, litigation and investigations by private parties and regulatory authorities, as well as substantial fines and negative publicity, each of which may materially and adversely affect our business. We have incurred, and will continue to incur, significant expenses to comply with such laws and regulations, and increased regulation of matters relating to our interactions with residential customers could require us to modify our operations and incur significant additional expenses, which could have an adverse effect on our business, financial condition and results of operations.

Compliance with occupational safety and health requirements and best practices can be costly, and noncompliance with such requirements may result in potentially significant penalties, operational delays and adverse publicity.

The installation of solar energy systems requires our employees and employees of our solar partners to work with complicated and potentially dangerous electrical and utility systems. The evaluation and installation of our energy-related products also require these employees to work in locations that may contain potentially dangerous levels of asbestos, lead or mold or other substances. We also maintain large fleets of vehicles that

these employees use in the course of their work. There is substantial risk of serious injury or death if proper safety procedures are not followed. Our operations are subject to regulation under the U.S. Occupational Safety and Health Act ("OSHA") and equivalent state laws. Changes to OSHA requirements, or stricter interpretation or enforcement of existing laws or regulations, could result in increased costs. If we fail to comply with applicable OSHA regulations, even if no work-related serious injury or death occurs, we may be subject to civil or criminal enforcement and be required to pay substantial penalties, incur significant capital expenditures, or suspend or limit operations. Any accidents, citations, violations, injuries or failure to comply with industry best practices may subject us to adverse publicity, damage our reputation and competitive position and adversely affect our business.

We are exposed to the credit risk of customers and payment delinquencies on our accounts receivables.

Our Customer Agreements are typically for 20 or 25 years and require the customer to make monthly payments to us. Accordingly, we are subject to the credit risk of customers. As of December 31, 2019, the average FICO score of our customers under a Customer Agreement with a monthly payment schedule remained at or above 740, which is generally categorized as a "Very Good" credit profile by the Fair Isaac Corporation. However, this may decline to the extent FICO score requirements under future investment funds are relaxed. While customer defaults have been immaterial to date, we expect that the risk of customer defaults may increase as we grow our business. Due to the immaterial amount of customer defaults to date, our reserve for this exposure is minimal, and our future exposure may exceed the amount of such reserves. If we experience increased customer credit defaults, our revenue and our ability to raise new investment funds could be adversely affected. If economic conditions worsen, certain of our customers may face liquidity concerns and may be unable to satisfy their payment obligations to us on a timely basis or at all, which could have a material adverse effect on our financial condition and results of operations.

Obtaining a sales contract with a potential customer does not guarantee that a potential customer will not decide to cancel or that we will need to cancel due to a failed inspection, which could cause us to generate no revenue from a product and adversely affect our results of operations.

Even after we secure a sales contract with a potential customer, we (either directly or through our solar partners) must perform an inspection to ensure the home, including the rooftop, meets our standards and specifications. If the inspection finds repairs to the rooftop are required in order to satisfy our standards and specifications to install the solar energy system, and a potential customer does not want to make such required repairs, we would lose that anticipated sale. In addition, per the terms of our Customer Agreements, a customer maintains the ability to cancel before commencement of installation, subject to certain conditions. Any delay or cancellation of an anticipated sale could materially and adversely affect our financial results, as we may have incurred sales-related, design-related and other expenses and generated no revenue.

We use “open source” software in our solutions, which may require that we release the source code of certain software subject to open source licenses or subject us to possible litigation or other actions that could adversely affect our business.

We utilize software that is licensed under so-called “open source,” “free” or other similar licenses. Open source software is made available to the general public on an “as-is” basis under the terms of a non-negotiable license. We currently combine our proprietary software with open source software but not in a manner that we believe requires the release of the source code of our proprietary software to the public. However, our use of open source software may entail greater risks than use of third-party commercial software. Open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. In addition, if we combine our proprietary software with open source software in a certain manner, we could, under certain open source licenses, be required to release the source code of our proprietary software to the public. This would allow our competitors to create similar offerings with lower development effort and time.

We may also face claims alleging noncompliance with open source license terms or infringement or misappropriation of proprietary software. These claims could result in litigation, require us to purchase a costly license or require us to devote additional research and development resources to change our software, any of

which would have a negative effect on our business and results of operations. In addition, if the license terms for open source software that we use change, we may be forced to re-engineer our solutions, incur additional costs or discontinue the use of these solutions if re-engineering cannot be accomplished on a timely basis. Although we monitor our use of open source software to avoid subjecting our offerings to unintended conditions, few courts have interpreted open source licenses, and there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our ability to use our proprietary software. We cannot guarantee that we have incorporated or will incorporate open source software in our software in a manner that will not subject us to liability or in a manner that is consistent with our current policies and procedures.

Any security breach or unauthorized disclosure or theft of personal information we gather, store and use, or other hacking and phishing attacks on our systems, could harm our reputation, subject us to claims or litigation, and have an adverse impact on our business.

We receive, store and use personal information of customers, including names, addresses, e-mail addresses, credit information and other housing and energy use information, as well as the personal information of our employees. Unauthorized disclosure of such personal information, whether through breach of our systems by an unauthorized party, employee theft or misuse, or otherwise, could harm our business. In addition, computer malware, viruses, social engineering (predominantly spear phishing attacks), and general hacking have become more prevalent, have occurred on our systems in the past, and could occur on our systems in the future. Inadvertent disclosure of such personal information, or if a third party were to gain unauthorized access to the personal information in our possession, has resulted in, and could result in future claims or litigation arising from damages suffered by such individuals. In addition, we could incur significant costs in complying with the multitude of federal, state and local laws regarding the unauthorized disclosure of personal information. Our efforts to protect such personal information may be unsuccessful due to software bugs or other technical malfunctions; employees, contractor, or vendor error or malfeasance; or other threats that evolve. In addition, third parties may attempt to fraudulently induce employees or users to disclose sensitive information. Although we have developed systems and processes that are designed to protect the personal information we receive, store and use and to prevent or detect security breaches, we cannot assure you that such measures will provide absolute security. Finally, any perceived or actual unauthorized disclosure of such information could harm our reputation, substantially impair our ability to attract and retain customers and have an adverse impact on our business.

Our business is subject to complex and evolving laws and regulations regarding privacy and data protection ("data protection laws"). Many of these laws and regulations are subject to change and uncertain interpretation, and could result in claims, increased cost of operations or otherwise harm our business.

The regulatory environment surrounding data privacy and protection is constantly evolving and can be subject to significant change. New data protection laws, including recent California legislation and regulation which affords California consumers an array of new rights, including the right to be informed about what kinds of personal data companies have collected and why it was collected, pose increasingly complex compliance challenges and potentially elevate our costs. Complying with varying jurisdictional requirements could increase the costs and complexity of compliance, and violations of applicable data protection laws could result in significant penalties. Any failure, or perceived failure, by us to comply with applicable data protection laws could result in proceedings or actions brought against us by governmental entities or others, subject us to significant fines, penalties, judgments and negative publicity, require us to change our business practices, increase the costs and complexity of compliance, and adversely affect our business.

If our products do not work as well as planned or if we are unsuccessful in developing and selling new products or in penetrating new markets, our business, financial condition and results of operations could be adversely affected.

Our success and ability to compete are dependent on the products that we have developed or may develop in the future. There is a risk that the products that we have developed or may develop may not work as intended, or that the marketing of the products may not be as successful as anticipated. The development of new products generally requires substantial investment and can require long development and testing periods before they are commercially viable. We intend to continue to make substantial investments in developing new products and it is possible that that we may not develop or acquire new products or product enhancements that compete effectively within our target markets or differentiate our products based on functionality, performance or cost and thus our new technologies and products may not result in meaningful revenue. In addition, any delays in developing and releasing new or enhanced products could cause us to lose revenue opportunities and potential customers. Any technical flaws in product releases could diminish the innovative impact of our products and have a negative effect on customer adoption and our reputation. If we fail to introduce new products that meet the demands of our customers or target markets or do not achieve market acceptance, or if we fail to penetrate new markets, our business, financial conditions and results of operations could be adversely affected.

The requirements of being a public company may strain our resources, divert management's attention and affect our ability to attract and retain qualified board members and officers.

We are subject to the reporting requirements of the Exchange Act, the listing requirements of the Nasdaq Stock Market and other applicable securities rules and regulations. Compliance with these rules and regulations has increased our legal and financial compliance costs, made some activities more difficult, time-consuming or costly and increased demand on our systems and resources. The Exchange Act requires, among other things, that we file annual, quarterly and current reports with respect to our business and results of operations and maintain effective disclosure controls and procedures and internal controls over financial reporting. Maintaining our disclosure controls and procedures and internal controls over financial reporting in accordance with this standard requires significant resources and management oversight. As a result, management's attention may be diverted from other business concerns, which could harm our business and results of operations. Although we have already hired additional employees to comply with these requirements, we may need to hire more employees in the future, which will increase our costs and expenses.

If we are unable to maintain effective disclosure controls and internal controls over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and, as a result, the value of our common stock may be materially and adversely affected.

We are required, pursuant to the Exchange Act, to furnish a report by management on, among other things, the effectiveness of our internal controls over financial reporting. This assessment includes disclosure of any material weaknesses, if any, identified by our management in our internal controls over financial reporting. We are continuing to develop and refine our disclosure controls and improve our internal controls over financial reporting. We have expended, and anticipate that we will continue to expend, significant resources in order to maintain and continuously look for ways to enhance existing effective disclosure controls and procedures and internal controls over financial reporting. Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. In addition, we or our independent accounting firm may identify weaknesses and deficiencies that we may not otherwise identify in a timely manner in the future. If we are not able to complete the work required under Section 404 of the Sarbanes-Oxley Act on a timely basis for future fiscal years, our annual report on Form 10-K may be delayed or deficient. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected.

We cannot guarantee that our internal controls over financial reporting will prevent or detect all errors and fraud. The risk of errors is increased in light of the complexity of our business and investment funds. For example, we must deal with significant complexity in accounting for our fund structures and the resulting allocation of net income (loss) between our stockholders and noncontrolling interests under the hypothetical

liquidation at book value (“HLBV”) method as well as the income tax consequences of these fund structures. As we enter into additional investment funds, which may have contractual provisions different from those of our existing funds, the analysis as to whether we consolidate these funds, the calculation under the HLBV method, and the analysis of the tax impact could become increasingly complicated. This additional complexity could require us to hire additional resources and increase the chance that we experience errors in the future.

If we are unable to assert that our internal controls over financial reporting is effective, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our common stock to decline. In addition, we could become subject to investigations by Nasdaq, the Securities and Exchange Commission ("SEC") or other regulatory authorities, which could require additional management attention and which could adversely affect our business.

Our reported financial results may be affected, and comparability of our financial results with other companies in our industry may be impacted, by changes in the accounting principles generally accepted in the United States.

Generally accepted accounting principles in the United States are subject to change and interpretation by the Financial Accounting Standards Board (“FASB"), the SEC, and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results and on the financial results of other companies in our industry, and may even affect the reporting of transactions completed before the announcement or effectiveness of a change. For example, in June 2016 the FASB issued Accounting Standards Update No. 2016-13, *Measurement of Credit Losses on Financial Instruments* ("ASU No. 2016-13"), which replaces the current incurred loss impairment methodology with a current expected credit losses model. Other companies in our industry may be affected differently by the adoption of ASU No. 2016-13 or other new accounting standards, including timing of the adoption of new accounting standards, adversely affecting the comparability of financial statements.

We may be adversely affected by changes in U.S. tax laws.

On December 22, 2017, Congress and the current administration passed significant tax legislation including a change to the corporate tax rate (the “Tax Act”). As part of the Tax Act, the current corporate income tax rate was reduced, and there were other changes including limiting or eliminating various other deductions, credits and tax preferences. This reduction in the corporate income tax rate reduced the value of certain benefits, such as depreciation, and reduced capacity for other benefits, such as tax credits. Limitations on, or elimination of, such tax benefits could significantly impact our ability to raise tax equity investment funds or impact the terms thereof, including the amount of cash distributable to third parties. At this time, we are evaluating the potential impact on our tax equity investment funds, business, prospects and results of operations as a result of enactment, since the impact is dependent upon certain tax treatment elections and the specific timing of taxable income/losses in future years. Based on the proposed regulations issued to date by the IRS, we have determined the changes under the Tax Act will not have a significant impact on our Consolidated Statement of Operations. We will continue to monitor and review proposed and final regulations and the impact to our business.

Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited.

As of December 31, 2019, we had U.S. federal and state net operating loss carryforwards of $0.7 billion and $1.3 billion, respectively, which begin expiring in varying amounts in 2028 and 2024, respectively, if unused. Under Sections 382 and 383 of the Code, if a corporation undergoes an “ownership change,” the corporation’s ability to use its pre-change net operating loss carryforwards and other pre-change tax attributes, such as research tax credits, to offset its post- change income and taxes may be limited. In general, an “ownership change” occurs if there is a cumulative change in our ownership by “5% shareholders” that exceeds 50 percentage points over a rolling three-year period. Similar rules may apply under state tax laws. Any such limitations on our ability to use our net operating loss carryforwards and other tax assets could adversely impact our business, financial condition and results of operations. We have performed an analysis to determine whether an ownership change under Section 382 of the Code had occurred and determined that no ownership changes were identified as of December 31, 2019.

We may be required to record an impairment expense on our goodwill or intangible assets.

We are required under generally accepted accounting principles to test goodwill for impairment at least annually or when events or changes in circumstances indicate that the carrying amount may be impaired, and to review our intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Factors that can lead to impairment of goodwill and intangible assets include significant adverse changes in the business climate and actual or projected operating results, declines in the financial condition of our business and sustained decrease in our stock price. Since our annual impairment test of goodwill for the fiscal year ended December 31, 2019, we have not identified any qualitative factors that would require a quantitative goodwill impairment analysis. However, if we identify any factors that could indicate an impairment, including a sustained decrease in our stock price, we may be required to record charges to earnings if our goodwill becomes impaired.

Risks Related to Ownership of Our Common Stock

Our executive officers, directors and principal stockholders continue to have substantial control over us, which will limit your ability to influence the outcome of important matters, including a change in control.

Each of our executive officers, directors and each of our stockholders who beneficially own 5% or more of our outstanding common stock and their affiliates, in the aggregate, beneficially own approximately 52.9% of the outstanding shares of our common stock, based on the number of shares outstanding as of December 31, 2019. As a result, these stockholders, if acting together, will be able to influence or control matters requiring approval by our stockholders, including the election of directors and the approval of mergers, acquisitions or other extraordinary transactions. They may also have interests that differ from yours and may vote in a way with which you disagree and which may be adverse to your interests. This concentrated control may have the effect of delaying or preventing a change in control of our company, could deprive our stockholders of an opportunity to receive a premium for their capital stock and might ultimately affect the market price of our common stock.

The market price of our common stock has been and may continue to be volatile, and you could lose all or part of your investment.

The trading price of our common stock has been volatile since our initial public offering, and is likely to continue to be volatile. Factors that could cause fluctuations in the market price of our common stock include the following:

- price and volume fluctuations in the overall stock market from time to time;
- volatility in the market prices and trading volumes of companies in our industry or companies that investors consider comparable;
- changes in operating performance and stock market valuations of other companies generally, or those in our industry in particular;
- sales of shares of our common stock by us or our stockholders;
- failure of securities analysts to maintain coverage of us, changes in financial estimates by securities analysts who follow us, or our failure to meet these estimates or the expectations of investors;

- the financial projections we may provide to the public, any changes in those projections or our failure to meet those projections;
- announcements by us or our competitors of new products or services;
- the public's reaction to our press releases, other public announcements and filings with the SEC;
- rumors and market speculation involving us or other companies in our industry;
- actual or anticipated changes in our results of operations;
- changes in tax and other incentives that we rely upon in order to raise tax equity investment funds;
- changes in the regulatory environment and utility policies and pricing, including those that could reduce any savings we are able to offer to customers;
- actual or anticipated developments in our business, our competitors' businesses or the competitive landscape generally;
- litigation involving us, our industry or both, or investigations by regulators into our operations or those of our competitors;
- announced or completed acquisitions of businesses or technologies by us or our competitors;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- changes in accounting standards, policies, guidelines, interpretations or principles;
- any significant change in our management; and
- general economic conditions and slow or negative growth of our markets.

Further, the stock markets have experienced price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. In addition, the stock prices of many renewable energy companies have experienced fluctuations that have often been unrelated to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political and market conditions such as recessions, government shutdowns, interest rate changes, or international currency fluctuations, may cause the market price of our common stock to decline. In the past, following periods of volatility in the overall market and the market price of a particular company's securities, securities class action litigation has often been instituted against these companies. We are party to litigation that could result in substantial costs and a diversion of our management's attention and resources.

Sales of a substantial number of shares of our common stock in the public market, including by our existing stockholders, could cause our stock price to fall.

Sales of a substantial number of shares of our common stock in the public market, or the perception that these sales might occur, could depress the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that these sales and others may have on the prevailing market price of our common stock.

In addition, certain of our stockholders have registration rights that would require us to register shares of our capital stock owned by them for public sale in the United States. We have also filed a registration statement to register shares of our common stock reserved for future issuance under our equity compensation plans. Subject to the satisfaction of applicable exercise periods and applicable volume and restrictions that apply to affiliates, the shares of our common stock issued upon exercise of outstanding options will become available for immediate resale in the public market upon issuance.

Future sales of our common stock may make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. These sales also could cause the market price of our common stock to decline and make it more difficult for you to sell shares of our common stock.

Anti-takeover provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws, as well as provisions of Delaware law, could impair a takeover attempt.

Our amended and restated certificate of incorporation, amended and restated bylaws and Delaware law contain provisions that could have the effect of rendering more difficult, delaying, or preventing an acquisition deemed undesirable by our board of directors and therefore depress the trading price of our common stock. Among other things, our amended and restated certificate of incorporation and amended and restated bylaws include provisions:

- creating a classified board of directors whose members serve staggered three-year terms;
- authorizing “blank check” preferred stock, which could be issued by our board of directors without stockholder approval and may contain voting, liquidation, dividend and other rights superior to our common stock;
- limiting the liability of, and providing indemnification to, our directors and officers;
- limiting the ability of our stockholders to call and bring business before special meetings;
- requiring advance notice of stockholder proposals for business to be conducted at meetings of our stockholders and for nominations of candidates for election to our board of directors; and
- controlling the procedures for the conduct and scheduling of board of directors and stockholder meetings.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our management.

As a Delaware corporation, we are also subject to provisions of Delaware law, including Section 203 of the Delaware General Corporation law, which prevents certain stockholders holding more than 15% of our outstanding capital stock from engaging in certain business combinations without approval of the holders of at least two-thirds of our outstanding capital stock not held by such stockholder. Any provision of our amended and restated certificate of incorporation, amended and restated bylaws or Delaware law that has

the effect of delaying or preventing a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our capital stock and could also affect the price that some investors are willing to pay for our common stock.

Provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws limit the ability of our stockholders to call special meetings and prohibit stockholder action by written consent.

Our amended and restated certificate of incorporation provides that our stockholders may not take action by written consent. Instead, any such actions must be taken at an annual or special meeting of our stockholders. As a result, our stockholders are not able to take any action without first holding a meeting of our stockholders called in accordance with the provisions of our amended and restated bylaws, including advance notice procedures set forth in our amended and restated bylaws. Our amended and restated bylaws further provide that special meetings of our stockholders may be called only by a majority of our board of directors, the chairman of our board of directors, our Chief Executive Officer or our President. As a result, our stockholders are not allowed to call a special meeting. These provisions may delay the ability of our stockholders to force consideration of a stockholder proposal, including a proposal to remove directors.

Provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws could preclude our stockholders from bringing matters before meetings of stockholders and delay changes in our board of directors.

Our amended and restated bylaws provide advance notice procedures for stockholders seeking to bring business before, or nominate candidates for election as directors at, our annual or special meetings of stockholders. In addition, our amended and restated certificate of incorporation provides that stockholders may remove directors only for cause. Any amendment of these provisions in our amended and restated bylaws or amended and restated certificate of incorporation would require approval by holders of at least 66 2/3% of our then outstanding capital stock. These provisions could preclude our stockholders from bringing matters before annual or special meetings of stockholders and delay changes in our board of directors.

Our amended and restated bylaws provide that a state or federal court located within the State of Delaware will be the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated bylaws provide that, unless we consent to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers or other employees to us or to our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or (iv) any action asserting a claim governed by the internal affairs doctrine shall be a state or federal court located within the state of Delaware, in all cases subject to the court's having personal jurisdiction over the indispensable parties names as defendants. The choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and other employees. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations and financial condition.

If securities or industry analysts cease publishing research or reports about us, our business, our market or our competitors, or if they adversely change their recommendations regarding our common stock, the market price of our common stock and trading volume could decline.

The market for our common stock is influenced by the research and reports that securities or industry analysts publish about us, our business, our market or our competitors. If any of the analysts who cover us adversely change their recommendations regarding our common stock, or provide more favorable recommendations about our competitors, the market price of our common stock would likely decline. If any of the analysts who cover us cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the market price of our common stock and trading volume to decline.

We do not expect to declare any dividends in the foreseeable future.

We do not anticipate declaring any cash dividends to holders of our common stock in the foreseeable future. Consequently, investors may need to rely on sales of our common stock after price appreciation, which may never occur or only occur at certain times, as the only way to realize any future gains on their investment. Investors seeking cash dividends should not purchase shares of our common stock.

Additional stock issuances could result in dilution to our stockholders.

We may issue additional equity securities to raise capital, make acquisitions or for a variety of other purposes. Additional issuances of our stock may be made pursuant to the exercise or conversion of new or existing convertible debt securities, warrants, stock options or other equity incentive awards to new and existing service providers. Any such issuances will result in dilution to existing holders of our stock. We rely on equity-based compensation as an important tool in recruiting and retaining employees. The amount of dilution due to equity-based compensation of our employees and other additional issuances could be substantial.

Item 1B. Unresolved Staff Comments.

Not applicable.

Item 2. Properties.

Our corporate headquarters and executive offices are located in San Francisco, California, where we occupy approximately 44,000 square feet of office space. We also maintain 52 other locations, consisting primarily of branch offices, warehouses, sales offices and design centers in 17 states.

We lease all of our facilities and we do not own any real property. We believe that our current facilities are adequate to meet our ongoing needs. If we require additional space, we believe that we will be able to obtain additional facilities on commercially reasonable terms.

Item 3. Legal Proceedings.

See Note 20, *Commitments and Contingencies*, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities .

Market Information

Our common stock began trading on the Nasdaq Global Select Market under the symbol "RUN" on August 5, 2015.

Holders of Record

As of February 24, 2020, there were approximately 141 holders of record of common stock. Certain shares are held in "street" name and, accordingly, the number of beneficial owners of such shares is not known or included in the foregoing number.

Dividend Policy

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain all available funds and any future earnings for use in the operation of our business and do not expect to pay any dividends on our capital stock in the foreseeable future. Any future determination to declare dividends will be made at the discretion of our board of directors, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions and other factors that our board of directors may deem relevant. In addition, our credit agreements contain restrictions on payments of cash dividends.

Stock Repurchase Program

In November 2019, our board of directors approved a stock repurchase program authorizing us to repurchase up to $50.0 million of our common stock from time to time over the next three years. Stock repurchases under this program may be made through open market transactions, negotiated purchases or otherwise, at times and in such amounts as we consider appropriate and in accordance with applicable regulations of the Securities and Exchange Commission. The timing of repurchases and the number of shares repurchased will depend on a variety of factors including price, regulatory requirements, and other market conditions. We may limit, amend, suspend, or terminate the stock repurchase program at any time without prior notice. Any shares repurchased under the program will be returned to the status of authorized, but unissued shares of common stock.

Share repurchase activity during the year ended December 31, 2019 was as follows (in thousands, except per share amounts):

Periods	Total Shares Purchased	Average Price Paid Per Share [1]	Total Shares Purchased As Part Of Publicly Announced Programs	Remaining Authorized Repurchases [2]
November 27 - November 29, 2019	86	$ 13.97	86	
December 2 to December 10, 2019	283	$ 13.40	283	
Total	369			$ 45,000

[1] Average price paid per share excludes commission costs.

[2] Amounts represent the approximate dollar value of the maximum remaining number of shares that may yet be purchased under the stock repurchase program, and excludes commission costs.

Stock Price Performance Graph

The following stock performance graph compares our total stock return with the total return for (i) the Nasdaq Composite Index and the (ii) the Invesco Solar ETF, which represents a peer group of solar companies, for the period from August 5, 2015 (the date our common stock commenced trading on the Nasdaq Global Select Market) through December 31, 2019. The figures represented below assume an investment of $100 in our common stock at the closing price of $10.77 on August 5, 2015 and in the Nasdaq Composite Index and the Invesco Solar ETF on

August 5, 2015 including the reinvestment of dividends into shares of common stock. The comparisons in the table are required by the SEC, and are not intended to forecast or be indicative of possible future performance of our common stock. This graph shall not be deemed “soliciting material” or be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under that section, and shall not be deemed to be incorporated by reference into any of our filings under the Securities Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

	Ticker	August 5, 2015	December 31, 2018	December 31, 2019
Sunrun Inc.	RUN	$ 100.00	$ 101.11	$ 128.23
Nasdaq Composite Index	^IXIC	$ 100.00	$ 129.09	$ 174.57
Invesco Solar ETF	TAN	$ 100.00	$ 58.55	$ 100.66

Item 6. Selected Consolidated Financial Data.

You should read the following selected consolidated financial data below in conjunction with " *Management’s Discussion and Analysis of Financial Condition and Results of Operations"* and the consolidated financial statements, related notes and other financial information included elsewhere in this Annual Report on Form 10-K. The selected consolidated financial data in this section is not intended to replace the consolidated financial statements and are qualified in their entirety by the consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K.

The selected consolidated statements of operations data for the years ended December 31, 2019, 2018 and 2017, and the selected consolidated balance sheet data as of December 31, 2019 and 2018 are derived from our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. The selected consolidated statements of operations data for the years ended December 31, 2016 and 2015, and the selected consolidated balance sheet data as of December 31, 2017, 2016 and 2015 are derived from audited consolidated financial statements which are not included in this Annual Report on Form 10-K. Our historical results are not necessarily indicative of the results that may be expected in the future.

	Year Ended December 31,				
	2019	2018	2017	2016	2015
	(in thousands, except per share amounts)				
Total revenue	$ 858,578	$ 759,981	$ 532,542	$ 477,107	$ 304,606
Net loss	(391,022)	(260,186)	(287,615)	(320,839)	(248,906)
Net income (loss) available to common stockholders	$ 26,335	$ 26,657	$ 125,489	$ 75,129	$ (53,136)
Net income (loss) per share available to common stockholders					
Basic	$ 0.23	$ 0.24	$ 1.19	$ 0.73	$ (0.96)
Diluted	$ 0.21	$ 0.23	$ 1.16	$ 0.72	$ (0.96)
Weighted average shares used to compute net income (loss) per share available to common stockholders					
Basic	116,397	110,089	105,432	102,367	55,091
Diluted	123,876	117,112	108,206	104,964	55,091

	As of December 31,				
	2019	2018	2017	2016	2015
	(in thousands)				
Consolidated Balance Sheet Data:					
Cash and restricted cash	$ 363,229	$ 304,399	$ 241,790	$ 224,363	$ 221,161
Solar energy systems, net	4,492,615	3,820,017	3,161,570	2,498,644	1,992,021
Total assets	5,806,341	4,749,787	3,963,136	3,595,803	2,734,592
Non-recourse debt, current portion	35,348	35,484	21,529	14,153	4,722
Recourse debt	239,485	247,000	247,000	244,000	197,000
Non-recourse debt, net of current portion	1,980,107	1,466,438	1,026,416	639,870	333,042
Total equity	1,331,432	1,282,782	1,240,516	995,728	659,560

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations .

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes thereto included elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those discussed below. Factors that could cause or contribute to such differences include those identified below and those discussed in the section titled "Risk Factors" included elsewhere in this Annual Report on Form 10-K.

We provide clean, solar energy to customers at a significant savings compared to traditional utility energy. We have been selling solar energy to residential customers through a variety of offerings since we were founded in 2007. We, either directly or through one of our solar partners, install a solar energy system on a customer's home and either sell the system to the customer or, as is more often the case, sell the energy generated by the system to the customer pursuant to a lease or power purchase agreement ("PPA") with no or low upfront costs. We refer to these leases and PPAs as "Customer Agreements." Following installation, a system is interconnected to the local utility grid. The home's energy usage is provided by the solar energy system, with any additional energy needs provided by the local utility. Any excess solar energy, including amounts in excess of battery storage, that is not immediately used by the customers is exported to the utility grid using a bi-directional utility net meter, and the customer generally receives a credit for the excess energy from their utility to offset future usage of utility-generated energy.

We offer our solar service offerings both directly to the customer and through our solar partners, which include sales and installation partners, and strategic partners, which include retail partners. In addition, we sell solar energy systems directly to customers for cash. We also sell solar energy panels and other products (such as racking) to resellers. As of December 31, 2019, we provided our solar services to customers and sold solar energy panels and other products to resellers throughout the United States. More than 40% of our cumulative systems deployed are in California.

We compete mainly with traditional utilities. In the markets we serve, our strategy is to price the energy we sell below prevailing local retail electricity rates. As a result, the price our customers pay under our solar service offerings varies depending on the state where the customer lives, the local traditional utility that otherwise provides electricity to the customer, as well as the prices other solar energy companies charge in that region. Even within the same neighborhood, site-specific characteristics drive meaningful variability in the revenue and cost profiles of each home. Using our proprietary technology, we target homes with advantageous revenue and cost characteristics, which means we are often able to offer pricing that allows customers to save more on their energy bill while maintaining our ability to meet our targeted returns. For example, with the insights provided by our technology, we can offer competitive pricing to customers with homes that have favorable characteristics, such as roofs that allow for easy installation, high electricity consumption, or low shading, effectively passing through the cost savings we are able to achieve on these installations to the customer.

Our ability to offer Customer Agreements depends in part on our ability to finance the purchase and installation of the solar energy systems by monetizing the resulting customer cash flows and related commercial investment tax credits ("Commercial ITCs"), accelerated tax depreciation and other incentives from governments and local utilities. We monetize these incentives under tax equity investment funds, which are generally structured as non-recourse project financings. From inception to February 24, 2020, we have established 43 investment funds, which represent financing for an estimated $9.7 billion in value of solar energy systems on a cumulative basis. From time to time, we may repurchase investors' interests in our tax equity investment funds after the recapture period of the relevant tax incentives. We intend to establish additional investment funds and may also use debt, equity and other financing strategies to fund our growth.

In addition, completing the sale and installation of a solar energy system requires many different steps including a site audit, completion of designs, permitting, installation, electrical sign-off and interconnection. Customers may cancel their Customer Agreements with us, subject to certain conditions, during this process until commencement of installation. Customer cancellation rates can change over time and vary between markets.

Investment Funds

Our Customer Agreements provide for recurring customer payments, typically over 20 or 25 years, and the related solar energy systems are generally eligible for Commercial ITCs, accelerated tax depreciation and other

government or utility incentives. Our financing strategy is to monetize these benefits at a low weighted average cost of capital. This low cost of capital enables us to offer attractive pricing to our customers for the energy generated by the solar energy system on their homes. Historically, we have monetized a portion of the value created by our Customer Agreements and the related solar energy systems through investment funds. These assets are attractive to fund investors due to the long-term, recurring nature of the cash flows generated by our Customer Agreements, the high credit scores of our customers, the fact that energy is a non-discretionary good and our low loss rates. In addition, fund investors can receive attractive after-tax returns from our investment funds due to their ability to utilize Commercial ITCs, accelerated depreciation and certain government or utility incentives associated with the funds' ownership of solar energy systems.

As of December 31, 2019, we had 36 active investment funds, which are described below. We have established different types of investment funds to implement our asset monetization strategy. Depending on the nature of the investment fund, cash may be contributed to the investment fund by the investor upfront or in stages based on milestones associated with the design, construction or interconnection status of the solar energy systems. The cash contributed by the fund investor is used by the investment fund to purchase solar energy systems. The investment funds either own or enter into a master lease with a Sunrun subsidiary for the solar energy systems, Customer Agreements and associated incentives. We receive on-going cash distributions from the investment funds representing a portion of the monthly customer payments received. We use the upfront cash, as well as on-going distributions to cover our costs associated with designing, purchasing and installing the solar energy systems. In addition, we also use debt, equity and other financing strategies to fund our operations. The allocation of the economic benefits between us and the fund investor and the corresponding accounting treatment varies depending on the structure of the investment fund.

We currently utilize three legal structures in our investment funds, which we refer to as: (i) pass-through financing obligations, (ii) partnership flips and (iii) joint venture ("JV") inverted leases. We reflect pass-through financing obligations on our consolidated balance sheet as a pass-through financing obligation. We record the investor's interest in partnership flips or JV inverted leases (which we define collectively as "consolidated joint ventures") as noncontrolling interests or redeemable noncontrolling interests. These consolidated joint ventures are usually redeemable at our option and, in certain cases, at the investor's option. If redemption is at our option or the consolidated joint ventures are not redeemable, we record the investor's interest as a noncontrolling interest and account for the interest using the hypothetical liquidation at book value ("HLBV") method. If the investor has the option to put their interest to us, we record the investor's interest as redeemable noncontrolling interest at the greater of the HLBV and the redemption value.

The table below provides an overview of our current investment funds (dollars in millions):

		Consolidated Joint Ventures	
	Pass-Through Financing Obligations	**Partnership Flip**	**JV Inverted Lease**
Consolidation	Owner entity consolidated, tenant entity not consolidated	Single entity, consolidated	Owner and tenant entities consolidated
Balance sheet classification	Pass-through financing obligation	Redeemable noncontrolling interests and noncontrolling interests	Redeemable noncontrolling interests and noncontrolling interests
Revenue from Commercial ITCs	Recognized on the PTO date	None	None
Method of calculating investor interest	Effective interest rate method	Greater of HLBV or redemption value	Greater of HLBV or redemption value; or pro rata
Liability balance as of December 31, 2019	$ 339.0	N/A	N/A
Noncontrolling interest balance (redeemable or otherwise) as of December 31, 2019	N/A	$ 638.2	$ 35.0

For further information regarding our investment funds, including the associated risks, see Item 1A. *Risk Factors*—"*Our ability to provide our solar service offerings to customers on an economically viable basis depends in part on our ability to finance these systems with fund investors who seek particular tax and other benefits.*", Note 11, *Project Equity Financing*, Note 14, *Pass-Through Financing Obligations*, Note 15, *VIE Arrangements* and Note 16, *Redeemable Noncontrolling Interests* to our consolidated financial statements appearing elsewhere in this Annual Report on Form 10-K.

Pass-through Financing Obligations

Pass-Through Financing Obligations. In this investment fund structure, we and the fund investor each utilize separate entities to facilitate the pass-through of the Commercial ITC or U.S. Treasury grants to the fund investors. We contribute solar energy systems to an “owner” entity in exchange for interests in the owner entity, and the fund investors contribute cash to a “tenant” entity in exchange for interests in the tenant entity.

Under our pass-through financing obligation structure, in accordance with the provisions of FASB, Accounting Standards Codification Topic 810 (“ASC 810”) *Consolidation*, we have determined that we are the primary beneficiary of the owner entity, and accordingly, we consolidate that entity. We have also determined that we are not the primary beneficiary of the tenant entity, and accordingly, we do not consolidate that entity.

In this investment fund structure, the investors make a series of large up-front payments as well as, in some instances, subsequent smaller quarterly lease payments through their respective tenant entity to the corresponding owner entity in exchange for the assignment of cash flows from Customer Agreements and certain other benefits associated with the Customer Agreements and related solar energy systems. We account for the payments from investors as borrowings by recording the proceeds received as financing obligations. The financing obligation is reduced over a period of approximately 22 years by customer payments under the Customer Agreements, U.S. Treasury grants (where applicable); and proceeds from the contracted resale of SRECs as they are received by the investor. In addition, funds paid for the Commercial ITC value upfront are initially recorded as a refund liability and recognized as revenue as the associated solar system reaches permission to operate ("PTO").

We account for these investment funds in our consolidated financial statements as if we have not assigned the Customer Agreement to the investor, and we record on our consolidated financial statements activities arising from the Customer Agreements and any related U.S. Treasury grants, Commercial ITCs monetized as part of the upfront payments received from the investor and SREC sales. The interest charge on our pass-through financing obligations is imputed at the inception of the fund based on the effective interest rate in the arrangement giving rise to the obligation and is updated prospectively as appropriate.

In certain arrangements, we agree to defer a portion of the up-front payments by arranging a loan between one of our indirectly wholly owned subsidiaries to a subsidiary of the investor’s tenant entity.

Consolidated Joint Ventures

Partnership Flips. Under partnership flip structures, we and our fund investors contribute cash into a partnership entity. The partnership uses the cash to acquire solar energy systems developed by us with signed Customer Agreements. Each fund investor receives a rate of return, typically on an after-tax basis, which varies by investment fund. Prior to the fund investor receiving its contractual rate of return or for a time period specified in the contractual arrangements, the fund investor receives a significant portion of the value attributable to customer payments, a majority of the accelerated tax depreciation and substantially all of the Commercial ITCs. After the fund investor receives its contractual rate of return or after the specified time period, we receive substantially all of the value attributable to the remaining customer payments and SREC sales.

Included within the Partnership Flips is the project equity financing we entered into in December 2016. We pooled and transferred our interests in certain financing funds into a special purpose entity (“SPE”) with a new investor. We did not recognize a gain or loss on the transfer of its interests in the financing funds and continue to consolidate the financing funds. The SPE’s assets and cash flows are not available to our other creditors, and the investor has no recourse to our other assets.

Under our partnership flip structures, we have determined that we control the partnership entity which is a variable interest entity ("VIE"), and accordingly we consolidate the entity and record the investor's interest as either noncontrolling interests or redeemable noncontrolling interests in our consolidated balance sheets.

Inverted Leases. Under our inverted lease structure, we and the fund investor set up a multi-tiered investment vehicle that is comprised of two partnership entities which facilitate the pass through of the tax benefits to the fund investors. In this structure we contribute solar energy systems to an "owner" partnership entity in exchange for interests in the owner partnership and the fund investors contribute cash to a "tenant" partnership in exchange for interests in the tenant partnership, which in turn makes an investment in the owner partnership entity in exchange for interests in the owner partnership. The owner partnership uses the cash contributions received from the tenant partnership to purchase systems from us and/or fund installation of such systems. Under our existing JV inverted lease structure, a substantial portion of the value generated by the solar energy systems is provided to the fund investor for a specified period of time, which is generally based upon the period of time corresponding to the expiry of the recapture period associated with the Commercial ITCs. After that point in time, we receive substantially all of the value attributable to the long-term recurring customer payments and the other incentives. Generally, under the terms of each agreement, the investors' contributions include the value of Commercial ITCs earned or grants to be received by the fund investor. Any other proceeds are allocated on a pro rata basis to the fund investor and us in accordance with their ownership percentages. Since Sunrun has the power to control both the owner and tenant entities, both entities are included in our consolidated financial statements.

We also have one JV inverted lease fund whereby we have a pro rata interest in the entity and we account for the noncontrolling interest's share of income on a pro rata basis. Accordingly, the noncontrolling interest of this fund is carried on our balance sheet at the cumulative amount of capital contributions, reduced by cumulative distributions paid to the investor, as well as the pro rata share of their income. Under our JV inverted lease structure, we have determined that we control each VIE, and accordingly we consolidate the entity and record investor's interest as a noncontrolling interest or redeemable noncontrolling interest.

For all of our partnership flips and JV inverted leases, the redeemable noncontrolling interest is carried on our balance sheet at the greater of the redemption value or the amount calculated under the HLBV method. The HLBV method estimates the amount that, if the fund's assets were hypothetically sold at their book value, the investor would be entitled to receive according to the liquidation waterfall in the partnership agreement.

Key Operating Metrics

We regularly review a number of metrics, including the following key operating metrics, to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions. Some of our key operating metrics are estimates that are based on our management's beliefs and assumptions and on information currently available to management. Although we believe that we have a reasonable basis for each of these estimates, we caution you that these estimates are based on a combination of assumptions that may prove to be inaccurate over time. Any inaccuracies could be material to our actual results when compared to our calculations. Please see the section titled "Risk Factors" in this Annual Report on Form 10-K for more information. Furthermore, other companies may calculate these metrics differently than we do now or in the future, which would reduce their usefulness as a comparative measure.

- *Megawatts Deployed* represents the aggregate megawatt production capacity of our solar energy systems, whether sold directly to customers or subject to executed Customer Agreements (i) for which we have confirmation that the systems are installed on the roof, subject to final inspection; (ii) in the case of certain system installations by our partners, for which we have accrued at least 80% of the expected project cost, or (iii) for multi-family and any other systems that have reached NTP, measured on the percentage of the project that has been completed based on expected project cost.

- *Gross Earning Assets* represents the net cash flows (discounted at 6%) we expect to receive during the initial term of our Customer Agreements (typically 20 or 25 years) for systems that have been deployed as of the measurement date, plus a discounted estimate of the value of the Customer Agreement renewal term or solar energy system purchase at the end of the initial term. Consistent with industry standards, we use a discount rate of 6%. We consider a discount rate of 6% to be appropriate and consistent with recent market transactions that demonstrate that a portfolio of

residential solar customer contracts is an asset class that can be securitized successfully on a long-term basis, with a coupon of less than 5%. We calculate the Gross Earning Assets value of the purchase or renewal amount at the expiration of the initial contract term assuming either a system purchase or a five year renewal (for our 25-year Customer Agreements) or a 10-year renewal (for our 20-year Customer Agreements), in each case forecasting only a 30-year customer relationship (although the customer may renew for additional years, or thereafter purchase the system), at a contract rate equal to 90% of the customer's contractual rate in effect at the end of the initial contract term. After the initial (generally 20- or 25-year) contract term, our Customer Agreements typically automatically renew on an annual basis and the rate is initially set at up to a 10% discount to then-prevailing power prices.

Gross Earning Assets is calculated net of estimated cash distributions to investors in consolidated joint ventures and estimated operating, maintenance and administrative expenses for systems deployed as of the measurement date. In calculating Gross Earning Assets, we deduct estimated cash distributions to our project equity financing providers. In calculating Gross Earning Assets, we do not deduct customer payments we are obligated to pass through to investors in pass-through financing obligations as these amounts are reflected on our balance sheet as long-term and short-term pass-through financing obligations, similar to the way that debt obligations are presented. In determining our finance strategy, we use pass-through financing obligations and long-term debt in an equivalent fashion as the schedule of payments of distributions to pass-through financing obligation investors is more similar to the payment of interest to lenders than the internal rates of return (IRRs) paid to investors in other tax equity structures.

- *Gross Earning Assets Under Energy Contract* represents the net cash flows during the initial term of our Customer Agreements (less substantially all value from SRECs prior to July 1, 2015), for systems deployed as of the measurement date.
- *Gross Earning Assets Value of Purchase or Renewal* is the forecasted net present value we would receive upon or following the expiration of the initial Customer Agreement term (either in the form of cash payments during any applicable renewal period or a system purchase at the end of the initial term), for systems deployed as of the measurement date.

Gross Earning Assets is forecasted as of a specific date. It is forward-looking, and we use judgment in developing the assumptions used to calculate it. Factors that could impact Gross Earning Assets include, but are not limited to, customer payment defaults, or declines in utility rates or early termination of a contract in certain circumstances, including prior to installation.

	As of December 31,	
	2019	**2018**
Cumulative Megawatts Deployed (end of period)	1,987	1,575

	As of December 31,	
	2019	**2018**
	(in thousands)	
Gross Earning Assets Under Energy Contract	$ 2,536,612	$ 2,099,532
Gross Earning Assets Value of Purchase or Renewal	1,147,450	962,948
Gross Earning Assets	$ 3,684,062	$ 3,062,480

The tables below provide a range of Gross Earning Asset amounts if different default, discount and purchase and renewal assumptions were used.

Gross Earning Assets Under Energy Contract:

	As of December 31, 2019				
	Discount rate				
Default rate	4%	5%	6%	7%	8%
	(in thousands)				
5%	$ 2,898,185	$ 2,671,315	$ 2,471,500	$ 2,294,895	$ 2,138,269
0%	$ 2,978,733	$ 2,743,480	$ 2,536,612	$ 2,353,424	$ 2,191,244

Gross Earning Assets Value of Purchase or Renewal:

	As of December 31, 2019				
	Discount rate				
Purchase or Renewal rate	4%	5%	6%	7%	8%
	(in thousands)				
80%	$ 1,501,655	$ 1,223,473	$ 1,000,418	$ 820,941	$ 676,032
90%	$ 1,722,461	$ 1,403,285	$ 1,147,450	$ 941,415	$ 775,140
100%	$ 1,943,267	$ 1,583,096	$ 1,294,286	$ 1,061,890	$ 874,248

Total Gross Earning Assets:

	As of December 31, 2019				
	Discount rate				
Purchase or Renewal rate	4%	5%	6%	7%	8%
	(in thousands)				
80%	$ 4,480,388	$ 3,966,954	$ 3,537,030	$ 3,174,365	$ 2,867,276
90%	$ 4,701,194	$ 4,146,765	$ 3,684,062	$ 3,294,839	$ 2,966,384
100%	$ 4,922,000	$ 4,326,576	$ 3,830,898	$ 3,415,314	$ 3,065,492

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States ("GAAP"). GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. In many instances, we could have reasonably used different accounting estimates, and in other instances, changes in the accounting estimates are reasonably likely to occur from period-to-period. Actual results could differ significantly from our estimates. Our future financial statements will be affected to the extent that our actual results materially differ from these estimates. For further information on all of our significant accounting policies, see Note 2, *Summary of Significant Accounting Policies* , to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

We believe that policies associated with our principles of consolidation, revenue recognition, impairment of long-lived assets, provision for income taxes and calculation of noncontrolling interests and redeemable noncontrolling interests have the greatest impact on our consolidated financial statements. Therefore, we consider these to be our critical accounting policies.

Principles of Consolidation

Our consolidated financial statements include our accounts and those of our subsidiaries in which we have a controlling financial interest. The typical condition for a controlling financial interest 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 financial interests. We consolidate any VIE of which we are the primary beneficiary, which is defined as the party that has (1) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and (2) the obligation to absorb losses or receive benefits of the VIE that could potentially be significant to the VIE. We evaluate our relationships with our VIEs on an ongoing basis to determine whether we continue to be the primary beneficiary. Our financial statements reflect the assets and liabilities of VIEs that we consolidate. All intercompany transactions and balances have been eliminated in consolidation. For further information regarding consolidation of our investment funds, see "—Investment Funds" above.

Revenue Recognition

We recognize revenue when control of goods or services is transferred to customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those goods or services.

Customer Agreements and Incentives Revenue. Customer agreements and incentives revenue is primarily comprised of revenue from our Customer Agreements and sales of Commercial ITCs and SRECs to third parties.

We recognize revenue from a Customer Agreement when PTO for the applicable solar energy system is given by the local utility company or on the date daily operation commences if utility approval is not required. We recognize revenue evenly over the time that we satisfy our performance obligations over the initial term of the Customer Agreements. Customer Agreements typically have an initial term of 20 or 25 years. After the initial contract term, our Customer Agreements typically automatically renew on an annual basis and the rate is initially set at up to a 10% discount to then-prevailing power prices.

We also apply for and receive SRECs associated with the energy generated by our solar energy systems and sell them to third parties in certain jurisdictions. SREC revenue is estimated net of any variable consideration related to possible liquidated damages if we were to deliver fewer SRECs than contractually committed, and is generally recognized upon delivery of the SRECs to the counterparty.

Certain upfront payments related to Customer Agreements and SRECs are deemed to have a financing component, and therefore increase both revenue and interest expense by the same amount over the term of the related agreement. The additional revenue is included in the total transaction price to be recorded over the term of the agreement and is recognized based on the timing of the delivery. The interest expense is recognized based upon an amortization schedule which typically decreases throughout the term of the related agreement.

For pass-through financing obligation Funds, the value attributable to the Commercial ITCs is recognized in the period a solar system is granted PTO, at which point we have met our obligation to the investor. The Commercial ITCs are subject to recapture under the Internal Revenue Code ("Code") if the underlying solar energy system either ceases to be a qualifying property or undergoes a change in ownership within five years of its placed-in-service date. The recapture amount decreases on the anniversary of the PTO date. We have not historically incurred a material recapture of Commercial ITCs, and do not expect to experience a material recapture of Commercial ITCs in the future.

Consideration from customers is considered variable due to the performance guarantee under Customer Agreements and liquidated damage provisions under SREC contracts in the event minimum deliveries are not achieved. Performance guarantees provide a credit to the customer if the system's cumulative production, as measured on various PTO anniversary dates, is below our guarantee of a specified minimum. Revenue is recognized to the extent it is probable that a significant reversal of such revenue will not occur.

Solar Energy Systems and Product Sales. Solar energy systems sales are comprised of revenue from the sale of solar energy systems directly to customers. We recognize revenue from solar energy systems sold to customers when the solar energy system passes inspection by the authority having jurisdiction, which inspection generally occurs after installation but prior to PTO, at which time we have met the performance obligation in the contract.

Product sales revenue consists of revenue from the sale of solar panels, inverters, racking systems and other solar energy products sold to resellers, as well as the sale of customer leads to third parties, including our partners and other solar providers. Product sales revenue is recognized when control is transferred, generally upon shipment. Customer lead revenue is recognized at the time the lead is delivered.

Impairment of Long-Lived Assets

The carrying amounts of our long-lived assets, including solar energy systems and definite-lived intangible assets, are periodically reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of these assets may not be recoverable or that the useful life is shorter than originally estimated. Factors that we consider in deciding when to perform an impairment review would include significant negative industry or economic trends, and significant changes or planned changes in our use of the assets. Recoverability of these assets is measured by comparison of the carrying amount of each asset group to the future undiscounted cash flows the asset is expected to generate over its remaining life. If the asset is considered to be impaired, the amount of any impairment is measured as the difference between the carrying value and the fair value of the impaired asset. If the useful life is shorter than originally estimated, we amortize the remaining carrying value over the new shorter useful life.

Provision for Income Taxes

We account for income taxes under an asset and liability approach. Deferred income taxes reflect the impact of temporary differences between assets and liabilities recognized for financial reporting purposes and the amounts recognized for income tax reporting purposes, net operating loss carryforwards and other tax credits measured by applying currently enacted tax laws. A valuation allowance is provided when necessary to reduce deferred tax assets to an amount that is more likely than not to be realized. We consider all available evidence, both positive and negative, including historical levels of income, estimates of future taxable income, reversing taxable temporary differences, and ongoing tax planning strategies in assessing the need for a valuation allowance. As of December 31, 2019, we have recorded a valuation allowance of $12.1 million for certain federal tax credits, state tax credits and state deferred tax assets that we believe is more likely than not that the deferred tax assets will not be realized.

We sell solar energy systems to the investment funds. As the investment funds are consolidated by us, the gain on the sale of the solar energy systems is not recognized in the consolidated financial statements. However, this gain is recognized for tax reporting purposes. Since these transactions are intercompany sales for book purposes, before January 1, 2017, any tax expense incurred related to these intercompany sales was deferred and recorded as a prepaid tax asset and there was no recognition of a deferred tax asset related to our increased tax basis in the partnership as a result of such sales. The prepaid tax asset was amortized over the estimated useful life of the underlying solar energy systems which has been estimated to be 35 years. With the adoption of ASU 2016-16 on January 1, 2017 we reversed net prepaid tax assets of $378.5 million and recorded the gross deferred tax assets associated with the historical intercompany sales of solar energy systems, which in turn reduced the deferred tax liabilities on investment in partnerships by $378.2 million with the remaining $0.3 million being recorded as a cumulative effect of adoption in our Consolidated Statements of Redeemable Noncontrolling Interest and Stockholders' Equity. The adoption did not have an impact on our Consolidated Statement of Operations.

We determine whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. We use a two-step approach to recognizing and measuring uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained upon tax authority examination, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50% likely of being realized upon ultimate settlement.

Our policy is to include interest and penalties related to unrecognized tax benefits, if any, within the provision for taxes in the consolidated statements of operations.

Noncontrolling Interests and Redeemable Noncontrolling Interests

Our noncontrolling interests and redeemable noncontrolling interests represent fund investors' interests in the net assets of certain investment funds, which we consolidate, that we have entered into in order to finance the costs of solar energy facilities under Customer Agreements. We have determined that the provisions in the contractual arrangements of the investment funds represent substantive profit-sharing arrangements, which gives rise to the noncontrolling interests and redeemable noncontrolling interests. We have further determined that for all but one of these arrangements, the appropriate methodology for attributing income and loss to the noncontrolling interests and redeemable noncontrolling interests each period is a balance sheet approach using the HLBV method.

Attributing income and loss to the noncontrolling interests and redeemable noncontrolling interests under the HLBV method requires the use of significant assumptions to calculate the amounts that fund investors would receive upon a hypothetical liquidation. Changes in these assumptions, including change in tax rates, can have a significant impact on the amount that fund investors would receive upon a hypothetical liquidation.

We classify certain noncontrolling interests with redemption features that are not solely within our control outside of permanent equity on our consolidated balance sheets. Redeemable noncontrolling interests are reported using the greater of their carrying value at each reporting date as determined by the HLBV method or their estimated redemption value in 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 at the time the redemption feature can be exercised.

We determine the net income (loss) attributable to common stockholders by deducting from net loss, the net loss attributable to noncontrolling interests and redeemable noncontrolling interests in these funds. The net loss attributable to noncontrolling interests and redeemable noncontrolling interests represents the fund investors' allocable share in the results of operations of these investment funds. For these funds, we have determined that the provisions in the contractual arrangements represent substantive profit sharing arrangements, where the allocations to the partners sometimes differ from the stated ownership percentages. We have further determined that, for these arrangements, the appropriate methodology for attributing income and loss to the noncontrolling interests and redeemable noncontrolling interests each period is a balance sheet approach using the HLBV method. Under the HLBV method, the amounts of income and loss attributed to the noncontrolling interests and redeemable noncontrolling interests in the consolidated statements of operations reflect changes in the amounts the fund investors would hypothetically receive at each balance sheet date under the liquidation provisions of the contractual provisions of these funds, assuming the net assets of the respective investment funds were liquidated at the carrying value determined in accordance with GAAP. The fund investors' interest in the results of operations of these investment funds is initially determined by calculating the difference in the noncontrolling interests and redeemable noncontrolling interests' claim under the HLBV method at the start and end of each reporting period, after taking into account any contributions and distributions between the fund and the fund investors and subject to the redemption provisions in certain funds.

Results of Operations

The results of operations presented below should be reviewed in conjunction with the consolidated financial statements and notes thereto included elsewhere in this Annual Report on Form 10-K. Our Annual Report on Form 10-K for the year ended December 31, 2018 includes a discussion and analysis of our financial condition and results of operations for the year ended December 31, 2017 in Item 7 of Part II, "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	Year Ended December 31,	
	2019	2018
	(in thousands, except per share amounts)	
Revenue:		
Customer agreements and incentives	$ 387,835	$ 404,466
Solar energy systems and product sales	470,743	355,515
Total revenue	858,578	759,981
Operating expenses:		
Cost of customer agreements and incentives	280,344	240,857
Cost of solar energy systems and product sales	365,485	294,066
Sales and marketing	275,148	207,232
Research and development	23,563	18,844
General and administrative	125,023	116,659
Amortization of intangible assets	4,755	4,204
Total operating expenses	1,074,318	881,862
Loss from operations	(215,740)	(121,881)
Interest expense, net	174,246	131,771
Other expenses (income), net	9,254	(2,788)
Loss before income taxes	(399,240)	(250,864)
Income tax (benefit) expense	(8,218)	9,322
Net loss	(391,022)	(260,186)
Net loss attributable to noncontrolling interests and redeemable noncontrolling interests	(417,357)	(286,843)
Net income attributable to common stockholders	$ 26,335	$ 26,657
Net income per share attributable to common stockholders		
Basic	$ 0.23	$ 0.24
Diluted	$ 0.21	$ 0.23
Weighted average shares used to compute net income per share attributable to common stockholders		
Basic	116,397	110,089
Diluted	123,876	117,112

Comparison of the Years Ended December 31, 2019 and 2018

Revenue

	Year Ended December 31,		Change	
	2019	2018	$	%
	(in thousands)			
Customer agreements	$ 345,486	$ 272,672	$ 72,814	27 %
Incentives	42,349	131,794	(89,445)	(68)%
Customer agreements and incentives	387,835	404,466	(16,631)	(4)%
Solar energy systems	283,429	186,512	96,917	52 %
Products	187,314	169,003	18,311	11 %
Solar energy systems and product sales	470,743	355,515	115,228	32 %
Total revenue	$ 858,578	$ 759,981	$ 98,597	13 %

Customer Agreements and Incentives. The $72.8 million increase in revenue from Customer Agreements was due to both an increase in solar energy systems under Customer Agreements being placed in service in 2019

and a full year of revenue recognized in 2019 for systems placed in service in 2018 versus only a partial amount of such revenue related to the period in which the assets were in service in 2018. The $89.4 million decrease in revenue from incentives was primarily due to the sale of Commercial ITCs under a financing obligation fund opened in 2018, with PTO activity in that fund primarily concluding in the second quarter of 2019. There was no such comparable fund opened in 2019.

Solar Energy Systems and Product Sales. Revenue from solar energy systems sales increased by $96.9 million compared to the prior year due to increased demand through retail partners. Product sales increased by $18.3 million compared to the prior year primarily due to an increase in the volume of wholesale products sold.

Operating Expenses

	Year Ended December 31,		Change	
	2019	2018	$	%
	(in thousands)			
Cost of customer agreements and incentives	$ 280,344	$ 240,857	$ 39,487	16%
Cost of solar energy systems and product sales	365,485	294,066	71,419	24%
Sales and marketing	275,148	207,232	67,916	33%
Research and development	23,563	18,844	4,719	25%
General and administrative expense	125,023	116,659	8,364	7%
Amortization of intangible assets	4,755	4,204	551	13%
Total operating expenses	$ 1,074,318	$ 881,862	$ 192,456	22%

Cost of Customer Agreements and Incentives. The $39.5 million increase in Cost of customer agreements and incentives was due to the increase in solar energy systems placed in service in 2019, plus a full year of costs recognized in 2019 for systems placed in service in 2018 versus only a partial amount of such expenses related to the period in which the assets were in service in 2018.

The Cost of customer agreements and incentives increased to 72% of customer agreements and incentives revenue during 2019, from 60% during 2018 due to the $89.4 million decrease in revenue from incentives, as discussed above. The cost of sales related to incentives was minimal.

Cost of Solar Energy Systems and Product Sales. The $71.4 million increase in Cost of solar energy systems and product sales was due to the corresponding net increase in solar energy systems and product sales discussed above.

Sales and Marketing Expense. The $67.9 million increase in Sales and marketing expense was primarily attributable to an increase in headcount driving higher employee compensation, as well as an increase in costs to acquire customers through our retail channels and sales lead generating partners. Included in sales and marketing expense is $11.8 million and $8.6 million of amortization of costs to obtain Customer Agreements for 2019 and 2018, respectively.

Research and Development Expense. The $4.7 million increase in Research and development was primarily attributable to hiring of personnel to support the recent and future growth of our business.

General and Administrative Expense. The $8.4 million increase in General and administrative expenses is primarily attributable to increased employee compensation, as well as a temporary duplication of rent expense of $2.1 million during the transition of corporate office spaces in San Francisco and Denver in 2019.

Non-Operating Expenses

	Year Ended December 31,		Change	
	2019	2018	$	%
	(in thousands)			
Interest expense, net	$ 174,246	$ 131,771	$ 42,475	32 %
Other expenses (income), net	9,254	(2,788)	12,042	(432)%
Total interest and other expenses, net	$ 183,500	$ 128,983	$ 54,517	42 %

Interest expense, net. The increase in Interest expense, net of $42.5 million was related to additional non-recourse and pass-through financing obligation debt entered into in 2019. Included in net interest expense is $28.6 million and $22.9 million of non-cash interest imputed under prepaid Customer Agreements for 2019 and 2018, respectively.

Other expenses (income), net. The increase in Other expenses (income), net of $12.0 million relates primarily to losses on extinguishment of debt related to an early repayment of a pass-through financing obligation and certain non-recourse debt in 2019.

Income Tax (Benefit) Expense

	Year Ended December 31,		Change	
	2019	2018	$	%
	(in thousands)			
Income tax (benefit) expense	$ (8,218)	$ 9,322	$ (17,540)	(188)%

The decrease in Income tax (benefit) expense of $17.5 million was related to a decrease in state income taxes, an increase in benefits from share based compensation, and less of an increase in valuation allowance compared to the prior year.

Given our net operating loss carryforwards as of December 31, 2019, we do not expect to pay income tax, including in connection with our 2019 income tax provision, until our net operating losses are fully utilized. As of December 31, 2019, the Company had net operating loss carryforwards for federal and state income tax purposes of approximately $718.1 million and $1.3 billion, respectively, which will begin to expire in 2028 for federal purposes and in 2024 for state purposes. In addition, federal and certain state net operating loss carryforwards generated in tax years beginning after December 31, 2017 total $535.1 million and $102.4 million, respectively, and have indefinite carryover periods and do not expire.

Net Loss Attributable to Noncontrolling Interests and Redeemable Noncontrolling Interests

	Year Ended December 31,		Change	
	2019	2018	$	%
	(in thousands)			
Net loss attributable to noncontrolling interests and redeemable noncontrolling interests	$ (417,357)	$ (286,843)	$ (130,514)	46%

The increase in Net loss attributable to noncontrolling interests and redeemable noncontrolling interests was primarily a result of entering into more new partnership funds in 2019 compared with 2018. Generally, new partnership funds generate larger losses attributable to noncontrolling interests and redeemable noncontrolling interests under the HLBV method in the first years after formation. In 2019, all new funds used the HLBV method.

Liquidity and Capital Resources

As of December 31, 2019, we had cash of $269.6 million, which consisted of cash held in checking and savings accounts with financial institutions. We finance our operations mainly through a variety of financing fund arrangements that we have formed with fund investors, borrowings, cash generated from our sources of revenue and proceeds from secured credit facilities arrangements with a syndicate of banks for up to $265.3 million and from secured, long-term non-recourse loan arrangements for up to $199.0 million. Our principal uses of cash are funding our business, including the costs of acquisition and installation of solar energy systems, satisfaction of our obligations under our debt instruments and other working capital requirements. As of December 31, 2019, we had outstanding borrowings of $239.5 million on our $250.0 million corporate bank line of credit maturing in April 2022. Our business model requires substantial outside financing arrangements to grow the business and facilitate the deployment of additional solar energy systems. The solar energy systems that are operational are expected to generate a positive return rate over the term of the Customer Agreement, typically 20 or 25 years. However, in order to grow, we will continue to be dependent on financing from outside parties. If financing is not available to us on acceptable terms if and when needed, we may be required to reduce planned spending, which could have a material adverse effect on our operations. While there can be no assurances, we anticipate raising additional required capital from new and existing investors. We believe our cash, investment fund commitments and available borrowings as further described below will be sufficient to meet our anticipated cash needs for at least the next 12 months. The following table summarizes our cash flows for the periods indicated:

	Year Ended December 31,	
	2019	2018
	(in thousands)	
Consolidated cash flow data:		
Net cash used in operating activities	$ (204,487)	$ (62,461)
Net cash used in investing activities	(843,255)	(811,316)
Net cash provided by financing activities	1,106,572	936,386
Net increase in cash	$ 58,830	$ 62,609

Operating Activities

During 2019, we used $204.5 million in net cash in operating activities. The driver of our operating cash inflow consists of payments received from customers as well as incentives. The driver of our operating cash outflows primarily relate to the costs of our revenue, as well as sales, marketing and general and administrative costs. During 2019, our operating cash outflows were $174.7 million from our net loss excluding non-cash and non-operating items. Changes in working capital resulted in a net cash outflow of $29.7 million.

During 2018, we used $62.5 million in net cash in operating activities. The driver of our operating cash inflow consists of payments received from customers as well as incentives. The driver of our operating cash outflows primarily relate to the costs of our revenue, as well as sales, marketing and general and administrative costs. During 2018, our operating cash outflows were $47.3 million from our net loss excluding non-cash and non-operating items. Changes in working capital resulted in a net cash outflow of $15.2 million.

Investing Activities

During 2019, we used $843.3 million in cash in investing activities. The majority was used to design, acquire and install solar energy systems and components under our long-term Customer Agreements.

During 2018, we used $811.3 million in cash in investing activities. Of this amount, we used $806.4 million to design, acquire and install solar energy systems and components under our long-term Customer Agreements, and $4.9 million for capitalized software projects and the acquisition of office equipment.

Financing Activities

During 2019, we generated $1.1 billion from financing activities. This was primarily driven by $632.2 million in net proceeds from fund investors, $474.8 million in net proceeds from debt, offset by $13.9 million in repayments under finance lease obligations.

During 2018, we generated $936.4 million from financing activities. This was primarily driven by $483.8 million in net proceeds from fund investors, $438.1 million in proceeds from debt, net of debt issuance costs and repayments, offset by $9.0 million in repayments under finance lease obligations.

Debt, Equity, and Financing Fund Commitments

Debt Instruments

For a discussion of the terms and conditions of debt instruments and changes thereof in the period, refer to Note 11, *Project Equity Financing* and Note 12, *Indebtedness,* to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Equity Instruments

Warrant. In August 2017, we entered into an agreement with an affiliate ("Contractor") of Comcast Corporation ("Comcast") whereby Contractor will receive lead or sales fees for new customers it brings to us over a 40-month term. We also issued Comcast a warrant to purchase up to 11,793,355 shares of our common stock, at an exercise price of $0.01 per warrant share. The warrant would initially vest 50.05% when both (i) Contractor had earned a lead or sales fee with respect to 30,000 of installed solar energy systems, and (ii) Contractor or its affiliates had spent at least $10.0 million in marketing and sales in connection with the agreement. Thereafter, the warrant would vest in five additional increments for each additional 6,000 installed solar energy systems. On November 7, 2018 the warrant vesting schedule was modified so that it would initially vest either (i) as to 10.0% if Contractor had earned a lead or sales fee with respect to 6,000 of installed solar energy systems by September 30, 2019 or (ii) as to 13.3% if Contractor had earned a lead or sales fee with respect to 8,000 of installed solar energy systems by December 31, 2019, provided that, in either case, Contractor or its affiliates had spent at least $25.0 million in marketing and sales in connection with the agreement. Thereafter, the warrant would vest in additional 8.3% increments for each additional 5,000 installed solar energy systems. The initial vesting conditions were not met by December 31, 2019, and as a result, the warrant expired unvested.

Investment Fund Commitments

As of December 31, 2019, we had undrawn committed capital of approximately $581.3 million which may only be used to purchase and install solar energy systems. We intend to establish new investment funds in the future, and we may also use debt, equity or other financing strategies to finance our business.

For a discussion of our project equity financing, refer to Note 11, *Project Equity Financing*, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Contractual Obligations and Other Commitments

The following table summarizes our contractual obligations as of December 31, 2019:

	Payments Due by Period				
	Less Than 1 Year	1 to 3 Years	3 to 5 Years	More Than 5 Years	Total
			(in thousands)		
Contractual Obligations:					
Debt obligations (including future interest)	$ 164,274	$ 646,203	$ 931,591	$ 1,361,203	$ 3,103,271
Purchase commitments	52,370	26,100	—	—	78,470
Distributions payable to noncontrolling interests and redeemable noncontrolling interests [(1)]	16,062	—	—	—	16,062
Financing lease obligations (including accrued interest)	10,741	12,316	1,160	4	24,221
Operating lease obligations, net of sublease income	11,247	20,168	13,042	7,999	52,456
Total contractual obligations	$ 254,694	$ 704,787	$ 945,793	$ 1,369,206	$ 3,274,480

(1) The foregoing table does not include the amounts we could be required to expend under our redemption obligations discussed above.

Off Balance Sheet Arrangements

We include in our consolidated financial statements all assets and liabilities and results of operations of investment fund arrangements that we have entered into. We do not have any off-balance sheet arrangements.

Recent Accounting Pronouncements

See Note 2, *Summary of Significant Accounting Policies*, to our consolidated financial statement included elsewhere in this Annual Report on Form 10-K.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to certain market risks in the ordinary course of our business. Our primary exposure includes changes in interest rates because certain borrowings bear interest at floating rates based on LIBOR plus a specified margin. We sometimes manage our interest rate exposure on floating-rate debt by entering into derivative instruments to hedge all or a portion of our interest rate exposure in certain debt facilities. We do not enter into any derivative instruments for trading or speculative purposes. Changes in economic conditions could result in higher interest rates, thereby increasing our interest expense and operating expenses and reducing funds available for capital investments, operations and other purposes. A hypothetical 10% increase in our interest rates on our variable rate debt facilities would have increased our interest expense by $3.9 million and $2.9 million for the year ended December 31, 2019 and 2018, respectively.

Item 8. Financial Statements and Supplementary Data.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Ernst & Young LLP, Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Sunrun Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Sunrun Inc. (the Company) as of December 31, 2019 and 2018, the related consolidated statements of operations, comprehensive (loss) income, redeemable noncontrolling interests and stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2019, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 27, 2020 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Noncontrolling interests and redeemable noncontrolling interests

Description of matter

At December 31, 2019, noncontrolling interests were $366.7 million and redeemable noncontrolling interests were $306.6 million. As explained in Note 1 to the consolidated financial statements, noncontrolling interests and redeemable noncontrolling interests represent investors' interests in the net assets of the tax-equity Funds that the Company has created to finance the cost of its solar energy systems subject to the Company's Customer Agreements. The Company has determined that the contractual provisions in the funding arrangements represent substantive profit sharing arrangements. The Company has further determined that the appropriate methodology for attributing income and loss to the noncontrolling interests and redeemable noncontrolling interests each period is a balance sheet approach referred to as the hypothetical liquidation at book value ("HLBV") method.

Auditing the noncontrolling interests and redeemable noncontrolling interests is complex due to the volume of tax equity funds and the allocation of the net income or loss to the equity holders. Each HLBV calculation is based upon the liquidation provisions of each fund's contractual agreement used to calculate the amount of income or loss to be attributed to the noncontrolling member.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls that address the risks of material misstatement relating to the noncontrolling interests and redeemable noncontrolling interests. This included evaluating controls over establishing each HLBV model and management's review of each significant input into the HLBV models for compliance with the contractual provisions of funding arrangements, the completeness and accuracy of underlying data, the calculation of tax capital accounts, and the mathematical accuracy of the HLBV models.

To test the noncontrolling interests and redeemable noncontrolling interests, our audit procedures included, among others, examining the HLBV models for compliance with contractual provisions in the funding arrangements. We tested the completeness and accuracy of the underlying data used in each HLBV model. We involved tax professionals to assist in evaluating the calculation of the tax capital accounts in accordance with the tax code, as well as compliance with contractual provisions in the funding arrangements. We also tested the mathematical accuracy of management's HLBV models.

Realizability of Deferred Tax Assets

Description of matter	As described in Note 19 to the consolidated financial statements, at December 31, 2019, the total and gross deferred tax assets were $450.3 million and $438.2 million, respectively. Valuation allowances are provided against deferred tax assets to the extent that it is more likely than not that the deferred tax assets will not be realized. The Company considers all available positive and negative evidence including its history of operating income or losses, future reversals of existing taxable temporary differences, taxable income in carryback years and tax-planning strategies. Auditing management's assessment of recoverability of deferred tax assets involved complex auditor judgment in determining whether the reversal of temporary differences and the execution of a prudent and feasible tax planning strategy are sufficient to support the realization of the existing deferred tax assets before expiration.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls that address the risks of material misstatement relating to the realizability of deferred tax assets. This included controls over management's scheduling of the future reversal of existing taxable temporary differences and evaluation of a prudent and feasible tax planning strategy. Among other audit procedures performed, we tested the Company's scheduling of the reversal of existing temporary taxable differences. We tested the completeness and accuracy of the underlying data and appropriateness of significant inputs and assumptions including the estimated reversal periods for taxable temporary differences. We also evaluated the prudence and feasibility of the Company's tax planning strategy, including involvement of our tax professionals.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2010.

San Francisco, California
February 27, 2020

Report of Ernst & Young LLP, Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Sunrun Inc.

Opinion on Internal Control over Financial Reporting

We have audited Sunrun Inc.'s internal control over financial reporting as of December 31, 2019, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Sunrun Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2019 consolidated financial statements of the Company and our report dated February 27, 2020 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2010.

San Francisco, California
February 27, 2020

Sunrun Inc.
Consolidated Balance Sheets
(In Thousands, Except Share Par Values)

	As of December 31,	
	2019	**2018**
Assets		
Current assets:		
Cash	$ 269,577	$ 226,625
Restricted cash	93,504	77,626
Accounts receivable (net of allowances for doubtful accounts of $3,151 and $2,228 as of December 31, 2019 and 2018, respectively)	77,728	66,435
State tax credits receivable	6,466	2,697
Inventories	260,571	79,467
Prepaid expenses and other current assets	25,984	8,563
Total current assets	733,830	461,413
Restricted cash	148	148
Solar energy systems, net	4,492,615	3,820,017
Property and equipment, net	56,708	34,893
Intangible assets, net	19,543	10,088
Goodwill	95,094	87,543
Other assets	408,403	335,685
Total assets (1)	$ 5,806,341	$ 4,749,787
Liabilities and total equity		
Current liabilities:		
Accounts payable	$ 223,356	$ 131,278
Distributions payable to noncontrolling interests and redeemable noncontrolling interests	16,062	15,847
Accrued expenses and other liabilities	148,497	98,636
Deferred revenue, current portion	77,643	47,407
Deferred grants, current portion	8,093	7,885
Finance lease obligations, current portion	10,064	9,193
Non-recourse debt, current portion	35,348	35,484
Pass-through financing obligation, current portion	11,031	26,461
Total current liabilities	530,094	372,191
Deferred revenue, net of current portion	651,856	544,218
Deferred grants, net of current portion	218,568	221,739
Finance lease obligations, net of current portion	12,895	9,992
Recourse debt	239,485	247,000
Non-recourse debt, net of current portion	1,980,107	1,466,438
Pass-through financing obligation, net of current portion	327,974	337,282
Other liabilities	141,401	48,210
Deferred tax liabilities	65,964	93,633
Total liabilities (1)	4,168,344	3,340,703
Commitments and contingencies (Note 20)		
Redeemable noncontrolling interests	306,565	126,302
Stockholders' equity:		
Preferred stock, $0.0001 par value—authorized, 200,000 shares as of December 31, 2019 and 2018; no shares issued and outstanding as of December 31, 2019 and 2018	—	—
Common stock, $0.0001 par value—authorized, 2,000,000 shares as of December 31, 2019 and 2018; issued and outstanding, 118,451 and 113,149 shares as of December 31, 2019 and 2018, respectively	12	11
Additional paid-in capital	766,006	722,429
Accumulated other comprehensive loss	(52,753)	(3,124)
Retained earnings	251,466	229,391
Total stockholders' equity	964,731	948,707
Noncontrolling interests	366,701	334,075
Total equity	1,331,432	1,282,782
Total liabilities, redeemable noncontrolling interests and total equity	$ 5,806,341	$ 4,749,787

(1) The Company's consolidated assets as of December 31, 2019 and 2018 include $3,521,202 and $2,905,295, respectively, in assets of variable interest entities, or "VIEs", that can only be used to settle obligations of the VIEs. Solar energy systems, net, as of December 31, 2019 and 2018 were $3,259,712 and $2,712,377, respectively; cash as of December 31, 2019 and 2018 were $133,362 and $105,494, respectively; restricted cash as of December 31, 2019 and 2018 were $2,746 and $2,071, respectively; accounts receivable, net as of December 31, 2019 and 2018 were $21,956 and $18,539, respectively; inventories as of December 31, 2019 and December 31, 2018 of $15,721 and $0; prepaid expenses and other current assets as of December 31, 2019 and 2018 were $554 and $387, respectively and other assets as of December 31, 2019 and 2018 were $87,151 and $66,427, respectively. The Company's consolidated liabilities as of December 31, 2019 and 2018 include $774,564 and $660,758, respectively, in liabilities of VIEs whose creditors have no recourse to the Company. These liabilities include accounts payable as of December 31, 2019 and 2018 of $11,531 and $12,136, respectively; distributions payable to noncontrolling interests and redeemable noncontrolling interests as of December 31, 2019 and 2018 of $16,012 and $15,797, respectively; accrued expenses and other liabilities as of December 31, 2019 and 2018 of $10,740 and $7,122, respectively; deferred revenue as of December 31, 2019 and 2018 of $482,138 and $396,920, respectively; deferred grants as of December 31, 2019 and 2018 of $28,034 and $29,229, respectively; non-recourse debt as of December 31, 2019 and 2018 of $206,476 and $190,711, respectively; and other liabilities as of December 31, 2019 and December 31, 2018 of $19,633 and $8,843, respectively.

The accompanying notes are an integral part of these consolidated financial statements.

Sunrun Inc.
Consolidated Statements of Operations
(In Thousands, Except Per Share Amounts)

	Year Ended December 31,		
	2019	**2018**	**2017**
Revenue:			
Customer agreements and incentives	$ 387,835	$ 404,466	$ 234,276
Solar energy systems and product sales	470,743	355,515	298,266
Total revenue	858,578	759,981	532,542
Operating expenses:			
Cost of customer agreements and incentives	280,344	240,857	186,435
Cost of solar energy systems and product sales	365,485	294,066	254,131
Sales and marketing	275,148	207,232	146,426
Research and development	23,563	18,844	15,079
General and administrative	125,023	116,659	107,400
Amortization of intangible assets	4,755	4,204	4,204
Total operating expenses	1,074,318	881,862	713,675
Loss from operations	(215,740)	(121,881)	(181,133)
Interest expense, net	174,246	131,771	92,255
Other expenses (income), net	9,254	(2,788)	1,874
Loss before income taxes	(399,240)	(250,864)	(275,262)
Income tax (benefit) expense	(8,218)	9,322	12,353
Net loss	(391,022)	(260,186)	(287,615)
Net loss attributable to noncontrolling interests and redeemable noncontrolling interests	(417,357)	(286,843)	(413,104)
Net income attributable to common stockholders	$ 26,335	$ 26,657	$ 125,489
Net income per share attributable to common stockholders			
Basic	$ 0.23	$ 0.24	$ 1.19
Diluted	$ 0.21	$ 0.23	$ 1.16
Weighted average shares used to compute net income per share attributable to common stockholders			
Basic	116,397	110,089	105,432
Diluted	123,876	117,112	108,206

The accompanying notes are an integral part of these consolidated financial statements.

Sunrun Inc.
Consolidated Statements of Comprehensive (Loss) Income
(In Thousands)

	Year Ended December 31,		
	2019	**2018**	**2017**
Net income attributable to common stockholders	$ 26,335	$ 26,657	$ 125,489
Unrealized (loss) gain on derivatives, net of income taxes	(48,295)	6,187	(5,694)
Interest (expense) income on derivatives recognized into earnings, net of income taxes	(594)	(5,198)	1,144
Other comprehensive (loss) income	(48,889)	989	(4,550)
Comprehensive (loss) income	$ (22,554)	$ 27,646	$ 120,939

The accompanying notes are an integral part of these consolidated financial statements.

Sunrun Inc.

Consolidated Statements of Redeemable Noncontrolling Interests and Stockholders' Equity

(In Thousands)

	Redeemable Noncontrolling Interests	Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Accumulated Deficit)	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
		Shares	Amount	Shares	Amount						
Balance - December 31, 2016	$ 140,996	—	$ —	104,321	$ 10	$ 668,076	$ 437	$ 74,248	$ 742,771	$ 252,957	$ 995,728
Cumulative effect of adoption of new ASU's (No. 2016-09 and No. 2016-16)	—	—	—	—	—	—	—	2,996	2,996	—	2,996
Exercise of stock options	—	—	—	686	—	1,984	—	—	1,984	$ —	1,984
Issuance of restricted stock units, net of tax withholdings	—	—	—	1,115	—	(3,569)	—	—	(3,569)	—	(3,569)
Shares issued in connection with the Employee Stock Purchase Plan	—	—	—	628	1	2,619	—	—	2,620	—	2,620
Stock-based compensation	—	—	—	—	—	22,088	—	—	22,088	—	22,088
Acquisition of noncontrolling interests	(37,919)	—	—	—	—	(8,248)	—	—	(8,248)	(405)	(8,653)
Contributions from redeemable noncontrolling interests and noncontrolling interests	128,052	—	—	—	—	—	—	—	—	469,617	469,617
Distributions to redeemable noncontrolling interests and noncontrolling interests	(14,769)	—	—	—	—	—	—	—	—	(42,690)	(42,690)
Issuance of shares due to business acquisition in 2015	—	—	—	600	—	—	—	—	—	—	—
Net (loss) income	(92,559)	—	—	—	—	—	—	125,490	125,490	(320,545)	(195,055)
Other comprehensive loss, net of taxes	—	—	—	—	—	—	(4,550)	—	(4,550)	—	(4,550)
Balance - December 31, 2017	123,801	—	—	107,350	11	682,950	(4,113)	202,734	881,582	358,934	1,240,516
Cumulative effect of adoption of new ASU (No. 2017-12)	—	—	—	—	—	—	1,992	—	1,992	—	1,992
Exercise of stock options	—	—	—	3,271	—	17,178	—	—	17,178	—	17,178
Issuance of restricted stock units, net of tax withholdings	—	—	—	1,614	—	(10,102)	—	—	(10,102)	—	(10,102)
Shares issued in connection with the Employee Stock Purchase Plan	—	—	—	914	—	4,546	—	—	4,546	—	4,546
Stock-based compensation	—	—	—	—	—	27,857	—	—	27,857	—	27,857
Contributions from redeemable noncontrolling interests and noncontrolling interests	111,125	—	—	—	—	—	—	—	—	234,022	234,022
Distributions to redeemable noncontrolling interests and noncontrolling interests	(11,057)	—	—	—	—	—	—	—	—	(69,605)	(69,605)
Net (loss) income	(97,567)	—	—	—	—	—	—	26,657	26,657	(189,276)	(162,619)
Other comprehensive loss, net of taxes	—	—	—	—	—	—	(1,003)	—	(1,003)	—	(1,003)
Balance - December 31, 2018	126,302	—	—	113,149	11	722,429	(3,124)	229,391	948,707	334,075	1,282,782
Cumulative effect of adoption of new ASU (No. 2018-02)	—	—	—	—	—	—	(740)	740	—	—	—
Exercise of stock options	—	—	—	3,624	—	19,840	—	—	19,840	—	19,840
Issuance of restricted stock units, net of tax withholdings	—	—	—	1,105	1	(10,585)	—	—	(10,584)	—	(10,584)
Shares issued in connection with the Employee Stock Purchase Plan	—	—	—	942	—	6,939	—	—	6,939	—	6,939
Stock-based compensation	—	—	—	—	—	26,306	—	—	26,306	—	26,306
Contributions from redeemable noncontrolling interests and noncontrolling interests	429,786	—	—	—	—	—	—	—	—	282,127	282,127
Distributions to redeemable noncontrolling interests and noncontrolling interests	(15,137)	—	—	—	—	—	—	—	—	(61,732)	(61,732)
Net (loss) income	(234,386)	—	—	—	—	—	—	26,335	26,335	(182,971)	(156,636)
Acquisition of noncontrolling interest	—	—	—	—	—	1,077	—	—	1,077	(4,798)	(3,721)
Repurchase of common stock	—	—	—	(369)	—	—	—	(5,000)	(5,000)	—	(5,000)
Other comprehensive loss, net of taxes	—	—	—	—	—	—	(48,889)	—	(48,889)	—	(48,889)
Balance - December 31, 2019	$ 306,565	—	$ —	118,451	$ 12	$ 766,006	$ (52,753)	$ 251,466	$ 964,731	$ 366,701	$ 1,331,432

The accompanying notes are an integral part of these consolidated financial statements

Sunrun Inc.
Consolidated Statements of Cash Flows
(In Thousands)

	Year Ended December 31,		
	2019	2018	2017
Operating activities:			
Net loss	$ (391,022)	$ (260,186)	$ (287,615)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization, net of amortization of deferred grants	187,163	156,007	128,687
Deferred income taxes	(8,218)	9,322	12,353
Stock-based compensation expense	26,306	27,856	22,042
Interest on pass-through financing obligations	24,326	19,205	12,629
Reduction in pass-through financing obligations	(39,083)	(25,005)	(18,295)
Other noncash items	25,780	25,484	24,471
Changes in operating assets and liabilities:			
Accounts receivable	(14,864)	(5,707)	(9,409)
Inventories	(181,104)	14,960	(27,101)
Prepaid and other assets	(81,630)	(75,924)	(51,633)
Accounts payable	67,356	8,848	47,837
Accrued expenses and other liabilities	42,081	15,286	9,219
Deferred revenue	138,422	27,393	40,712
Net cash used in operating activities	(204,487)	(62,461)	(96,103)
Investing activities:			
Payments for the costs of solar energy systems	(815,188)	(806,365)	(769,363)
Purchases of property and equipment	(25,345)	(4,951)	(7,956)
Business acquisition	(2,722)	—	—
Net cash used in investing activities	(843,255)	(811,316)	(777,319)
Financing activities:			
Proceeds from state tax credits, net of recapture	2,253	10,887	13,773
Proceeds from issuance of recourse debt	185,450	17,000	170,400
Repayment of recourse debt	(192,965)	(17,000)	(167,400)
Proceeds from issuance of non-recourse debt	1,181,549	980,544	748,806
Repayment of non-recourse debt	(670,508)	(517,594)	(362,763)
Payment of debt fees	(28,687)	(24,849)	(14,392)
Proceeds from pass-through financing and other obligations	9,140	217,082	6,221
Extinguishment of pass-through financing and other obligations	(7,597)	—	—
Payment of finance lease obligations	(13,919)	(9,025)	(9,836)
Contributions received from noncontrolling interests and redeemable noncontrolling interests	711,914	345,147	594,921
Distributions paid to noncontrolling interests and redeemable noncontrolling interests	(76,654)	(78,398)	(54,530)
Acquisition of noncontrolling interests	(4,600)	—	(35,386)
Net proceeds related to stock-based award activities	16,196	12,592	1,035
Repurchase of common stock	(5,000)	—	—
Net cash provided by financing activities	1,106,572	936,386	890,849
Net change in cash and restricted cash	58,830	62,609	17,427
Cash and restricted cash, beginning of period	304,399	241,790	224,363
Cash and restricted cash, end of period	$ 363,229	$ 304,399	$ 241,790
Supplemental disclosures of cash flow information			
Cash paid for interest	$ 99,472	$ 76,313	$ 42,194
Cash paid for taxes	$ —	$ —	$ —
Supplemental disclosures of noncash investing and financing activities			
Purchases of solar energy systems and property and equipment included in accounts payable and accrued expenses	$ 51,719	$ 27,169	$ 19,625
Purchases of solar energy systems included in non-recourse debt	$ —	$ —	$ 12,873
Right-of-use assets obtained in exchange for finance lease liabilities	$ 17,914	$ 14,302	$ 650

The accompanying notes are an integral part of these consolidated financial statements.

Note 1. Organization

Sunrun Inc. (“Sunrun” or the “Company”) was originally formed in 2007 as a California limited liability company, and was converted into a Delaware corporation in 2008. The Company is engaged in the design, development, installation, sale, ownership and maintenance of residential solar energy systems (“Projects”) in the United States.

Sunrun acquires customers directly and through relationships with various solar and strategic partners (“Partners”). The Projects are constructed either by Sunrun or by Sunrun’s Partners and are owned by the Company. Sunrun’s customers enter into an agreement to utilize the solar system (“Customer Agreement”) which typically has an initial term of 20 or 25 years. Sunrun monitors, maintains and insures the Projects. The Company also sells solar energy systems and products, such as panels and racking and solar leads generated to customers.

The Company has formed various subsidiaries (“Funds”) to finance the development of Projects. These Funds, structured as limited liability companies, obtain financing from outside investors and purchase or lease Projects from Sunrun under master purchase or master lease agreements. The Company currently utilizes three legal structures in its investment Funds, which are referred to as: (i) pass-through financing obligations, (ii) partnership-flips and (iii) joint venture (“JV”) inverted leases.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) and reflect the accounts and operations of the Company and those of its subsidiaries, including Funds, in which the Company has a controlling financial interest. 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 variable interest entities (“VIEs”), through arrangements that do not involve controlling voting interests. In accordance with the provisions of Financial Accounting Standards Board (“FASB”) Accounting Standards Codification Topic 810 (“ASC 810”) *Consolidation*, the Company consolidates any VIE of which it is the primary beneficiary. The primary beneficiary, as defined in ASC 810, is the party that has (1) the power to direct the activities of a VIE that most significantly impact the VIE’s economic performance and (2) the obligation to absorb the losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. The Company evaluates its relationships with its VIEs on an ongoing basis to determine whether it continues to be the primary beneficiary. The consolidated financial statements reflect the assets and liabilities of VIEs that are consolidated. All intercompany transactions and balances have been eliminated in consolidation.

Reclassifications

Certain prior period amounts have been reclassified to conform to current period presentation.

Use of Estimates

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. The Company regularly makes estimates and assumptions, including, but not limited to, revenue recognition constraints that result in variable consideration, the discount rate used to adjust the promised amount of consideration for the effects of a significant financing component, the estimates that affect the collectability of accounts receivable, the valuation of inventories, the useful lives of solar energy systems, the useful lives of property and equipment, the valuation and useful lives of intangible assets, the effective interest rate used to amortize pass-through financing obligations, the discount rate uses for operating and financing leases, the fair value of contingent consideration, the valuation of stock-based compensation, the determination of valuation allowances associated with deferred tax assets, the fair value of debt instruments disclosed and the redemption value of redeemable noncontrolling interests. The Company bases its estimates on historical experience and on various other assumptions believed to be reasonable. Actual results may differ from such estimates.

Segment Information

The Company has one operating segment with one business activity, providing solar energy services and products to customers. The Company's chief operating decision maker ("CODM") is its Chief Executive Officer, who manages operations on a consolidated basis for purposes of allocating resources. When evaluating performance and allocating resources, the CODM reviews financial information presented on a consolidated basis.

Revenue from external customers (including, but not limited to homeowners) for each group of similar products and services is as follows (in thousands):

	Year Ended December 31,		
	2019	2018	2017
Customer agreements	$ 345,486	$ 272,672	$ 210,753
Incentives	42,349	131,794	23,523
Customer agreements and incentives	387,835	404,466	234,276
Solar energy systems	283,429	186,512	113,953
Products	187,314	169,003	184,313
Solar energy systems and product sales	470,743	355,515	298,266
Total revenue	$ 858,578	$ 759,981	$ 532,542

Revenue from Customer Agreements includes payments by customers for the use of the system as well as utility and other rebates assigned by the customer to the Company in the Customer Agreement. Revenue from incentives includes revenue from the sale of commercial investment tax credits ("Commercial ITCs") and renewable energy credits ("SRECs").

Cash and Restricted Cash

Cash consists of bank deposits held in checking and savings accounts. The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. The Company has exposure to credit risk to the extent cash balances exceed amounts covered by federal deposit insurance. The Company believes that its credit risk is not significant.

Restricted cash represents amounts related to obligations under certain financing transactions and future replacement of solar energy system components.

The following table provides a reconciliation of cash, and restricted cash reported within the consolidated balance sheets that sum to the total of the same such amounts shown in the consolidated statement of cash flows. Cash and restricted cash consists of the following (in thousands):

	December 31,		
	2019	2018	2017
Cash	$ 269,577	$ 226,625	$ 202,525
Restricted cash, current and long-term	93,652	77,774	39,265
Total	$ 363,229	$ 304,399	$ 241,790

Accounts Receivable

Accounts receivable consist of amounts due from customers as well as state and utility rebates due from government agencies and utility companies. Under Customer Agreements, the customers typically assign incentive rebates to the Company.

Accounts receivable are recorded at net realizable value. The Company maintains allowances for the applicable portion of receivables when collection becomes doubtful. The Company estimates anticipated losses from doubtful accounts based upon the expected collectability of all accounts receivables, which takes into account the number of days past due, collection history, identification of specific customer exposure, and current economic

trends. Once a receivable is deemed to be uncollectible, it is written off. In 2019, 2018 and 2017, the Company recorded provisions for bad debt expense of $3.4 million, $3.4 million and $2.1 million, respectively, and wrote-off uncollectible receivables of $2.0 million, $2.8 million and $1.6 million, respectively.

Accounts receivable, net consists of the following (in thousands):

	December 31,	
	2019	2018
Customer receivables	$ 79,899	$ 64,180
Other receivables	23	1,466
Rebates receivable	957	3,017
Allowance for doubtful accounts	(3,151)	(2,228)
Total	$ 77,728	$ 66,435

State Tax Credits Receivable

State tax credits receivable are recognized upon submission of the state income tax return.

Inventories

Inventories are stated at the lower of cost or net realizable value on a first-in, first-out basis. Inventories consist of raw materials such as photovoltaic panels, inverters and mounting hardware as well as miscellaneous electrical components that are sold as-is by the distribution operations and used in installations and work-in-process. Work-in-process primarily relates to solar energy systems that will be sold to customers, which are partially installed and have yet to pass inspection by the responsible city or utility department. For solar energy systems where the Company performs the installation, the Company commences transferring component parts from inventories to construction-in-progress, a component of solar energy systems, once a lease contract with a lease customer has been executed and the component parts have been assigned to a specific project. Additional costs incurred including labor and overhead are recorded within construction in progress.

The Company periodically reviews inventories for unusable and obsolete items based on assumptions about future demand and market conditions. Based on this evaluation, provisions are made to write inventories down to their market value.

Solar Energy Systems, net

The Company records solar energy systems subject to signed Customer Agreements and solar energy systems that are under installation as solar energy systems, net on its consolidated balance sheet. Solar energy systems, net is comprised of system equipment costs related to solar energy systems, less accumulated depreciation and amortization. Depreciation on solar energy systems is calculated on a straight-line basis over the estimated useful lives of the systems of 35 years. The Company periodically reviews its estimated useful life and recognizes changes in estimates by prospectively adjusting depreciation expense. Inverters and batteries are depreciated over their estimated useful life of 10 years.

Solar energy systems under construction will be depreciated as solar energy systems subject to signed Customer Agreements when the respective systems are completed and interconnected.

Property and Equipment, net

Property and equipment, net consists of leasehold improvements, furniture, computer hardware and software, machinery and equipment and automobiles. All property and equipment are stated at historical cost net of accumulated depreciation. Repairs and maintenance are expensed as incurred.

Property and equipment is depreciated on a straight-line basis over the following periods:

Leasehold improvements	Lesser of 6 years or lease term
Furniture	5 years
Computer hardware and software	3 years
Machinery and equipment	5 years or lease term
Automobiles	Lease term

Capitalization of Software Costs

For costs incurred in the development of internal use software, the Company capitalizes costs incurred during the application development stage. Costs related to preliminary project activities and post implementation activities are expensed as incurred. Internal use software is amortized on a straight-line basis over its estimated useful life. Additional costs of $2.6 million, $2.5 million and $6.1 million were capitalized in 2019, 2018 and 2017, respectively.

Intangible Assets, net

Finite-lived intangible assets are initially recorded at fair value and are subsequently presented net of accumulated amortization. Intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Customer relationships	5-10 years
Developed technology	5 years
Trade names	5-8 years

Impairment of Long-Lived Assets

The carrying amounts of the Company's long-lived assets, including solar energy systems and intangible assets subject to depreciation and amortization, are periodically reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of these assets may not be recoverable or that the useful life is shorter than originally estimated. Factors that are considered in deciding when to perform an impairment review would include significant negative industry or economic trends and significant changes or planned changes in the use of the assets. Recoverability of these assets is measured by comparison of the carrying amount of each asset group to the future undiscounted cash flows the asset group is expected to generate over its remaining life. If the asset group is considered to be impaired, the amount of any impairment is measured as the difference between the carrying value and the fair value of the impaired asset group. If the useful life is shorter than originally estimated, the Company amortizes the remaining carrying value over the new shorter useful life. The Company has recognized no material impairments of its long-lived assets in any of the periods presented.

Goodwill

Goodwill represents the excess of the purchase price over the fair value of assets acquired and liabilities assumed. Goodwill is reviewed for impairment at least annually or whenever events or changes in circumstances indicate that the carrying amount may be impaired. The Company has determined that it operates as one reporting unit and the Company's goodwill is recorded at the enterprise level. The Company performs its annual impairment test of goodwill on October 1 of each fiscal year or whenever events or circumstances change or occur that would indicate that goodwill might be impaired. When assessing goodwill for impairment, the Company uses qualitative and if necessary, quantitative methods in accordance with FASB ASC Topic 350, *Goodwill*. The Company also considers its enterprise value and if necessary, discounted cash flow model, which involves assumptions and estimates, including the Company's future financial performance, weighted average cost of capital and interpretation of currently enacted tax laws.

Circumstances that could indicate impairment and require the Company to perform a quantitative impairment test include a significant decline in the Company's financial results, a significant decline in the Company's enterprise value relative to its net book value, an unanticipated change in competition or the Company's market share and a

significant change in the Company's strategic plans. As of October 1, 2019, the Company concluded that the fair value of the Company exceeded its carrying value.

Deferred Revenue

When the Company receives consideration, or when such consideration is unconditionally due, from a customer prior to delivering goods or services to the customer under the terms of a Customer Agreement, the Company records deferred revenue. Such deferred revenue consists of amounts for which the criteria for revenue recognition have not yet been met and includes amounts that are collected or assigned from customers, including upfront deposits and prepayments, and rebates. Deferred revenue relating to financing components represents the cumulative excess of interest expense recorded on financing component elements over the related revenue recognized to date and will eventually net to zero by the end of the initial term. Amounts received related to the sales of SRECs which have not yet been delivered to the counterparty are recorded as deferred revenue.

The opening balance of deferred revenue was $564.9 million as of December 31, 2017. Deferred revenue consists of the following (in thousands):

	December 31,	
	2019	2018
Under Customer Agreements:		
Payments received	$ 558,630	$ 538,926
Financing component balance	44,874	37,801
	603,504	576,727
Under SREC contracts:		
Payments received	122,680	12,977
Financing component balance	3,315	1,921
	125,995	14,898
Total	$ 729,499	$ 591,625

In the years ended December 31, 2019, 2018 and 2017, the Company recognized revenue of $69.4 million, $52.9 million and $47.7 million, respectively, from amounts included in deferred revenue at the beginning of the respective periods. Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognized and includes deferred revenue as well as amounts that will be invoiced and recognized as revenue in future periods. Contracted but not yet recognized revenue was approximately $6.5 billion as of December 31, 2019, of which the Company expects to recognize approximately 6% over the next 12 months. The annual recognition is not expected to vary significantly over the next 10 years as the vast majority of existing Customer Agreements have at least 10 years remaining, given that the average age of the Company's fleet of residential solar energy systems under Customer Agreements is less than three years due to the Company being formed in 2007 and having experienced significant growth in the last few years. The annual recognition on these existing contracts will gradually decline over the midpoint of the Customer Agreements over the following 10 years as the typical 20- or 25-year initial term expires on individual Customer Agreements. In March 2019, deferred revenue increased by $95.5 million arising from the Company's sale of the right to SRECs to be generated over the next 10 to 15 years by a group of solar energy systems. In connection with the sale, the Company repaid debt previously drawn against the rights to these SRECs.

Deferred Grants

Deferred grants consist of U.S. Treasury grants and state tax credits. The Company applied for a renewable energy technologies income tax credit offered by one of the states in the form of a cash payment and deferred the tax credit as a grant on the consolidated balance sheets. The Company records the grants as deferred grants and recognizes the benefit on a straight-line basis over the estimated depreciable life of the associated assets as a reduction in Cost of customer agreements and incentives.

Warranty Accrual

The Company accrues warranty costs when revenue is recognized for solar energy systems sales, based on the estimated future costs of meeting its warranty obligations. Warranty costs primarily consist of replacement costs for supplies and labor costs for service personnel since warranties for equipment and materials are covered by the original manufacturer's warranty (other than a small deductible in certain cases). As such, the warranty reserve is immaterial in all periods presented. The Company makes and revises these estimates based on the number of solar energy systems under warranty, the Company's historical experience with warranty claims, assumptions on warranty claims to occur over a systems' warranty period and the Company's estimated replacement costs.

Solar Energy Performance Guarantees

The Company guarantees to customers certain specified minimum solar energy production output for solar facilities over the initial term of the Customer Agreements. The Company monitors the solar energy systems to determine whether these specified minimum outputs are being achieved. Annually or every two years, depending on the terms of the Customer Agreement, the Company will refund a portion of electricity payments to a customer if his or her solar energy production output was less than the performance guarantee. The Company considers this a variable component that offsets the transaction price.

Derivative Financial Instruments

The Company recognizes all derivative instruments on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded each period in current earnings or other comprehensive loss if a derivative is designated as part of a hedge transaction. The ineffective portion of the hedge, if any, is immediately recognized in earnings and are included in other expenses (income), net in the consolidated statements of operations.

The Company uses derivative financial instruments, primarily interest rate swaps, to manage its exposure to interest rate risks on its syndicated term loans, which are recognized on the balance sheet at their fair values. On the date that the Company enters into a derivative contract, the Company formally documents all relationships between the hedging instruments and the hedged items, as well as its risk management objective and strategy for undertaking each hedge transaction. Derivative instruments designated in a hedge relationship to mitigate exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Cash flow hedges are accounted for by recording the fair value of the derivative instrument on the balance sheet as either a freestanding asset or liability. Changes in the fair value of a derivative that is designated and qualifies as an effective cash flow hedge are recorded in accumulated other comprehensive loss, net of tax, until earnings are affected by the variability of cash flows of the hedged item. Any derivative gains and losses that are not effective in hedging the variability of expected cash flows of the hedged item or that do not qualify for hedge accounting treatment are recognized directly into income. At the hedge's inception and at least quarterly thereafter, a formal assessment is performed to determine whether changes in cash flows of the derivative instrument have been highly effective in offsetting changes in the cash flows of the hedged items and whether they are expected to be highly effective in the future. The Company discontinues hedge accounting prospectively when (i) it determines that the derivative is no longer effective in offsetting changes in the cash flows of a hedged item; (ii) the derivative expires or is sold, terminated, or exercised; or (iii) management determines that designating the derivative as a hedging instrument is no longer appropriate. In all situations in which hedge accounting is discontinued and the derivative remains outstanding, the derivative instrument is carried at its fair market value on the balance sheet with the changes in fair value recognized in current period earnings. The remaining balance in accumulated other comprehensive loss associated with the derivative that has been discontinued is not recognized in the income statement unless it is probable that the forecasted transaction will not occur. Such amounts are recognized in earnings when earnings are affected by the hedged transaction.

Fair Value of Financial Instruments

The Company defines fair value as the exchange price that would be received for an asset or an exit price that would be paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Company uses valuation approaches to measure fair value that maximize the use of observable inputs and minimize the use of unobservable inputs. The FASB establishes a three-tier fair value hierarchy for disclosure of fair value measurements as follows:

- Level 1—Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2—Inputs are observable, unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities 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 related assets or liabilities; and
- Level 3—Inputs that are unobservable, significant to the measurement of the fair value of the assets or liabilities and are supported by little or no market data.

The Company's financial instruments include cash, receivables, accounts payable, accrued expenses, distributions payable to noncontrolling interests, derivatives, contingent consideration, and recourse and non-recourse debt.

Revenue Recognition

The Company recognizes revenue when control of goods or services is transferred to its customers, in an amount that reflects the consideration it expected to be entitled to in exchange for those goods or services.

Customer agreements and incentives

Customer agreements and incentives revenue is primarily comprised of revenue from Customer Agreements in which the Company provides continuous access to a functioning solar system and revenue from the sales of SRECs generated by the Company's solar energy systems to third parties.

The Company begins to recognize revenue on Customer Agreements when permission to operate ("PTO") is given by the local utility company or on the date daily operation commences if utility approval is not required. Revenue recognition does not necessarily follow the receipt of cash. The Company recognizes revenue evenly over the time that it satisfies its performance obligations over the initial term of the Customer Agreements. Customer Agreements typically have an initial term of 20 or 25 years. After the initial contract term, our Customer Agreements typically automatically renew on an annual basis and the rate is initially set at up to a 10% discount to then prevailing power prices.

SREC revenue arises from the sale of environmental credits generated by solar energy systems and is generally recognized upon delivery of the SRECs to the counterparty. For pass-through financing obligation Funds, the value attributable to the monetization of Commercial ITCs are recognized in the period a solar system is granted PTO - see Note 14, *Pass-through Financing Obligations*.

In determining the transaction price, the Company adjusts the promised amount of consideration for the effects of the time value of money when the timing of payments provides it with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. When adjusting the promised amount of consideration for a significant financing component, the Company uses the discount rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception and recognizes the revenue amount on a straight-line basis over the term of the Customer Agreement, and interest expense using the effective interest rate method.

Consideration from customers is considered variable due to the performance guarantee under Customer Agreements and liquidating damage provisions under SREC contracts in the event minimum deliveries are not achieved. Performance guarantees provide a credit to the customer if the system's cumulative production, as measured on various PTO anniversary dates, is below the Company's guarantee of a specified minimum. Revenue is recognized to the extent it is probable that a significant reversal of such revenue will not occur.

The Company capitalizes incremental costs incurred to obtain a contract in Other Assets in the consolidated balance sheets. These amounts are amortized on a straight-line basis over the term of the Customer Agreements, and are included in Sales and marketing in the consolidated statements of operations.

Solar energy systems and product sales

For solar energy systems sold to customers, the Company recognizes revenue when the solar energy system passes inspection by the authority having jurisdiction. The Company's installation projects are typically completed in less than twelve months.

Product sales consist of solar panels, racking systems, inverters, other solar energy products sold to resellers and customer leads. Product sales revenue is recognized at the time when control is transferred, upon shipment. Customer lead revenue, included in product sales, is recognized at the time the lead is delivered.

Taxes assessed by government authorities that are directly imposed on revenue producing transactions are excluded from solar energy systems and product sales.

Cost of Revenue

Customer agreements and incentives

Cost of revenue for customer agreements and incentives is primarily comprised of (1) the depreciation of the cost of the solar energy systems, as reduced by amortization of deferred grants, (2) solar energy system operations, monitoring and maintenance costs including associated personnel costs, and (3) allocated corporate overhead costs.

Solar energy systems and product sales

Cost of revenue for solar energy systems and non-lead generation product sales consist of direct and indirect material and labor costs for solar energy systems installations and product sales. Also included are engineering and design costs, estimated warranty costs, freight costs, allocated corporate overhead costs, vehicle depreciation costs and personnel costs associated with supply chain, logistics, operations management, safety and quality control. Cost of revenue for lead generations consists of costs related to direct-response advertising activities associated with generating customer leads.

Research and development Expense

Research and development expenses include personnel costs, allocated overhead costs, and other costs related to the development of our proprietary technology.

Stock-Based Compensation

The Company grants stock options and restricted stock units ("RSUs") for its equity incentive plan and employee stock purchase plan. Stock-based compensation to employees is measured based on the grant date fair value of the awards and recognized over the period during which the employee is required to perform services in exchange for the award (generally the vesting period of the award). The Company estimates the fair value of stock options and employee stock purchase plans awards granted using the Black-Scholes option-valuation model. Compensation cost is recognized over the vesting period of the applicable award using the straight-line method for those options expected to vest.

The Company also grants RSUs to non-employees that vest upon the satisfaction of both performance and service conditions. For RSUs granted to non-employees that vest upon the satisfaction of a performance condition, the Company starts recognizing expense on the RSUs when the performance condition is met.

Noncontrolling Interests and Redeemable Noncontrolling Interests

Noncontrolling interests represent investors' interests in the net assets of the Funds that the Company has created to finance the cost of its solar energy systems subject to the Company's Customer Agreements. The Company has determined that the contractual provisions in the funding arrangements represent substantive profit sharing arrangements. The Company has further determined that the appropriate methodology for attributing income and loss to the noncontrolling interests and redeemable noncontrolling interests each period is a balance sheet approach referred to as the hypothetical liquidation at book value ("HLBV") method.

Under the HLBV method, the amounts of income and loss attributed to the noncontrolling interests and redeemable noncontrolling interests in the consolidated statements of operations reflect changes in the amounts the investors would hypothetically receive at each balance sheet date under the liquidation provisions of the contractual agreements of these arrangements, which are based on the investors' tax capital accounts, assuming the net assets of these funding structures were liquidated at recorded amounts. The Company's initial calculation of the investor's noncontrolling interest in the results of operations of these funding arrangements is determined as the difference in the noncontrolling interests' claim under the HLBV method at the start and end of each reporting period, after taking into account any capital transactions, such as contributions or distributions, between the Fund and the investors.

The Company classifies certain noncontrolling interests with redemption features that are not solely within the control of the Company outside of permanent equity on its consolidated balance sheets. Redeemable noncontrolling interests are reported using the greater of their carrying value as determined by the HLBV method or their estimated redemption value at each reporting date.

Income Taxes

The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements and tax returns. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are provided against deferred tax assets to the extent that it is more likely than not that the deferred tax asset will not be realized. The Company is subject to the provisions of ASC 740, *Income Taxes*, which establishes consistent thresholds as it relates to accounting for income taxes. It defines the threshold for recognizing the benefits of tax return positions in the financial statements as "more likely than not" to be sustained by the taxing authority and requires measurement of a tax position meeting the more-likely-than-not criterion, based on the largest benefit that is more than 50% likely to be realized. Management has analyzed the Company's inventory of tax positions with respect to all applicable income tax issues for all open tax years (in each respective jurisdiction).

The Company sells solar energy systems to the Funds. As the Funds are consolidated by the Company, the gain on the sale of the solar energy systems is not recognized in the consolidated financial statements. However, this gain is recognized for tax reporting purposes. Since these transactions are intercompany sales, prior to January 1, 2017, any tax expense incurred related to these intercompany sales is deferred and recorded as a prepaid tax asset and amortized over the depreciable life of the underlying solar energy systems which has been estimated to be 35 years in accordance with ASC Topic 810. With the adoption of ASU 2016-16 on January 1, 2017 the Company reversed net prepaid tax assets of $378.5 million and recorded the gross deferred tax assets associated with the historical intercompany sales of solar energy systems, which in turn reduced the deferred tax liabilities on investment in partnerships by $378.2 million with the remaining $0.3 million being recorded as a cumulative effect of adoption in the Company's Consolidated Statements of Redeemable Noncontrolling Interest and Stockholders' Equity. The adoption did not have an impact on the Company's Consolidated Statement of Operations.

The Company files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by federal, state and local jurisdictions, where applicable. The statute of limitations for the tax returns varies by jurisdiction.

Concentrations of Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash and accounts receivable, which includes rebates receivable. The associated risk of concentration for cash is mitigated by banking with institutions with high credit ratings. At certain times, amounts on deposit exceed Federal Deposit Insurance Corporation insurance limits. The Company does not require collateral or other security to support accounts receivable. To reduce credit risk, management performs periodic credit evaluations and ongoing evaluations of its customers' financial condition. Rebates receivable are due from various states and local governments as well as various utility companies. The Company considers the collectability risk of such amounts to be low. The Company is not dependent on any single customer. The Company's customers under Customer Agreements are primarily located in California, Arizona, New Jersey, Hawaii, New York and Massachusetts . The loss of a customer would not adversely impact the Company's operating results or financial position. The Company depends on a limited number of suppliers of solar panels and other system components. During the years ended December 31, 2019 and 2018, the solar materials purchases from the top five suppliers were approximately $180.1 million and $221.5 million, respectively.

Recently Issued and Adopted Accounting Standards

Accounting standards adopted January 1, 2017:

In October 2016, the FASB issued ASU 2016-16, *Intra-Entity Transfers of Assets Other Than Inventory*, which requires entities to recognize income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. As a result, a reporting entity will recognize the tax expense from the sale of assets in the seller's tax jurisdiction when the transfer occurs, even though the pre-tax effects of the transaction are eliminated in the consolidated financial statements. Any deferred tax asset that arises in the buyer's jurisdiction will also be recognized at the time of the transfer. The Company adopted the standard effective January 1, 2017. As the Company sells solar energy systems to Funds, the Company records the current tax effects of the gain on such sales as well as a deferred tax asset related to the Company's increased tax basis in the partnership as a result of such sales. As a result of the adoption, the Company reversed net prepaid tax assets of $378.5 million, recognized gross deferred tax assets of $378.2 million and recorded a cumulative-effect adjustment decreasing retained earnings by $0.3 million as of January 1, 2017.

In March 2016, the FASB issued ASU No. 2016-09, *Compensation - Stock Compensation*. The new guidance requires all income tax effects of awards to be recognized in the income statement when the awards vest or are settled. It also requires the Company to make an accounting policy election to either estimate the number of awards that are expected to vest or account for forfeitures as they occur. The Company adopted the new ASU effective January 1, 2017. The Company elected to continue to estimate the number of awards that are expected to vest. Upon the adoption, deferred tax liabilities decreased by $3.3 million, and the Company recorded a cumulative-effect adjustment increasing retained earnings by $3.3 million as of January 1, 2017.

Accounting standards adopted January 1, 2018:

In August 2017, the FASB issued ASU No. 2017-12, *Derivatives and Hedging, Targeted Improvements to Accounting for Hedging Activities*, which expands an entity's ability to hedge nonfinancial and financial risk components, eliminates the requirement to separately measure and report hedge ineffectiveness, and aligned the recognition and presentation of the effects of hedging instruments in the financial statements. The Company adopted ASU 2017-12 effective October 1, 2018, with the retrospective adjustment applicable to prior periods of $2.0 million included as a cumulative-effect adjustment recorded to accumulated other comprehensive loss and retained earnings as of January 1, 2018.

Accounting standards adopted January 1, 2019:

In February 2018, the FASB issued Accounting Standards Update ("ASU") No. 2018-02, *Income Statement -- Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income*, which allows companies to reclassify stranded tax effects resulting from the Tax Cuts and Jobs Act from accumulated other comprehensive income to retained earnings. The Company adopted ASU No.

2018-02 effective January 1, 2019, which resulted in an adjustment of $0.7 million for the reclassification, as reflected in its consolidated statement of redeemable noncontrolling interests and equity. The Company uses the aggregate portfolio approach when reclassifying stranded tax effects from accumulated other comprehensive income.

In June 2018, the FASB issued ASU No. 2018-07, *Compensation - Stock Compensation (Topic 718), Improvements to Nonemployee Share-Based Payment Accounting*, which is intended to align the accounting for share-based payment awards issued to employees and nonemployees, however, this amendment does not apply to instruments issued in a financing transaction nor to equity instruments granted to a customer under a contract in the scope of Topic 606. Currently, performance conditions are recognized once the performance conditions are met. Under this new amendment, equity-classified nonemployee share-based payments will be measured at the grant-date fair value and will be recognized based on the probable outcome of the performance conditions. This ASU is effective for fiscal periods beginning after December 15, 2018. The Company adopted ASU No. 2018-07 effective January 1, 2019, and there was no material impact to its consolidated financial statements.

In July 2018, the FASB issued ASU No. 2018-09, *Codification Improvements*. This amendment makes changes to a variety of topics to clarify, correct errors in, or make minor improvements to the Accounting Standards Codification. The majority of the amendments in ASU 2018-09 are effective for periods beginning after December 15, 2018. The Company adopted ASU No. 2018-09 effective January 1, 2019, and there was no material impact to its consolidated financial statements.

Accounting standards to be adopted:

In June 2016, the FASB issued ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments* , which replaces the current incurred loss impairment methodology with a current expected credit losses model. The amendment applies to entities that hold financial assets and net investment in leases that are not accounted for at fair value through net income as well as loans, debt securities, trade receivables, net investments in leases, off-balance sheet credit exposures, reinsurance receivables and any other financial assets not excluded from the scope that have the contractual right to receive cash. This ASU is effective for fiscal years beginning after December 15, 2019 and interim periods within those fiscal years. Early adoption is permitted. Adoption of this ASU is applied using a modified retrospective approach, with certain aspects requiring a prospective approach. The Company is currently evaluating this guidance and the impact it may have on the Company’s consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework-Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements on fair value measurements as part of its disclosure framework project. Under this amendment, entities will no longer be required to disclose the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy. However, for Level 3 fair value measurements, disclosures around the range and weighted average used to develop significant unobservable inputs will be required. This ASU is effective for fiscal periods beginning after December 15, 2019. The Company is currently evaluating this guidance and the impact it may have on the Company's consolidated financial statements and disclosures.

In August 2018, the FASB issued ASU No. 2018-15, *Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Customer’s Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract*, which requires a customer in a cloud computing arrangement that is a service contract to follow the internal-use software guidance in Topic 350, *Intangibles- Goodwill and Other*, to determine which implementation costs to capitalize as assets or expense as incurred. This ASU is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2019, and can be applied either prospectively to implementation costs incurred after the date of adoption or retrospectively to all arrangements. The Company is currently evaluating this guidance and the impact it may have on the Company's consolidated financial statements.

In October 2018, the FASB issued ASU No. 2018-17, *Consolidation (Topic 810)*, Targeted Improvements to Related Party Guidance for Variable Interest Entities, which aligns the evaluation of decision-making fees under the variable interest entity guidance. Under this new guidance, in order to determine whether decision-making fees represent a variable interest, an entity considers indirect interests held through related parties under common

control on a proportionate basis. This ASU is effective for annual reporting periods, and interim periods within those years, beginning after December 15, 2019, and must be applied retrospectively with a cumulative-effect adjustment to retained earnings at the beginning of the earliest period presented. The Company is currently evaluating this guidance and the impact it may have on the Company's consolidated financial statements.

In November 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740)*, which simplifies the accounting for income taxes, primarily by eliminating certain exceptions to the guidance in ASC 740. This ASU is effective for fiscal periods beginning after December 15, 2020. The Company is currently evaluating this guidance and the impact it may have on the Company's consolidated financial statements.

Note 3. Acquisition

Clean Energy Experts, LLC

In 2015, the Company acquired Clean Energy Experts, LLC, a consumer demand and solar lead generation company, for $25.0 million in cash and 1.9 million shares of common stock valued at $19.1 million, net of settlement of a preexisting payable to CEE. An additional $8.8 million in cash and 599,999 shares of common stock were issued in 2017 due to the achievement of certain sales targets as well as continued employment of certain key employees acquired in the transaction, which was recorded as compensation expense. The acquisition was made in order to enhance the Company's efficient and consistent access to high-quality leads in existing and new markets.

Omni Energy, LLC

In July 2019, the Company acquired a specified customer pipeline and assembled workforce from Omni Energy, LLC ("Omni"), an existing solar integrator with multi-family solar project origination and development capabilities.

The purchase consideration for the assets acquired was approximately $23.5 million, consisting of $2.7 million in cash upfront and $20.8 million representing the fair value of contingent consideration based upon new solar system installations through 2022. The Company estimated the fair value of the contingent consideration at the acquisition date using a probability-weighted discounted cash flow methodology. The estimated range of outcomes (undiscounted) was from $17.7 million to $28.9 million. The total fair value of the assets acquired of $23.5 million is comprised of an intangible asset related to customer relationships of $14.2 million with estimated useful life of five years, and goodwill of $9.3 million. Customer relationships were valued with level 3 inputs. The fair value of the contingent consideration as of December 31, 2019 was $11.8 million.

The fair value of the assets acquired and liabilities assumed are preliminary and may be adjusted as the Company obtains additional information, primarily related to adjustments for the customer relationships. If there are adjustments made for these items the fair value of intangible assets and goodwill could be impacted. Thus these provisional measurements of fair value are subject to change. The Company expects to finalize the valuation of the intangible assets as soon as practicable, but not later than one-year from the acquisition date.

Goodwill represents the excess of the purchase price over the fair value of the asset acquired. Goodwill recorded is primarily attributable to the acquired assembled workforce and synergies achieved through the elimination of redundant costs.

There was no revenue contributed from the acquired business to the Company, as measured from the date of the acquisition through December 31, 2019. The portion of the total expenses and net income associated with the acquired business was not separately identifiable due to the integration with the Company's operations. Due to the nature of the acquisition, the operations acquired and the related unaudited pro forma information are immaterial.

Note 4. Fair Value Measurement

At December 31, 2019 and 2018, the carrying value of receivables, accounts payable, accrued expenses and distributions payable to noncontrolling interests approximates fair value due to their short-term nature and falls under the Level 2 hierarchy. The carrying values and fair values of debt instruments are as follows (in thousands):

	December 31, 2019		December 31, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Bank line of credit	$ 239,485	$ 239,485	$ 247,000	$ 247,000
Senior debt	625,519	626,023	828,517	828,309
Subordinated debt	513,938	524,581	273,337	272,937
Securitization debt	875,998	931,320	400,068	394,756
Total	$ 2,254,940	$ 2,321,409	$ 1,748,922	$ 1,743,002

At December 31, 2019 and 2018, the fair value of the Company's lines of credit, and certain senior, subordinated, and SREC loans approximate their carrying values because their interest rates are variable rates that approximate rates currently available to the Company. At December 31, 2019 and 2018, the fair value of the Company's other debt instruments are based on rates currently offered for debt with similar maturities and terms. The Company's fair value of the debt instruments fell under the Level 2 hierarchy. These valuation approaches involve some level of management estimation and judgment, the degree of which is dependent on the price transparency for the instruments or market.

At December 31, 2019 and 2018, financial instruments measured at fair value on a recurring basis, based upon the fair value hierarchy are as follows (in thousands):

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Derivative assets:				
Interest rate swaps	$ —	$ 683	$ —	$ 683
Total	$ —	$ 683	$ —	$ 683
Derivative liabilities:				
Interest rate swaps	$ —	$ 64,361	$ —	$ 64,361
Total	$ —	$ 64,361	$ —	$ 64,361
Contingent consideration:				
Contingent consideration:	$ —	$ —	$ 11,809	$ 11,809
Total	$ —	$ —	$ 11,809	$ 11,809

	December 31, 2018			
	Level 1	Level 2	Level 3	Total
Derivative assets:				
Interest rate swaps	$ —	$ 6,958	$ —	$ 6,958
Total	$ —	$ 6,958	$ —	$ 6,958
Derivative liabilities:				
Interest rate swaps	$ —	$ 11,910	$ —	$ 11,910
Total	$ —	$ 11,910	$ —	$ 11,910

The Company determines the fair value of its interest rate swaps using a discounted cash flow model that incorporates an assessment of the risk of non-performance by the interest rate swap counterparty and an evaluation of the Company's credit risk in valuing derivative instruments. The valuation model uses various inputs including contractual terms, interest rate curves, credit spreads and measures of volatility.

The Company recorded contingent consideration in connection with a business combination, which is dependent on the achievement of specified deployment milestones associated with the number of solar systems installed through 2022. The Company determined the fair value of the contingent consideration using a probability-

weighted expected return methodology that considers the timing and probabilities of achieving these milestones and uses discount rates that reflect the appropriate cost of capital. Contingent consideration was valued with level 3 inputs. The Company reassesses the valuation assumptions each reporting period, with any changes in the fair value accounted for in the consolidated statements of operations.

The following table summarizes the activity of Level 3 contingent consideration balance in the year ended December 31, 2019 (in thousands):

Balance recorded in connection with business acquisition	$	20,800
Gains recognized in earnings within sales and marketing expense		(2,271)
Payable for solar systems that have met deployment milestones		(6,720)
Balance at December 31, 2019	$	11,809

Note 5. Inventories

Inventories consist of the following (in thousands):

	December 31,	
	2019	2018
Raw materials	$ 239,449	$ 64,256
Work-in-process	21,122	15,211
Total	$ 260,571	$ 79,467

The Internal Revenue Service ("IRS") provided taxpayers a safe harbor opportunity to retain access to the pre-2020 30% tax credit amount through specific rules released in Notice 2018-59. The Company has sought to avail itself of the safe harbor in order to retain the 30% Commercial ITC that was available in 2019 with respect to approximately 500 MW of projects by incurring certain costs and taking title to equipment in 2019. As of December 31, 2019, there was approximately $132.6 million related to the safe harbor program within raw materials.

Note 6. Solar Energy Systems, net

Solar energy systems, net consists of the following (in thousands):

	December 31,	
	2019	2018
Solar energy system equipment costs	$ 4,510,677	$ 3,823,853
Inverters	471,471	396,054
Total solar energy systems	4,982,148	4,219,907
Less: accumulated depreciation and amortization	(692,218)	(535,891)
Add: construction-in-progress	202,685	136,001
Total solar energy systems, net	$ 4,492,615	$ 3,820,017

All solar energy systems, including construction-in-progress, have been leased to or are subject to signed Customer Agreements with customers. The Company recorded depreciation expense related to solar energy systems of $167.9 million, $139.2 million and $112.8 million for the years ended December 31, 2019, 2018 and 2017, respectively. The depreciation expense was reduced by the amortization of deferred grants of $8.1 million, $7.8 million and $7.6 million for the years ended December 31, 2019, 2018 and 2017, respectively.

Note 7. Property and Equipment, net

Property and equipment, net consists of the following (in thousands):

	December 31,	
	2019	2018
Machinery and equipment	$ 7,907	$ 6,888
Leasehold improvements, furniture, and computer hardware	34,951	14,755
Vehicles	65,663	55,093
Computer software	35,329	32,768
Total property and equipment	143,850	109,504
Less: Accumulated depreciation and amortization	(87,142)	(74,611)
Total property and equipment, net	$ 56,708	$ 34,893

Depreciation and amortization expense was $22.6 million, $20.4 million and $19.5 million for the years ended December 31, 2019, 2018 and 2017, respectively.

Note 8. Goodwill and Intangible Assets, net

The goodwill and intangible assets were acquired as part of the acquisition of Mainstream Energy Corporation, which included AEE Solar and its racking business SnapNrack, Clean Energy Experts, LLC, and Omni Energy, LLC.

The change in the carrying value of goodwill is as follows (in thousands):

Balance—January 1, 2017 and 2018	$ 87,543
Acquisition of Omni (Note 3)	7,551
Balance—December 31, 2019	$ 95,094

The Company performs its annual impairment test of goodwill on October 1 of each fiscal year or whenever events or circumstances change or occur that would indicate that goodwill might be impaired. The Company has determined that it has one reporting unit.

There was no impairment of goodwill during the years ended December 31, 2019, 2018 and 2017, respectively.

Intangible assets, net as of December 31, 2019 consist of the following (in thousands, except weighted average remaining life):

	Cost	Accumulated amortization	Carrying value	Weighted average remaining life (in years)
Customer relationships	$ 28,870	$ (10,837)	$ 18,033	4.3
Developed technology	6,820	(6,525)	295	0.3
Trade names	6,990	(5,775)	1,215	3.3
Total	$ 42,680	$ (23,137)	$ 19,543	

Intangible assets, net as of December 31, 2018 consist of the following (in thousands, except weighted average remaining life):

	Cost	Accumulated amortization	Carrying value	Weighted average remaining life (in years)
Customer relationships	$ 14,660	$ (7,716)	$ 6,944	4.6
Developed technology	6,820	(5,328)	1,492	1.2
Trade names	6,990	(5,338)	1,652	4.1
Total	$ 28,470	$ (18,382)	$ 10,088	

The Company recorded amortization of intangible assets expense of $4.8 million, $4.2 million and $4.2 million for the years ended December 31, 2019, 2018 and 2017, respectively. As of December 31, 2019, expected amortization of intangible assets for each of the five succeeding fiscal years and thereafter is as follows (in thousands):

2020	$ 4,985
2021	4,592
2022	4,585
2023	3,893
2024	1,488
Thereafter	—
Total	$ 19,543

Note 9. Other Assets

Other assets consist of the following (in thousands):

	December 31,	
	2019	2018
Costs to obtain contracts	$ 268,964	$ 219,307
Costs to obtain contracts- incentives	2,481	—
Accumulated amortization of costs to obtain contracts	(36,925)	(24,992)
Unbilled receivables	104,346	81,703
Operating lease right-of-use assets	34,678	20,257
Other assets	34,859	39,410
Total	$ 408,403	$ 335,685

The Company recorded amortization of costs to obtain contracts of $11.8 million and $8.6 million for the years ended December 31, 2019 and 2018, respectively, in the sales and marketing expense.

The majority of unbilled receivables arise from fixed price escalators included in our long-term Customer Agreements. The escalator is included in calculating the total estimated transaction value for an individual Customer Agreement. The total estimated transaction value is then recognized over the term of the Customer Agreement. The amount of unbilled receivables increases while cumulative billings for an individual Customer Agreement are less than the cumulative revenue recognized for that Customer Agreement. Conversely, the amount of unbilled receivables decreases when the actual cumulative billings becomes higher than the cumulative revenue recognized. At the end of the initial term of a Customer Agreement, the cumulative amounts recognized as revenue and billed to date are the same, therefore the unbilled receivable balance for an individual Customer Agreement will be zero.

Note 10. Accrued Expenses and Other Liabilities

Accrued expenses and other liabilities consist of the following (in thousands):

	December 31,	
	2019	2018
Accrued employee compensation	$ 38,750	$ 39,738
Operating lease obligations	9,790	7,857
Accrued interest	13,048	8,436
Accrued professional fees	4,732	9,199
Other accrued expenses	82,177	33,406
Total	$ 148,497	$ 98,636

Note 11. Project Equity Financing

In December 2016, the Company pooled and transferred its interests in certain financing funds into a special purpose entity ("SPE") with a new investor. The Company has determined that the SPE is a variable interest entity and that the Company is the primary beneficiary of the SPE by reference to the power and benefits criterion under ASC 810, *Consolidation*. Accordingly, the Company consolidates the SPE in its consolidated financial statements and accounts for the investor's equity interest in the SPE as a noncontrolling interest (see Note 15, *VIE Arrangements*). The Company did not recognize a gain or loss on the transfer of its interests in the financing funds and continues to consolidate the financing funds. The SPE's assets and cash flows are not available to the other creditors of the Company, and the investor has no recourse to the Company's other assets.

Note 12. Indebtedness

As of December 31, 2019, debt consisted of the following (in thousands, except percentages):

	Carrying Values, net of debt discount			Unused Borrowing Capacity	Interest Rate [1]	Maturity Date
	Current	Long Term	Total			
Recourse debt:						
Bank line of credit	$ —	$ 239,485	$ 239,485	$ —	5.09% - 5.38%	April 2022
Total recourse debt	—	239,485	239,485	—		
Non-recourse debt:						
Senior	8,020	617,499	625,519	14,639	3.94% - 5.61%	April 2022 - July 2027
Subordinated	—	513,938	513,938	—	6.93% - 10.80%	March 2023 - July 2030
Securitization Class A	26,838	839,981	866,819	—	3.61% - 5.31%	July 2024 - February 2055
Securitization Class B	490	8,689	9,179	—	5.38%	July 2024
Total non-recourse debt	35,348	1,980,107	2,015,455	14,639		
Total debt	$ 35,348	$ 2,219,592	$ 2,254,940	$ 14,639		

[1] Reflects contractual, unhedged rates. See Note 13, *Derivatives* for hedge rates.

As of December 31, 2018, debt consisted of the following (in thousands, except percentages):

	Carrying Values, net of debt discount			Unused Borrowing Capacity	Interest Rate [1]	Maturity Date
	Current	Long Term	Total			
Recourse debt:						
Bank line of credit	$ —	$ 247,000	$ 247,000	$ 406	5.45% - 5.77%	April 2020
Total recourse debt	—	247,000	247,000	406		
Non-recourse debt:						
Senior	19,070	809,447	828,517	—	4.50% - 5.54%	September 2020 - October 2024
Subordinated	5,824	267,513	273,337	—	7.03% - 10.00%	September 2020 - January 2030
Securitization Class A	10,125	380,299	390,424	—	4.40% - 5.31%	July 2024 - April 2049
Securitization Class B	465	9,179	9,644	—	5.38%	July 2024
SREC Loans	—	—	—	—		
Total non-recourse debt	35,484	1,466,438	1,501,922	—		
Total debt	$ 35,484	$ 1,713,438	$ 1,748,922	$ 406		

[1] Reflects contractual, unhedged rates. See Note 13, *Derivatives* for hedge rates.

Bank Line of Credit

The Company has outstanding borrowings under a syndicated working capital facility with banks for a total commitment of up to $250.0 million. The working capital facility is secured by substantially all of the unencumbered assets of the Company, as well as ownership interests in certain subsidiaries of the Company. Loans under the facility bear interest at LIBOR +3.25% per annum or the Base Rate + 2.25% per annum. The Base Rate is the highest of the Federal Funds Rate +0.50%, the Prime Rate, or LIBOR + 1.00%.

Under the terms of the working capital facility, the Company is required to meet various restrictive covenants, such as the completion and presentation of audited consolidated financial statements, maintaining a minimum unencumbered liquidity of at least $25.0 million at the end of each calendar month, maintaining quarter end liquidity to be at least $35.0 million, and maintaining a minimum interest coverage ratio of 3.50 or greater, measured quarterly as of the last day of each quarter. The Company was in compliance with all debt covenants as of December 31, 2019. As of December 31, 2019, the balance under this facility was $239.5 million with a maturity date in April 2022.

Senior and Subordinated Debt Facilities

Each of the Company's senior and subordinated debt facilities contain customary covenants including the requirement to maintain certain financial measurements and provide lender reporting. Each of the senior and subordinated debt facilities also contain certain provisions in the event of default that entitle lenders to take certain actions including acceleration of amounts due under the facilities and acquisition of membership interests and assets that are pledged to the lenders under the terms of the senior and subordinated debt facilities. The facilities are non-recourse to the Company and are secured by net cash flows from Customer Agreements or inventories less certain operating, maintenance and other expenses that are available to the borrower after distributions to tax equity investors, where applicable. Under the terms of these facilities, the Company's subsidiaries pay interest and principal from the net cash flows available to the subsidiaries. The Company was in compliance with all debt covenants as of December 31, 2019.

As of December 31, 2019, certain subsidiaries of the Company had an outstanding balance of $351.9 million on secured credit facilities that were syndicated with various lenders due in October 2024 and August 2029. The credit facilities totaled $375.8 million and consisted of $363.3 million in term loans, and a $12.5 million revolving debt service reserve letter of credit facility. Term Loan A ("TLA") is a senior delayed draw term loan that bears interest at LIBOR +2.125% per annum for LIBOR loans or the Base Rate + 1.125% per annum on Base Rate loans. Term Loan B ("TLB") is subordinated debt that bears interest at 9.25% per annum.

As of December 31, 2019, certain subsidiaries of the Company had an outstanding balance of $180.7 million on senior secured credit facilities that were syndicated with various lenders due in April 2024. These facilities are subject to the National Grid project equity transaction. The credit facilities totaled $202.0 million and consisted of a $195.0 million senior delayed draw term loan facility and a $7.0 million revolving debt service reserve letter of credit facility. Loans under the facility bear interest at LIBOR +2.25% per annum for the initial four-year period for LIBOR loans or the Base Rate + 1.25% per annum for Base Rate Loans. The Base Rate is the highest of the Federal Funds Rate +0.50%, the Prime Rate, or LIBOR + 1.00%. The facilities are non-recourse to the Company and are secured by net cash flows from Customer Agreements and SRECs, less certain operating, maintenance and other expenses which are available to the borrower after distributions to tax equity investors. Prepayments are permitted under the delayed draw term loan facility.

As of December 31, 2019, certain subsidiaries of the Company had an outstanding balance of $236.2 million on secured credit facilities agreements, as amended, with a syndicate of banks due in March 2023. The facilities totaled $595.0 million and consisted of a revolving aggregation facility (“Aggregation Facility”), a term loan ("Term Loan") and a revolving debt service reserve letter of credit facility. Senior loans under the Aggregation Facility bear interest at LIBOR +2.50% per annum for the initial three-year revolving availability period, stepping up to LIBOR + 2.75% per annum in the following two-year period. The subordinated Term Loan bears interest at LIBOR +5.00% per annum for the first three-year period, stepping up to LIBOR + 6.50% per annum thereafter. Term Loan prepayment penalties range from 0% - 1% depending on the timing of prepayments.

As of December 31, 2019, a subsidiary of the Company had an outstanding balance of $16.8 million on a term loan due in April 2022. The loan is secured by the assets and related net cash flow of this subsidiary and is non-recourse to the Company’s other assets. Loans under this facility bear interest at 4.50% per annum.

As of December 31, 2019, a subsidiary of the Company had an outstanding balance of $13.8 million on a secured, non-recourse loan agreement due in September 2022. The loan will be repaid through cash flows from a pass-through financing obligation arrangement previously entered into by the Company. The loan agreement contains customary covenants including the requirement to maintain certain financial measurements and provide lender reporting. The loan also contains certain provisions in the event of default which entitles the lender to take certain actions including acceleration of amounts due under the loan. Loans under this facility bear interest at LIBOR +2.25% per annum.

As of December 31, 2019, a subsidiary of the Company had an outstanding balance of $124.0 million on a term loan due in January 2030. The loan is secured by the assets and related net cash flow of this subsidiary and is non-recourse to the Company’s other assets. Loans under this facility bear interest at 10.50% per annum.

As of December 31, 2019, a subsidiary of the Company had an outstanding balance of $63.3 million on a term loan due in July 2030. The loan is secured by the assets and related net cash flow of this subsidiary and is non-recourse to the Company’s other assets. Loans under this facility bear interest between 2.00% - 3.25% plus 6.75% per annum.

As of December 31, 2019, a subsidiary of the Company had an outstanding balance of $9.5 million on a term loan due in July 2027. The loan is secured by the assets and related net cash flow of this subsidiary and is non-recourse to the Company’s other assets. Loans under this facility bear interest at 5.61% per annum.

As of December 31, 2019, a subsidiary of the Company had an outstanding balance of $129.6 million on a term loan due in November 2025. The loan is secured by the assets and related net cash flow of this subsidiary and is non-recourse to the Company’s other assets. Loans under this facility bear interest at LIBOR (at a 2.00% floor) + 6.75% per annum.

As of December 31, 2019, certain subsidiaries of the Company had an outstanding balance of $13.6 million on secured credit facilities agreements with banks due in March 2024. The facilities totaled $134.0 million and consisted of two revolving aggregation facilities (“Aggregation Facilities”) and a revolving debt service reserve letter of credit facility. The senior loan under the Aggregation Facilities bear interest at LIBOR +3.00%. The subordinated loan under the Aggregation Facilities bears interest at LIBOR +9.00% per annum. These debt facilities are related to the Company's participation in the IRS's safe harbor program to retain access to the 30% Commercial ITC that was available in 2019.

Securitization Loans

Each of the Company's securitized loans contains customary covenants including the requirement to provide reporting to the indenture trustee and ratings agencies. Each of the securitized loans also contain certain provisions in the event of default which entitle the indenture trustee to take certain actions including acceleration of amounts due under the facilities and acquisition of membership interests and assets that are pledged to the lenders under the terms of the securitized loans. The facilities are non-recourse to the Company and are secured by net cash flows from Customer Agreements less certain operating, maintenance and other expenses which are available to the borrower after distributions to tax equity investors, where applicable. Under the terms of these loans, the Company's subsidiaries pay interest and principal from the net cash flows available to the subsidiaries. The Company was in compliance with all debt covenants as of December 31, 2019.

As of December 31, 2019, a subsidiary of the Company had an outstanding balance of $84.4 million on solar asset-backed notes ("Notes") secured by associated customer contracts (“Solar Assets”) held by a special purpose entity (“Issuer”). As of December 31, 2019 and December 31, 2018, these Solar Assets had a carrying value of $157.6 million and $164.7 million, respectively, and are included under solar energy systems, net, in the consolidated balance sheets. The Notes were issued at a discount of 0.08%.

As of December 31, 2019, a subsidiary of the Company had an outstanding balance of $300.0 million on solar asset-backed notes secured by net cash flows from Customer Agreements less certain operating, maintenance and other expenses that are available to the issuer after distributions to tax equity investors. The Notes were issued at a discount of 1.47%. The assets and cash flows generated by the Solar Assets are not available to the other creditors of the Company, and the creditors of the Issuer, including the Note holders, have no recourse to the Company's other assets.

As of December 31, 2019, a subsidiary of the Company had an outstanding balance of $187.2 million on solar asset-backed notes secured by net cash flows from Customer Agreements less certain operating, maintenance and other expenses that are available to the issuer. The Notes were issued at a discount of 0.01%.

As of December 31, 2019, a subsidiary of the Company had an outstanding balance of $304.3 million on solar asset-backed notes secured by net cash flows from Customer Agreements less certain operating, maintenance and other expenses that are available to the issuer. The Notes were issued at a discount of 0.05%.

Maturities of Indebtedness

The scheduled maturities of debt, excluding debt discount, as of December 31, 2019 are as follows (in thousands):

2020	$	38,739
2021		99,307
2022		316,716
2023		218,334
2024		534,077
Thereafter		1,096,136
Subtotal		2,303,309
Less: Debt discount		(48,369)
Total	$	2,254,940

Note 13. Derivatives

Interest Rate Swaps

The Company uses interest rate swaps to hedge variable interest payments due on certain of its term loans and aggregation facility. These swaps allow the Company to incur fixed interest rates on these loans and receive payments based on variable interest rates with the swap counterparty based on the one or three month LIBOR on the notional amounts over the life of the swaps.

The interest rate swaps have been designated as cash flow hedges. The credit risk adjustment associated with these swaps is the risk of non-performance by the counterparties to the contracts. In the year ended

December 31, 2019, the hedge relationships on the Company's interest rate swaps have been assessed as highly effective as the critical terms of the interest rate swaps match the critical terms of the underlying forecasted hedged transactions. Accordingly, changes in the fair value of these derivatives are recorded as a component of accumulated other comprehensive income, net of income taxes. Changes in the fair value of these derivatives are subsequently reclassified into earnings, and are included in interest expense, net in the Company's statements of operations, in the period that the hedged forecasted transactions affects earnings.

All amounts in Accumulated other comprehensive income (loss) ("AOCI") in the consolidated statements of redeemable noncontrolling interests and equity relate to derivatives, refer to the consolidated statements of comprehensive (loss) income. The net (loss) gain on derivatives includes the tax effect of $17.7 million and $0.4 million for the twelve months ended December 31, 2019 and 2018, respectively.

During the next 12 months, the Company expects to reclassify $5.5 million of net losses on derivative instruments from accumulated other comprehensive income to earnings. There were no undesignated derivative instruments recorded by the Company as of December 31, 2019.

The Company's master netting and other similar arrangements allow net settlements under certain conditions. When those conditions are met, the Company presents derivatives at net fair value. As of December 31, 2019, the information related to these offsetting arrangements were as follows (in thousands):

Instrument Description	Gross Amounts of Recognized Assets / Liabilities	Gross Amounts Offset in the Consolidated Balance Sheet	Net Amounts of Assets / Liabilities Included in the Consolidated Balance Sheet
Assets:			
Derivatives	$ 683	$ (615)	$ 68
Liabilities:			
Derivatives	(64,361)	615	(63,746)
Total	$ (63,678)	$ —	$ (63,678)

At December 31, 2018, the Company had designated derivative instruments classified as hedges of variable interest payments as derivative assets that are reported in other assets of $5.4 million and derivative liabilities as reported in other liabilities of $10.3 million in the Company's balance sheet.

At December 31, 2019 the Company had the following derivative instruments (dollars in thousands):

Type	Quantity	Effective Dates	Maturity Dates	Hedge Interest Rates	Notional Amount	Fair Market Value
Interest rate swap	1	4/29/2016	8/31/2022	1.27%- 1.29%	$ 11,605	$ 68
Interest rate swaps	8	7/31/2017 - 1/31/2018	4/30/2024 - 10/20/2024	2.16%- 2.39%	280,049	(6,963)
Interest rate swaps	3	4/30/2021	10/30/2026 - 10/31/2026	2.89% - 3.08%	102,720	(6,559)
Interest rate swaps	2	10/31/2019	4/30/2027	1.89% - 1.90%	19,680	(136)
Interest rate swaps	2	10/31/2019	10/31/2031	1.44% - 1.50%	23,344	615
Interest rate swaps	4	1/31/2018 - 1/31/2020	4/30/2034 - 10/31/2034	2.62% - 2.78%	243,803	(19,311)
Interest rate swaps	8	7/31/2017 - 10/18/2024	4/30/2035 - 10/31/2035	2.56% - 2.95%	275,705	(12,634)
Interest rate swap	1	10/18/2024	1/31/2036	2.95%	14,656	(674)
Interest rate swaps	3	1/31/2019 - 4/30/2021	4/30/2037	3.28% - 3.30%	100,000	(11,959)
Interest rate swaps	3	10/30/2026 - 10/31/2026	1/31/2038	3.01% - 3.16%	101,135	(6,125)
Total					$ 1,172,697	$ (63,678)

Note 14. Pass-Through Financing Obligations

The Company's pass-through financing obligations ("financing obligations") arise when the Company leases solar energy systems to Fund investors who are considered commercial customers under a master lease agreement, and these investors in turn are assigned the Customer Agreements with customers. The Company receives all of the value attributable to the accelerated tax depreciation and some or all of the value attributable to the other incentives. Given the assignment of operating cash flows, these arrangements are accounted for as financing obligations. The Company also sells the rights and related value attributable to the Commercial ITC to these investors.

Under these financing obligation arrangements, wholly owned subsidiaries of the Company finance the cost of solar energy systems with investors for an initial term of typically 20 or 25 years. The solar energy systems are subject to Customer Agreements with an initial term of typically 20 or 25 years that automatically renew on an annual basis. These solar energy systems are reported under the line item solar energy systems, net in the consolidated balance sheets. As of December 31, 2019 and 2018, the cost of the solar energy systems placed in service under the financing obligation arrangements was $657.9 million and $664.1 million, respectively. The accumulated depreciation related to these assets as of December 31, 2019 and 2018 was $95.9 million and $82.1 million, respectively.

The investors make a series of large up-front payments and in certain cases subsequent smaller quarterly payments (lease payments) to the subsidiaries of the Company. The Company accounts for the payments received from the investors under the financing obligation arrangements as borrowings by recording the proceeds received as financing obligations on its consolidated balance sheets, and cash provided by financing activities in its consolidated statement of cash flows. These financing obligations are reduced over a period of approximately 22 years by customer payments under the Customer Agreements, U.S. Treasury grants (where applicable), incentive rebates (where applicable) and proceeds from the contracted resale of SRECs as they are received by the investor. In addition, funds paid for the Commercial ITC value upfront are initially recorded as a refund liability and recognized as revenue as the associated solar system reaches PTO. The Commercial ITC value is reflected in cash provided by operations on the consolidated statement of cash flows. The Company accounts for the Customer

Agreements and any related U.S. Treasury grants or incentive rebates as well as the resale of SRECs consistent with the Company's revenue recognition accounting policies as described in Note 2, *Summary of Significant Accounting Policies*.

Interest is calculated on the financing obligations using the effective interest rate method. The effective interest rate, which is adjusted on a prospective basis, is the interest rate that equates the present value of the estimated cash amounts to be received by the investor over the lease term with the present value of the cash amounts paid by the investor to the Company, adjusted for amounts received by the investor. The financing obligations are nonrecourse once the associated assets have been placed in service and all the contractual arrangements have been assigned to the investor.

Under the majority of the financing obligations, the investor has a right to extend its right to receive cash flows from the customers beyond the initial term in certain circumstances. Depending on the arrangement, the Company has the option to settle the outstanding financing obligation on the ninth or eleventh anniversary of the Fund inception at a price equal to the higher of (a) the fair value of future remaining cash flows or (b) the amount that would result in the investor earning their targeted return. In several of these financing obligations, the investor has an option to require repayment of the entire outstanding balance on the tenth anniversary of the Fund inception at a price equal to the fair value of the future remaining cash flows.

Under all financing obligations, the Company is responsible for services such as warranty support, accounting, lease servicing and performance reporting to customers. As part of the warranty and performance guarantee with the customers, the Company guarantees certain specified minimum annual solar energy production output for the solar energy systems leased to the customers, which the Company accounts for as disclosed in Note 2, *Summary of Significant Accounting Policies.*

Note 15. VIE Arrangements

The Company consolidated various VIEs at December 31, 2019 and 2018. The carrying amounts and classification of the VIEs' assets and liabilities included in the consolidated balance sheets are as follows (in thousands):

	December 31,	
	2019	2018
Assets		
Current assets		
Cash	$ 133,362	$ 105,494
Restricted cash	2,746	2,071
Accounts receivable, net	21,956	18,539
Inventories	15,721	—
Prepaid expenses and other current assets	554	387
Total current assets	174,339	126,491
Solar energy systems, net	3,259,712	2,712,377
Other assets	87,151	66,427
Total assets	$ 3,521,202	$ 2,905,295
Liabilities		
Current liabilities		
Accounts payable	$ 11,531	$ 12,136
Distributions payable to noncontrolling interests and redeemable noncontrolling interests	16,012	15,797
Accrued expenses and other liabilities	10,740	7,122
Deferred revenue, current portion	38,265	29,102
Deferred grants, current portion	1,011	982
Non-recourse debt, current portion	4,901	4,217
Total current liabilities	82,460	69,356
Deferred revenue, net of current portion	443,873	367,818
Deferred grants, net of current portion	27,023	28,247
Non-recourse debt, net of current portion	201,575	186,494
Other liabilities	19,633	8,843
Total liabilities	$ 774,564	$ 660,758

The Company holds a variable interest in an entity that provides the noncontrolling interest with a right to terminate the leasehold interests in all of the leased projects on the tenth anniversary of the effective date of the master lease. In this circumstance, the Company would be required to pay the noncontrolling interest an amount equal to the fair market value, as defined in the governing agreement of all leased projects as of that date.

The Company holds certain variable interests in nonconsolidated VIEs established as a result of six pass-through Fund arrangements as further explained in Note 14, *Pass-Through Financing Obligations*. The Company does not have material exposure to losses as a result of its involvement with the VIEs in excess of the amount of the pass-through financing obligation recorded in the Company's consolidated financial statements. The Company is not considered the primary beneficiary of these VIEs.

Note 16. Redeemable Noncontrolling Interests

During certain specified periods of time (the "Early Exit Periods"), noncontrolling interests in certain funding arrangements have the right to put all of their membership interests to the Company (the "Put Provisions"). During a specific period of time (the "Call Periods"), the Company has the right to call all membership units of the related redeemable noncontrolling interests.

The carrying value of redeemable noncontrolling interests was greater than the redemption value except for nine and six Funds at December 31, 2019 and 2018, respectively, where the carrying value has been adjusted to the redemption value.

Note 17. Stockholders' Equity

Convertible Preferred Stock

The Company did not have any convertible preferred stock issued and outstanding as of December 31, 2019 and 2018.

The Company did not declare or pay any dividends in 2019, 2018 or 2017.

Common Stock

The Company has reserved sufficient shares of common stock for issuance upon the exercise of stock options and the exercise of warrants. Common stockholders are entitled to dividends if and when declared by the board of directors, subject to the prior rights of the preferred stockholders. As of December 31, 2019, no common stock dividends had been declared by the board of directors.

The Company has reserved shares of common stock for issuance as follows (in thousands):

	December 31,	
	2019	2018
Stock plans		
Shares available for grant		
2015 Equity Incentive Plan	14,828	11,986
2015 Employee Stock Purchase Plan	6,522	5,202
Options outstanding	10,784	13,590
Restricted stock units outstanding	3,943	4,182
Total	36,077	34,960

Stock Repurchase Program

In November 2019, the Company's board of directors approved a stock repurchase program authorizing the Company to repurchase up to $50.0 million of its common stock from time to time over the next three years. Stock repurchases under this program may be made through open market transactions, negotiated purchases or otherwise, at times and in such amounts as the Company considers appropriate and in accordance with applicable regulations of the Securities and Exchange Commission. The timing of repurchases and the number of shares repurchased will depend on a variety of factors including price, regulatory requirements, and other market conditions. The Company may limit, amend, suspend, or terminate the stock repurchase program at any time without prior notice. Any shares repurchased under the program will be returned to the status of authorized, but unissued shares of common stock. As of December 31, 2019, the Company had repurchased 368,996 shares for approximately $5.0 million.

Note 18. Stock-Based Compensation

2013 Equity Incentive Plan

In July 2013, the Board of Directors approved the 2013 Plan. In March 2015, the Board of Directors authorized an additional 3,000,000 shares reserved for issuance under the 2013 Plan. An aggregate of 4,500,000 shares of common stock are reserved for issuance under the 2013 Plan plus (i) any shares that were reserved but not issued under the plan that was previously in place, and (ii) any shares subject to stock options or similar awards granted under the plan that was previously in place that expire or otherwise terminate without having been exercised in full and shares issued that are forfeited to or repurchased by the Company, with the maximum number

of shares to be added to the 2013 Plan pursuant to clauses (i) and (ii) equal to 8,044,829 shares. Stock options granted to employees generally have a maximum term of ten-years and vest over a four-year period from the date of grant; 25% vest at the end of one year, and 75% vest monthly over the remaining three years. The options may include provisions permitting exercise of the option prior to full vesting. Any unvested shares shall be subject to repurchase by the Company at the original exercise price of the option in the event of a termination of an optionee's employment prior to vesting. All the remaining shares that were available for future grants under the 2013 Plan were transferred to the 2015 Equity Incentive Plan ("2015 Plan") at the inception of the 2015 Plan. As of December 31, 2019, the Company had not granted restricted stock or other equity awards (other than options) under the 2013 Plan.

2014 Equity Incentive Plan

In August 2014, the Board approved the 2014 Equity Incentive Plan ("2014 Plan"). An aggregate of 947,342 shares of common stock are reserved for issuance under the 2014 Plan. The 2014 Plan was adopted to accommodate a broader transaction with a sales entity and to allow for similar transactions in the future. In July 2015, the Board approved an increase in the number of shares of common stock reserved to 1,197,342. As of July 2015, the Company granted all 1,197,342 restricted stock units ("RSUs") available under the 2014 Plan.

2015 Equity Incentive Plan

In July 2015, the Board approved the 2015 Plan. An aggregate of 11,400,000 shares of common stock are reserved for issuance under the 2015 Plan plus (i) any shares that were reserved but not issued under the 2013 Plan at the inception of the 2015 Plan, and (ii) any shares subject to stock options or similar awards granted under the 2008 Plan, 2013 Plan and 2014 Plan that expire or otherwise terminate without having been exercised in full and shares issued that are forfeited to or repurchased by the Company, with the maximum number of shares to be added to the 2015 Plan pursuant to clauses (i) and (ii) equal to 15,439,334 shares. The 2015 Plan provides for annual automatic increases on January 1 to the shares reserved for issuance. The automatic increase of the number of shares available for issuance under the 2015 Plan is equal to the least of 10 million shares, 4% of the outstanding shares of common stock as of the last day of our immediately preceding fiscal year or such other amount as the Board of Directors may determine. In 2019 and 2018, the Board of Directors authorized an additional 4,525,946 and 4,294,010 shares reserved for issuance under the 2015 Plan, respectively. Stock options granted to employees generally have a maximum term of ten-years and vest over a four-year period from the date of grant; 25% vest at the end of one year, and 75% vest monthly over the remaining three years. The options may include provisions permitting exercise of the option prior to full vesting. Any unvested shares shall be subject to repurchase by the Company at the original exercise price of the option in the event of a termination of an optionee's employment prior to vesting. RSUs granted to employees generally vest over a four-year period from the date of grant; 25% vest at the end of one year, and 75% vest quarterly over the remaining three years.

Stock Options

The following table summarizes the activity for all stock options under all of the Company's equity incentive plans for the years ended December 31, 2019 and 2018 (shares and aggregate intrinsic value in thousands):

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life	Aggregate Intrinsic Value
Outstanding at December 31, 2017	16,268	$ 5.70	7.41	$ 14,832
Granted	1,529	8.63		
Exercised	(3,271)	5.23		
Cancelled	(936)	6.63		
Outstanding at December 31, 2018	13,590	6.07	6.63	66,462
Granted	1,362	15.44		
Exercised	(3,625)	5.48		
Cancelled	(543)	7.62		
Outstanding at December 31, 2019	10,784	$ 7.38	6.52	$ 71,745
Options vested and exercisable at December 31, 2019	7,245	$ 6.18	5.72	$ 55,426
Options vested and expected to vest at December 31, 2019	10,784	$ 7.38	6.52	$ 71,745

There were 276,660 unvested exercisable shares as of the year ended December 31, 2018, which are subject to a repurchase option held by the Company at the original exercise price. These exercisable but unvested shares had a weighted average remaining vesting period of less than a year. There was no exercise of unvested options in the years ended December 31, 2019 and 2018. These options became fully vested during the year ended December 31, 2019.

The weighted-average grant-date fair value of stock options granted during the year ended December 31, 2019, 2018 and 2017 were $8.27, $4.21 and $2.57 per share, respectively. The total intrinsic value of the options exercised during the year ended December 31, 2019, 2018 and 2017 was $37.8 million, $21.4 million and $2.3 million, respectively. The aggregate intrinsic value is the difference of the current fair value of the stock and the exercise price for in-the-money stock options. The total fair value of options vested during the year ended December 31, 2019, 2018 and 2017 was $9.5 million, $8.8 million and $7.5 million, respectively.

The Company estimates the fair value of stock-based awards on their grant date using the Black-Scholes option-pricing model. The Company estimates the fair value using a single-option approach and amortizes the fair value on a straight-line basis for options expected to vest. All options are amortized over the requisite service periods of the awards, which are generally the vesting periods.

The Company estimated the fair value of stock options with the following assumptions:

	Year Ended December 31,		
	2019	2018	2017
Risk-free interest rate	1.70% - 2.59%	2.72% - 2.92%	1.88% - 2.22%
Volatility	52.9% - 55.07%	44.87% - 54.61%	45.95% - 50.52%
Expected term (in years)	6.10 - 6.12	6.09 - 6.11	5.94 - 6.08
Expected dividend yield	0.00%	0.00%	0.00%

The expected term assumptions were determined based on the average vesting terms and contractual lives of the options. The risk-free interest rate is based on the rate for a U.S. Treasury zero-coupon issue with a term that approximates the expected life of the option grant. For stock options granted in the year ended December 31, 2019, 2018 and 2017, the Company considered the volatility data of a group of publicly traded peer companies in its industry. The Company accounts for forfeitures as they occur and, as such, reverses compensation cost previously

recognized in the period the award is forfeited, for an award that is forfeited before completion of the requisite service period .

Restricted Stock Units

In 2014, the Company granted a total of 947,342 RSUs subject to certain performance targets to a third party partner. As of December 31, 2017, 350,000 outstanding RSUs had a performance feature that is required to be satisfied before the option is vested. In March 2018, the Company amended the terms of all of these RSUs, such that the RSUs are deemed earned subject to a clawback provision that requires the holder of the RSUs to either forfeit all the RSUs or pay the Company repayment value for all RSUs that are not forfeited if the third party breaches the exclusivity provision of the parties' commercial agreement. The exclusivity clawback provision for all of the RSUs expired in September 2019.

The performance-based provision is considered substantive. As a result, the Company recognizes expense once the performance targets are met. The first performance target was met in 2015. The Company recognized $3.5 million and $0.8 million compensation expense in the years ended December 31, 2018 and 2017 upon certain performance targets being met.

The following table summarizes the activity for all RSUs under all of the Company's equity incentive plans for the years ended December 31, 2019 and 2018 (shares in thousands):

	Shares	Weighted Average Grant Date Fair Value
Unvested balance at December 31, 2017	5,330	$ 5.82
Granted	2,019	8.75
Issued	(1,720)	6.36
Cancelled / forfeited	(1,447)	5.75
Unvested balance at December 31, 2018	4,182	7.05
Granted	2,258	15.25
Issued	(1,104)	6.83
Cancelled / forfeited	(1,393)	8.14
Unvested balance at December 31, 2019	3,943	$ 11.42

Employee Stock Purchase Plan

Under the Company's 2015 Employee Stock Purchase Plan ("ESPP") (as amended in May 2017), eligible employees are offered shares bi-annually through a 24 month offering period which encompasses four six-month purchase periods. Each purchase period begins on the first trading day on or after May 15 and November 15 of each year. Employees may purchase a limited number of shares of the Company's common stock via regular payroll deductions at a discount of 15% of the lower of the fair market value of the Company's common stock on the first trading date of each offering period or on the exercise date. Employees may deduct up to 15% of payroll, with a cap of $25,000 of fair market value of shares in any calendar year and 10,000 shares per employee per purchase period. Under the ESPP, 1,000,000 shares of the Company's common stock have been reserved for issuance to eligible employees. The ESPP provides for an automatic increase of the number of shares available for issuance under the ESPP on the first day of each fiscal year beginning on January 1, 2016, equal to the least of 5 million shares, 2% of the outstanding shares of our common stock on the last day of the immediately preceding fiscal year, or such other amount as may be determined by the Board of Directors. In 2019 and 2018, the Board of Directors authorized an additional 2,262,973 and 2,147,005 shares, respectively, reserved for issuance under the ESPP.

Stock-Based Compensation Expense

The Company recognized stock-based compensation expense, including ESPP expenses, in the consolidated statements of operations as follows (in thousands):

	Year Ended December 31,		
	2019	2018	2017
Cost of customer agreements and incentives	$ 2,434	$ 2,568	$ 2,299
Cost of solar energy systems and product sales	844	718	609
Sales and marketing	5,162	7,191	5,196
Research and development	1,439	1,253	836
General and administration	16,427	16,126	13,102
Total	$ 26,306	$ 27,856	$ 22,042

As of December 31, 2019 and 2018, total unrecognized compensation cost related to outstanding stock options and RSUs was $30.0 million and $40.0 million, respectively, which are expected to be recognized over a weighted-average period of 2.3 years.

In August 2017, the Company entered into an agreement with an affiliate ("Contractor") of Comcast Corporation ("Comcast") whereby Contractor will receive lead or sales fees for new customers it brings to the Company over a 40-month term. Comcast may also earn a warrant to purchase up to 11,793,355 shares of the Company's outstanding common stock, at an exercise price of $0.01 per warrant share. The warrant initially vests 50.05% when both (i) Contractor has earned a lead or sales fee with respect to 30,000 of installed solar energy systems, and (ii) Contractor or its affiliates have spent at least $10.0 million in marketing and sales in connection with the agreement. Thereafter, the warrant will vest in five additional increments for each additional 6,000 installed solar energy systems. On November 7, 2018 the warrant vesting schedule was modified so that it will initially vest either (i) as to 10.0% if Contractor has earned a lead or sales fee with respect to 6,000 of installed solar energy systems by September 30, 2019 or (ii) as to 13.3% if Contractor has earned a lead or sales fee with respect to 8,000 of installed solar energy systems by December 31, 2019, provided that, in either case, Contractor or its affiliates have spent at least $25.0 million in marketing and sales in connection with the agreement. Thereafter, the warrant will vest in additional 8.3% increments for each additional 5,000 installed solar energy systems. The initial vesting conditions were not met by December 31, 2019, as a result, the warrant expired unvested.

401(k) Plan

The Company's 401(k) Plan is a deferred salary arrangement under Section 401(k) of the Internal Revenue Code. Under the 401(k) Plan, participating U.S. employees may defer a portion of their pre-tax earnings, up to the IRS annual contribution limit ($19,000 for calendar year 2019). Effective January 1, 2018, the Company matches 100% of the first 1% and 50% of the next 5% of each employee's contributions. The Company recognized expense of $8.5 million and $7.0 million in the years ended December 31, 2019 and 2018, respectively.

Note 19. Income Taxes

The following table presents the (income) loss before income taxes for the periods presented (in thousands):

	For the Year Ended December 31,		
	2019	2018	2017
Income attributable to common stockholders	$ (18,117)	$ (35,979)	$ (137,842)
Loss attributable to noncontrolling interest and redeemable noncontrolling interests	417,357	286,843	413,104
Loss before income taxes	$ 399,240	$ 250,864	$ 275,262

The income tax provision (benefit) consists of the following (in thousands):

	For the Year Ended December 31,		
	2019	2018	2017
Current			
Federal	$ (454)	$ (1,100)	$ —
State	(593)	292	—
Foreign	1,435	—	—
Total current expense (benefit)	388	(808)	—
Deferred			
Federal	(7,634)	1,995	4,784
State	(972)	8,135	7,569
Foreign	—	—	—
Total deferred (benefit) provision	(8,606)	10,130	12,353
Total	$ (8,218)	$ 9,322	$ 12,353

The following table represents a reconciliation of the statutory federal rate and the Company's effective tax rate for the periods presented:

	For the Year Ended December 31,		
	2019	2018	2017
Tax provision (benefit) at federal statutory rate	(21.00)%	(21.00)%	(34.00)%
State income taxes, net of federal benefit	(0.97)	0.32	1.94
Effect of noncontrolling and redeemable noncontrolling interests	21.95	24.01	51.03
Stock-based compensation	(1.96)	(1.77)	0.70
ASC 740-10 Reserve	(0.11)	—	—
Tax credits	(0.99)	(1.35)	(1.25)
Effect of rate change	—	—	(15.93)
Effect of valuation allowance	0.40	3.04	0.81
Other	0.62	0.47	1.20
Total	(2.06)%	3.72 %	4.50 %

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The following table represents the components of the Company's deferred tax assets and liabilities for the periods presented (in thousands):

	December 31,	
	2019	2018
Deferred tax assets		
Accruals and prepaids	$ 19,704	$ 18,871
Deferred revenue	11,229	—
Net operating loss carryforwards	347,997	288,039
Stock-based compensation	7,104	5,681
Investment tax and other credits	32,878	28,551
Interest Expense	12,394	9,614
Interest rate derivatives	18,988	1,282
Total deferred tax assets	450,294	352,038
Less: Valuation allowance	(12,120)	(10,506)
Gross deferred tax assets	438,174	341,532
Deferred tax liabilities		
Deferred revenue	—	17,526
Capitalized costs to obtain a contract	66,247	54,823
Fixed asset depreciation	263,917	218,701
Deferred tax on investment in partnerships	173,974	144,115
Gross deferred tax liabilities	504,138	435,165
Net deferred tax liabilities	$ (65,964)	$ (93,633)

As of December 31, 2019, the Company has an investment tax credit carryforward of approximately $18.8 million which begins to expire in the year 2028, if not utilized and $1.0 million of California enterprise zone credits which begin to expire in the year 2023. As of December 31, 2018, the Company has an investment tax credit carryforward of approximately $14.9 million and California enterprise zone credits of approximately $1.0 million.

Generally, utilization of the net operating loss carryforwards and credits may be subject to a substantial annual limitation due to the ownership change limitations provided by the Internal Revenue Code (IRC) of 1986, as amended and similar state provisions. The Company performed an analysis to determine whether an ownership change under Section 382 of the Code had occurred and determined that no ownership changes were identified as of December 31, 2019.

Valuation allowances are provided against deferred tax assets to the extent that it is more likely than not that the deferred tax asset will not be realized. The Company's management considers all available positive and negative evidence including its history of operating income or losses, future reversals of existing taxable temporary difference, taxable income in carryback years and tax-planning strategies. The Company has concluded that it is more likely than not that the benefit from certain federal tax credits, state net operating loss carryforwards, and state tax credits will not be realized. In recognition of this risk, the Company has provided a valuation allowance of $12.1 million on the deferred tax assets relating to these federal tax credits, state net operating loss carryforwards, and state tax credits which is an increase of $1.6 million in 2019.

The Company sells solar energy systems to investment Funds. As the investment Funds are consolidated by the Company, the gain on the sale of the assets has been eliminated in the consolidated financial statements. These transactions are treated as intercompany sales and any tax expense incurred related to these sales prior to fiscal year 2017 was deferred. As described in Note 2, Summary of Significant Accounting Policies - Recently Issued Accounting Standards, ASU 2016-16, Intra-Entity Transfers of Assets Other Than Inventory, requires entities to recognize income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. As a result, a reporting entity would recognize the tax expense from the sale of assets in the seller's tax jurisdiction when the transfer occurs, even though the pre-tax effects of the transaction are eliminated in the

consolidated financial statements. Any deferred tax asset that arises in the buyer's jurisdiction would also be recognized at the time of the transfer. As the Company sells solar energy systems to Funds, the Company records the current tax effect of the gain on the sale as well as a deferred tax asset related to the Company's increased tax basis in the partnership as a result of the sale. With the adoption of ASU 2016-16 on January 1, 2017 the Company reversed net prepaid tax assets of $378.5 million and recorded the gross deferred tax assets associated with the historical intercompany sales of solar energy systems, which in turn reduced the deferred tax liabilities on investment in partnerships by $378.2 million with the remaining $0.3 million being recorded as a cumulative effect of adoption in the Company's Consolidated Statements of Redeemable Noncontrolling Interest and Stockholders' Equity. The adoption did not have an impact on the Company's Consolidated Statement of Operations.

The Company adopted ASU 2016-09, *Compensation – Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*, on January 1, 2017. As a result of the adoption, the Company has increased its federal and state deferred tax assets by $3.3 million for the cumulative unrecognized federal and state gross windfall net operating loss carryover at December 31, 2016 of $8.6 million and $6.8 million, respectively, with an offsetting adjustment to retained earnings of $3.3 million.

Tax Cuts and Jobs Act

On December 22, 2017, the US government enacted comprehensive tax legislation commonly referred to as the Tax Cuts and Jobs Act (the "Tax Act"). The Tax Act makes broad and complex changes to the US tax code including but not limited to, (1) reducing the US federal corporate tax rate from 35% to 21%; (2) immediate expensing of certain tangible personal property (3) creating a new limitation on deductible interest expense; (4) enacting special rules for taxable year of inclusion for certain revenue and (5) changing rules related to the uses and limitations of net operating loss carryforwards created in tax years beginning after December 31, 2017.

On December 22, 2017, the SEC staff issued Staff Accounting Bulletin No. 118 ("SAB 118") which provided guidance on accounting for the tax effects of the Tax Act. SAB 118 provided a measurement period that should not extend beyond one year from the Tax Act enactment date for companies to complete the accounting under ASC 740, Income taxes. In accordance with SAB 118 a company must reflect the income tax effects of those aspects of the Tax Act for which the accounting under ASC 740 is complete.

The Company recognized the provisional tax impacts related to the revaluation of deferred tax assets and liabilities and included these amounts in its consolidated financial statements for the year ended December 31, 2017. In its final assessment of the Tax Act, no adjustment has been made to current or deferred income tax expense in 2017 or 2018. As of December 31, 2018, the Company completed its accounting for all of the enactment-date income tax effects of the Act. While the Company has fully accounted for the impact of the Tax Act, the U.S. Treasury released proposed regulations under IRC Sec. 451(c) related to the recognition of advanced payments for goods and services on September 5, 2019. The Company completed its analysis of the proposed regulations and plans to early adopt the regulations on its 2019 income tax returns. The early adoption of the proposed regulations does not have a material impact to income tax expense.

Uncertain Tax Positions

The Company files tax returns as prescribed by the tax laws of the jurisdictions in which it operates. In the normal course of business, the Company is subject to examination by federal, state and local jurisdictions, where applicable. The statute of limitations for the tax returns varies by jurisdictions.

We determine whether a tax position is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. We use a two-step approach to recognize and measure uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the weight of available evidence indicates that it is more likely than not that the position will be sustained upon tax authority examination, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit as the largest amount that is more than 50% likely of being realized upon ultimate settlement. We have analyzed the Company's inventory of tax positions with respect to all applicable income tax issues for all open tax years (in each respective jurisdiction).

Our policy is to include interest and penalties related to unrecognized tax benefits, if any, within the provision for taxes in the consolidated statements of operations.

As of December 31, 2019 and 2018, the Company had $0.0 million and $0.6 million, respectively, of unrecognized tax benefits related to an acquisition in 2015. In addition, there was $0.0 million and $0.2 million of interest and penalties for uncertain tax positions as of December 31, 2019 and 2018, respectively. During the 12 months ended December 31, 2019, the Company recorded an income tax benefit of $0.8 million, including penalties and interest, due to the expiration of federal and California statute of limitations. This benefit was fully offset by an indemnification asset that was written down to zero through operating expenses during 2018. Due to the expiration of federal and California statute of limitations, as of December 31, 2019, the Company has no other uncertain tax positions.

The change in unrecognized tax benefits during 2019, 2018 and 2017, excluding penalties and interest, is as follows:

	For the Year Ended December 31,		
	2019	2018	2017
Unrecognized tax benefits at beginning of the year	$ 647	$ 1,525	$ 1,525
Reversal of prior year unrecognized tax benefits due to the expiration of the statute of limitations	(647)	(878)	—
Unrecognized tax benefits at end of the year	$ —	$ 647	$ 1,525

One of our investment funds is currently under audit by the Internal Revenue Service (the “IRS”). In addition, one of our investors is currently being audited by the IRS, and this investor audit involves a review of the fair market value determination of our solar energy systems. If these investor audits result in an adverse finding, we would be subject to an indemnity obligation to these investors. The Company is subject to taxation and files income tax returns in the U.S., its territories, and various state and local jurisdictions. Due to the Company’s net losses, substantially all of its federal, state and local income tax returns since inception are still subject to audit.

The following table summarizes the tax years that remain open and subject to examination by the tax authorities in the most significant jurisdictions in which the Company operates:

	Tax Years
U.S. Federal	2016 - 2019
State	2015 - 2019

Net Operating Loss Carryforwards

As a result of the Company’s net operating loss carryforwards as of December 31, 2019, the Company does not expect to pay income tax, including in connection with its income tax provision for the year ended December 31, 2019 until the Company’s net operating losses are fully utilized. As of December 31, 2019, the Company had net operating loss carryforwards for federal and state income tax purposes of approximately $718.1 million and $1.3 billion, respectively, which will begin to expire in 2028 for federal purposes and in 2024 for state purposes. In addition, federal and certain state net operating loss carryforwards generated in tax years beginning after December 31, 2017 total $535.1 million and $102.4 million, respectively, and have indefinite carryover periods and do not expire.

Note 20. Commitments and Contingencies

Letters of Credit

As of December 31, 2019 and 2018, the Company had $20.1 million and $9.7 million, respectively, of unused letters of credit outstanding, which carry fees of 1.25 - 3.25% per annum and 2.50 - 3.25% per annum, respectively.

Operating and Finance Leases

The Company leases real estate under non-cancellable operating leases and equipment under finance leases.

The components of lease expense were as follows (in thousands):

	For the Year Ended December 31,		
	2019	2018	2017
Finance lease cost:			
Amortization of right-of-use assets	$ 13,999	$ 11,884	$ 11,029
Interest on lease liabilities	1,915	676	640
Operating lease cost	13,159	10,467	10,177
Short-term lease cost	1,349	732	493
Variable lease cost	3,565	3,112	2,502
Sublease income	(669)	(572)	(24)
Total lease cost	$ 33,318	$ 26,299	$ 24,817

Other information related to leases was as follows (in thousands):

	For the Year Ended December 31,		
	2019	2018	2017
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	$ 11,516	$ 10,765	$ 10,027
Operating cash flows from finance leases	991	482	591
Financing cash flows from finance leases	13,919	9,220	10,032
Right-of-use assets obtained in exchange for lease obligations:			
Operating leases	19,503	3,411	7,276
Finance leases	17,914	15,370	862
Weighted average remaining lease term (years):			
Operating leases	5.39	3.43	3.99
Finance leases	2.91	3.37	2.06
Weighted average discount rate:			
Operating leases	5.5%	4.3%	4.1%
Finance leases	4.2%	4.3%	3.1%

Future minimum lease commitments under non-cancellable leases as of December 31, 2019 were as follows (in thousands):

	Operating Leases	Sublease Income	Net Operating Leases	Finance leases
2020	$ 12,034	$ 787	$ 11,247	$ 10,741
2021	11,338	639	10,699	7,659
2022	9,469	—	9,469	4,657
2023	8,611	—	8,611	1,119
2024	4,431	—	4,431	41
Thereafter	7,999	—	7,999	4
Total future lease payments	53,882	1,426	52,456	24,221
Less: Amount representing interest	(7,246)	—	(7,246)	(1,262)
Present value of future payments	46,636	1,426	45,210	22,959
Less: Amount for tenant incentives	(733)	—	(733)	—
Revised Present value of future payments	45,903	1,426	44,477	22,959
Less: Current portion	(9,790)	—	(9,790)	(10,064)
Long term portion	$ 36,113	$ 1,426	$ 34,687	$ 12,895

Purchase Commitment

The Company entered into purchase commitments, which have the ability to be canceled without significant penalties, with multiple suppliers to purchase $78.5 million of photovoltaic modules and inverters by the end of 2019.

Warranty Accrual

The Company accrues warranty costs when revenue is recognized for solar energy systems sales, based on the estimated future costs of meeting its warranty obligations. Warranty costs primarily consist of replacement costs for supplies and labor costs for service personnel since warranties for equipment and materials are covered by the original manufacturer's warranty (other than a small deductible in certain cases). As such, the warranty reserve is immaterial in all periods presented. The Company makes and revises these estimates based on the number of solar energy systems under warranty, the Company's historical experience with warranty claims, assumptions on warranty claims to occur over a systems' warranty period and the Company's estimated replacement costs.

Commercial ITC and Cash Grant Indemnification

The Company is contractually committed to compensate certain investors for any losses that they may suffer in certain limited circumstances resulting from reductions in Commercial ITCs or U.S. Treasury grants. Generally, such obligations would arise as a result of reductions to the value of the underlying solar energy systems as assessed by the Internal Revenue Service (the "IRS"). At each balance sheet date, the Company assesses and recognizes, when applicable, the potential exposure from this obligation based on all the information available at that time, including any audits undertaken by the IRS. The Company believes that this obligation is not probable based on the facts known as of the filing date of this Annual Report on Form 10-K. The maximum potential future payments that the Company could have to make under this obligation would depend largely on the difference between the prices at which the solar energy systems were sold or transferred to the Funds (or, in certain structures, the fair market value claimed in respect of such systems (referred to as "claimed values")) and the eligible basis determined by the IRS. The Company set the purchase prices and claimed values based on fair market values determined with the assistance of an independent third-party appraisal with respect to the systems that generate Commercial ITCs that are passed-through to and claimed by the Fund investors. Since the Company cannot determine how the IRS may evaluate system values used in claiming Commercial ITCs, the Company is unable to reliably estimate the maximum potential future payments that it could have to make under this obligation as of each balance sheet date, though any potential future payments are mitigated by the insurance policy described below. In April 2018, the Company purchased an insurance policy providing for certain payments by the insurers in the event there is any final determination (including a judicial determination) that reduced the

Commercial ITCs claimed in respect of solar energy systems sold or transferred to most Funds through April 2018, or later, in the case of Funds added to the policy after such date. In general, the policy indemnifies the Company and related parties for additional taxes (including penalties and interest) owed in respect of lost Commercial ITCs, gross-up costs and expenses incurred in defending such claim, subject to negotiated exclusions from, and limitations to, coverage.

Litigation

The Company is subject to certain legal proceedings, claims, investigations and administrative proceedings in the ordinary course of its business. The Company records a provision for a liability when it is both probable that the liability has been incurred and the amount of the liability can be reasonably estimated. These provisions, if any, are reviewed at least quarterly and adjusted to reflect the impacts of negotiations, settlements, rulings, advice of legal counsel and other information and events pertaining to a particular case. Depending on the nature and timing of any such proceedings that may arise, an unfavorable resolution of a matter could materially affect the Company's future consolidated results of operations, cash flows or financial position in a particular period.

On June 29, 2017, a shareholder derivative complaint captioned *Barbara Sue Sklar Living Trust v. Sunrun Inc. et al.* , was filed in the United States District Court, Northern District of California, against the Company and certain of the Company's directors and officers. The complaint generally alleges that the defendants violated Section 14(a) of the Exchange Act by making false or misleading statements in connection with public filings, including proxy statements, made between September 10, 2015 and May 3, 2017 regarding the number of customers who cancelled contracts after signing up for the Company's home solar energy system. The Plaintiff seeks, among other things, damages in favor of the Company, certain corporate actions to purportedly improve the Company's corporate governance, and an award of costs and expenses to the putative plaintiff stockholder, including attorneys' fees.

On April 5, 2018, a stockholder derivative complaint captioned *Leonard Olsen v. Sunrun Inc. et al.* , was filed in the United States District Court, District of Delaware, against the Company and certain of the Company's directors and officers. The *Olsen* complaint is substantially similar to the *Sklar* complaint, alleges that the defendants breached their fiduciary duties and violated Section 14(a) of the Exchange Act in connection with public statements made between September 16, 2015 and May 21, 2017, and seeks similar relief.

On January 28, 2019, the Company reached an agreement in principle to settle all claims asserted in the *Sklar* and *Olsen* derivative actions against all defendants, and on November 29 2019, the Court granted final approval of the settlement. Under the terms of the settlement, the Company agreed to adopt certain corporate governance measures in the future. The Company and all defendants have denied, and continue to deny, the claims alleged in the derivative actions and the settlement does not reflect any admission of fault, wrongdoing or liability as to any defendant.

On April 8, 2019, a putative class action captioned *Loftus et al. v. Sunrun Inc.* , Case No. 3:19-cv-01608, was filed in the United States District Court, Northern District of California. The complaint generally alleged violations of the Telephone Consumer Protection Act (the "TCPA") on behalf of an individual and putative classes of persons alleged to be similarly situated. Plaintiffs filed a First Amended Complaint on June 26, 2019, adding defendant MediaMix 365, LLC, also asserting individual and putative class claims under the TCPA, along with claims under the California Invasion of Privacy Act. In the amended version of their Complaint, plaintiffs seek statutory damages, equitable and injunctive relief, and attorneys' fees and costs on behalf of themselves and the absent purported classes. On January 23, 2020, the Court held a status conference and set discovery deadlines. Most, if not all, of the claims asserted in the lawsuit relate to activities allegedly engaged in by third-party vendors, for which the Company denies any responsibility. The vendors are contractually obligated to indemnify the Company for losses related to the conduct alleged. The Company believes that the claims are without merit and intends to defend itself vigorously.

Note 21. Net Income Per Share

Basic net income per share is computed by dividing net income attributable to common stockholders by the weighted-average number of common shares outstanding during the period. Diluted net income per share is

computed by dividing net income attributable to common stockholders by the weighted-average number of common shares outstanding during the period adjusted to include the effect of potentially dilutive securities. Potentially dilutive securities are excluded from the computation of dilutive EPS in periods in which the effect would be antidilutive.

The computation of the Company's basic and diluted net income per share is as follows (in thousands, except per share amounts):

	Years Ended December 31,		
	2019	2018	2017
Numerator:			
Net income attributable to common stockholders	$ 26,335	$ 26,657	$ 125,489
Denominator:			
Weighted average shares used to compute net income per share attributable to common stockholders, basic	116,397	110,089	105,432
Weighted average effect of potentially dilutive shares to purchase common stock	7,479	7,023	2,774
Weighted average shares used to compute net income per share attributable to common stockholders, diluted	123,876	117,112	108,206
Net income per share attributable to common stockholders			
Basic	$ 0.23	$ 0.24	$ 1.19
Diluted	$ 0.21	$ 0.23	$ 1.16

The following shares were excluded from the computation of diluted net income per share as the impact of including those shares would be anti-dilutive (in thousands):

	Year Ended December 31,		
	2019	2018	2017
Warrants	—	625	1,251
Outstanding stock options	1,486	3,271	13,803
Unvested restricted stock units	673	649	1,451
Total	2,159	4,545	16,505

Note 22. Related Party Transactions

An individual who previously served as one of the Company's directors until March 2017 has direct and indirect ownership interests in Enphase Energy, Inc. ("Enphase"). For the year ended December 31, 2017, the Company recorded $9.1 million in purchases from Enphase and had outstanding payables to Enphase of $2.0 million.

Note 23. Quarterly Results of Operations (Unaudited)

The following table presents selected quarterly results of operations data for the years ended December 31, 2019 and 2018 (in thousands, except per share amounts):

	Three Months Ended			
	December 31	September 30	June 30	March 31
2019				
Total Revenue	$ 243,937	$ 215,542	$ 204,595	$ 194,504
Cost of customer agreements and incentives	$ 72,898	$ 67,359	$ 70,594	$ 69,493
Cost of solar energy systems and product sales	$ 109,307	$ 92,031	$ 86,348	$ 77,799
Net loss	$ (86,997)	$ (112,534)	$ (104,585)	$ (86,906)
Net (loss) income attributable to common stockholders	$ 12,500	$ 28,990	$ (1,293)	$ (13,862)
Net (loss) income per share attributable to common stockholders, basic	$ 0.11	$ 0.25	$ (0.01)	$ (0.12)
Net (loss) income per share attributable to common stockholders, diluted	$ 0.10	$ 0.23	$ (0.01)	$ (0.12)
2018				
Total Revenue	$ 240,120	$ 204,960	$ 170,538	$ 144,363
Cost of customer agreements and incentives	$ 65,317	$ 63,195	$ 57,769	$ 54,576
Cost of solar energy systems and product sales	$ 89,040	$ 76,179	$ 64,268	$ 64,579
Net loss	$ (49,515)	$ (47,524)	$ (71,727)	$ (91,420)
Net income attributable to common stockholders	$ (5,888)	$ (2,896)	$ 7,409	$ 28,032
Net income per share attributable to common stockholders, basic	$ (0.05)	$ (0.03)	$ 0.07	$ 0.26
Net income per share attributable to common stockholders, diluted	$ (0.05)	$ (0.02)	$ 0.06	$ 0.25

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure .

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of our “disclosure controls and procedures” as of the end of the period covered by this Annual Report on Form 10-K, pursuant to Rules 13a-15(e) and 15d-15(e) under the Exchange Act.

In connection with that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were effective and designed to provide reasonable assurance that the information required to be disclosed is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission rules and forms as of December 31, 2019. The term “disclosure controls and procedures,” as defined in Rules 13a-15I and 15d-15I under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well

designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Annual Report on Form 10-K that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Our management used the Committee of Sponsoring Organizations of the Treadway Commission Internal Control - Integrated Framework (2013), or the COSO framework, to evaluate the effectiveness of internal control over financial reporting. Management believes that the COSO framework is a suitable framework for its evaluation of financial reporting because it is free from bias, permits reasonably consistent qualitative and quantitative measurements of our internal control over financial reporting, is sufficiently complete so that those relevant factors that would alter a conclusion about the effectiveness of our internal control over financial reporting are not omitted and is relevant to an evaluation of internal control over financial reporting.

Management has assessed the effectiveness of our internal control over financial reporting as of December 31, 2019 and has concluded that such internal control over financial reporting is effective.

The effectiveness of our internal control over financial reporting as of December 31, 2019 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in its report which is included in Item 8 of this Annual Report on Form 10-K.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by this Item 10 of Form 10-K will be set forth in our proxy statement to be filed with the SEC in connection with the solicitation of proxies for our 2020 Annual Meeting of Stockholders ("Proxy Statement") and is incorporated herein by reference. The Proxy Statement will be filed with the SEC within 120 days after the year-end of the fiscal year which this report relates.

Item 11. Executive Compensation.

The information required by this Item 11 will be set forth in the Proxy Statement and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this Item 12 will be set forth in the Proxy Statement and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this Item 13 will be set forth in the Proxy Statement and is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services.

The information required by this Item 14 will be set forth in the Proxy Statement and is incorporated herein by reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

Documents filed as part of this report are as follows:

(1) Consolidated Financial Statements

Our Consolidated Financial Statements are listed in the “Index to Consolidated Financial Statements” under Item 8 of Part II of this Annual Report.

(2) Financial Statement Schedules

The required information is included elsewhere in this Annual Report, not applicable, or not material.

(3) Exhibits

The exhibits listed in the accompanying “Exhibit Index” are filed or incorporated by reference as part of this Annual Report.

EXHIBIT INDEX

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	Amended and Restated Certificate of Incorporation of the Registrant	10-Q	001-37511	3.1	9/15/2015	
3.2	Amended and Restated Bylaws of the Registrant	10-Q	001-37511	3.2	9/15/2015	
4.1	Form of common stock certificate of the Registrant	S-1	333-205217	4.1	6/25/2015	
4.2	Form of Stock Issuance Agreement	S-1/A	333-205217	4.4	7/22/2015	
4.3	Form of Indenture, between the Registrant and one or more trustees to be named	S-3	333-222099	4.5	12/15/2017	
4.4	Form of Common Stock Warrant Agreement and Warrant Certificate	S-3	333-222099	4.8	12/15/2017	
4.5	Form of Preferred Stock Warrant Agreement and Warrant Certificate	S-3	333-222099	4.9	12/15/2017	
4.6	Form of Debt Securities Warrant Agreement and Warrant Certificate	S-3	333-222099	4.10	12/15/2017	
4.7	Description of Capital Stock					X
10.1+	Form of Indemnification Agreement between the Registrant and each of its directors and executive officers	S-1	333-205217	10.1	6/25/2015	
10.2+	Sunrun Inc. 2015 Equity Incentive Plan and related form agreements	S-1/A	333-205217	10.2	7/22/2015	
10.3+	Sunrun Inc. Amended and Restated Employee Stock Purchase Plan and related form agreements	10-Q	001-37511	10.1	8/9/2018	
10.4+	Sunrun Inc. 2014 Equity Incentive Plan	S-1	333-205217	10.4	6/25/2015	
10.5+	Sunrun Inc. 2013 Equity Incentive Plan and related form agreements	S-1	333-205217	10.5	6/25/2015	
10.6+	Sunrun Inc. 2008 Equity Incentive Plan and related form agreements	S-1	333-205217	10.6	6/25/2015	
10.7+	Mainstream Energy Corporation 2009 Stock Plan	S-1	333-205217	10.7	6/25/2015	
10.8+	Sunrun Inc. Amended and Restated Executive Incentive Compensation Plan	8-K	333-205217	10.1	2/4/2020	
10.9+	Key Employee Change in Control and Severance Plan and Summary Plan Description	10-Q	001-37511	10.1	11/7/2018	
10.10+	Employment Letter between the Registrant and Lynn Jurich, dated as of May 8, 2015	S-1	333-205217	10.10	6/25/2015	
10.11+	Employment Letter between the Registrant and Edward Fenster, dated as of May 8, 2015	S-1	333-205217	10.11	6/25/2015	
10.12+	Employment Letter between the Registrant and Bob Komin, dated as of May 8, 2015	S-1	333-205217	10.12	6/25/2015	
10.13+	Employment Letter between the Registrant and Christopher Dawson, dated as of November 13, 2017	8-K	333-205217	10.1	12/6/2017	
10.14+	Employment Letter between the Registrant and Jeanna Steele, dated as of May 15, 2018					X
10.15+	Board Services Agreement between the Registrant and Gerald Risk, dated as of February 1, 2014	S-1	333-205217	10.15	6/25/2015	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.16¥	Credit Agreement among the Registrant, Credit Suisse Securities (USA) LLC and the other parties thereto, dated as of April 1, 2015	S-1	333-205217	10.17	6/25/2015	
10.17¥	Amended and Restated Credit Agreement among Sunrun Hera Portfolio 2015-A, LLC, Investec Bank PLC (as Administrative Agent), Investec Bank PLC (as Issuing Bank) and the Lenders from time to time as party thereto, dated January 15, 2016 and amended and restated as of June 23, 2017	10-Q/A	001-37511	10.2	12/29/2017	
10.18¥	Amendment No. 2 to Credit Agreement among the Company, AEE Solar, Inc., Sunrun South LLC, Sunrun Installation Services Inc., Clean Energy Experts, LLC, each of the lenders identified on the signature pages thereto, Credit Suisse AG and Silicon Valley Bank, dated as of June 15, 2016	10-Q	001-37511	10.1	8/11/2016	
10.19¥	Incremental Facility Agreement among the Company, AEE Solar, Inc., Sunrun South LLC, Sunrun Installation Services Inc., Clean Energy Experts, LLC, Credit Suisse AG and Comerica Bank, dated as of July 21, 2016	10-Q	001-37511	10.2	8/11/2016	
10.20¥	First Amendment to Credit Agreement and Collateral Agency Agreement among Sunrun Hera Portfolio 2015-A, LLC, Investec Bank PLC (as administrative agent, issuing bank and as lender), each of the additional lenders identified on the signature pages thereto and Deutsche Bank Trust Company Americas, dated as of May 12, 2016	10-Q	001-37511	10.3	8/11/2016	
10.21¥	Consent and Second Amendment to Credit Agreement among Sunrun Hera Portfolio 2015-A, LLC, Investec Bank PLC (as administrative agent, issuing bank and as lender) and each of the additional lenders identified on the signature pages thereto, dated of as June 29, 2016	10-Q	001-37511	10.4	8/11/2016	
10.22¥	Amendment No. 3 to Credit Agreement among the Company, AEE Solar, Inc., Sunrun South LLC, Sunrun Installation Services Inc., Clean Energy Experts, LLC, each of the lenders identified on the signature pages thereto, Credit Suisse AG and Silicon Valley Bank, dated as of December 2, 2016	10-K	001-37511	10.25	3/8/2017	
10.23¥	Consent and Third Amendment to Credit Agreement and First Amendment to Cash Diversion and Commitment Fee Guaranty among the Company, Sunrun Hera Portfolio 2015-A, LLC, Investec Bank Plc (as administrative agent, issuing bank and as lender) and each of the additional lenders identified on the signature pages thereto, dated as of November 30, 2016	10-K	001-37511	10.26	3/8/2017	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.24¥	Consent and Fourth Amendment to Credit Agreement and First Amendment to Guaranty and Security Agreement among Sunrun Hera Portfolio 2015-A, LLC, Sunrun [*] Manager [*], LLC, Sunrun [*] Manager [*], LLC, Sunrun [*] Manager [*], LLC, Sunrun [*] Manager [*], LLC, Sunrun [*] Manager [*], LLC, Sunrun [*] Manager [*], LLC, Investec Bank Plc (as administrative agent, issuing bank and as lender), Deutsche Bank Trust Company Americas, and each of the additional lenders identified on the signature pages thereto, dated as of January 31, 2017	10-K	001-37511	10.27	3/8/2017	
10.25¥	Credit Agreement among Sunrun Neptune Portfolio 2016-A, LLC, as Borrower, Suntrust Bank as Administrative Agent, ING Capital LLC as LC Issuer, and The Lenders from Time to Time Party Hereto dated as of May 9, 2017 and Exhibits	10-Q/A	001-37511	10.3	12/29/2017	
10.26¥	Consent and First Amendment to Amended and Restated Credit Agreement and First Amendment to Amended and Restated Cash Diversion and Commitment Fee Guaranty, dated as of December 28, 2017	10-K	001-37511	10.29	3/6/2018	
10.27¥	Credit Agreement among Sunrun Scorpio Portfolio 2017-A, LLC, as Borrower, Keybank National Association, as Administrative Agent, Keybank National Association, as LC Issuer, and The Lenders from Time to Time Party Hereto dated as of October 20, 2017 and Exhibits	10-K	001-37511	10.30	3/6/2018	
10.28¥	Amendment No. 5 to Credit Agreement among the Company, AEE Solar, Inc., Sunrun South LLC, Sunrun Installation Services Inc., Clean Energy Experts, LLC, each of the lenders identified on the signature pages thereto, Credit Suisse AG, Cayman Islands Branch and Silicon Valley Bank, dated as of February 23, 2018	10-Q	001-37511	10.1	5/9/2018	
10.29¥	Second Amended and Restated Credit Agreement among Sunrun Hera Portfolio 2015-A, LLC, Investec Bank PLC (as administrative agent, issuing bank and as lender), and each of the additional lenders identified on the signature pages thereto, dated January 15, 2016, amended and restated as of June 23, 2017 and further amended and restated as of March 27, 2018	10-Q	001-37511	10.2	5/9/2018	
10.30	First Amendment to Credit Agreement among the Company, Sunrun Neptune Portfolio 2016-A, LLC, SunTrust Bank (as administrative agent and as lender), ING Capital LLC (as issuer and as lender), and each of the additional Lenders from time to time party thereto, dated as of March 26, 2018	10-Q	001-37511	10.3	5/9/2018	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.31¥	Consent and First Amendment to Second Amended and Restated Credit Agreement and Third Amendment to Amended and Restated Cash Diversion and Commitment Fee Guaranty dated as of July 18, 2018, among Sunrun Hera Portfolio 2015-A, Sunrun Inc., Investec Bank Plc (as administrative agent, issuing bank and as lender), and each of the additional lenders identified on the signature pages thereto	10-Q	001-37511	10.2	11/7/2018	
10.32¥	Consent and Second Amendment to Second Amended and Restated Credit Agreement and Fourth Amendment to Amended and Restated Cash Diversion and Commitment Fee Guaranty dated as of August 22, 2018, among Sunrun Hera Portfolio 2015-A, LLC, Sunrun Inc., Investec Bank Plc (as administrative agent, issuing bank and as lender) and each of the additional lenders identified on the signature pages thereto	10-Q	001-37511	10.3	11/7/2018	
10.33	Consent and Third Amendment to Second Amended and Restated Credit Agreement and Sixth Amendment to Amended and Restated Cash Diversion and Commitment Fee Guaranty dated as of September 25, 2018 among Sunrun Hera Portfolio 2015-A, LLC, Sunrun Inc., Investec Bank Plc (as administrative agent, issuing bank and as lender) and each of the additional lenders identified on the signature pages thereto	10-Q	001-37511	10.4	11/7/2018	
10.34¥	Indenture between Sunrun Athena Issuer 2018-1, LLC and Wells Fargo Bank, National Association, dated as of December 20, 2018	10-K	001-37511	10.36	2/28/2019	
10.35¥	Fourth Amendment to Second Amended and Restated Credit Agreement among Sunrun Hera Portfolio 2015-A, LLC, Investec Bank Plc (as administrative agent and issuing bank), and each of the additional Lenders identified on the signature pages thereto, dated as of November 30, 2018	10-K	001-37511	10.37	2/28/2019	
10.36¥	Amendment No. 6 to Credit Agreement among the Company, AEE Solar, Inc., Sunrun South LLC, Sunrun Installation Services Inc., Clean Energy Experts, LLC, each of the lenders identified on the signature pages thereto, Credit Suisse AG, Cayman Islands Branch, dated as of November 14, 2018	10-K	001-37511	10.38	2/28/2019	
10.37^	Consent, Waiver and Fifth Amendment to Second Amended and Restated Credit Agreement and Sixth Amendment to Amended and Restated Cash Diversion and Commitment Fee Guaranty dated as of February 28, 2019, among Sunrun Hera Portfolio 2015-A, LLC, Sunrun Inc., Investec Bank PLC and each of the additional lenders identified on the signature pages thereto.	10-Q	001-37511	10.1	5/8/2019	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
10.38^	Sixth Amendment to Second Amended and Restated Credit Agreement and Seventh Amendment to Amended and Restated Cash Division and Commitment Fee Guaranty dated as of February 28, 2019, among Sunrun Hera Portfolio 2015-A, LLC, Sunrun Inc., Investec Bank PLC and each of the additional lenders identified on the signature pages thereto.	10-Q	001-37511	10.2	5/8/2019	
10.39^	Indenture between Sunrun Xanadu Issuer 2019-1, LLC and Wells Fargo Bank, National Association, dated as of June 6, 2019	10-Q	001-37511	10.1	8/7/2019	
10.40^	First Amendment to Credit Agreement and First Amendment to Cash Diversion Guaranty dated as of June 28, 2019 among Sunrun Scorpio Portfolio 2017-A, LLC, as Borrower, Keybank National Association, as Administrative Agent, Keybank National Association, as LC Issuer, and each of the additional lenders identified on the signature page thereto	10-Q	001-37511	10.2	8/7/2019	
10.41^	Indenture between Sunrun Atlas Issuer 2019-2, LLC and Wells Fargo Bank, National Association, dated as of October 28, 2019					X
10.42^	Amendment No. 7 to the Credit Agreement among the Company, AEE Solar, Inc., Sunrun South LLC, Sunrun Installation Services Inc., Clean Energy Experts, LLC, KeyBank National Association (as administrative agent and as lender), Silicon Valley Bank (as collateral agent and as lender), and each of the additional lenders identified on the signature pages thereto, dated as of November 12, 2019					X
10.43^	Consent and Seventh Amendment to Second Amended and Restated Credit Agreement and Eighth Amendment to Amended and Restated Cash Diversion and Commitment Fee Guaranty dated as of September 27, 2019, among Sunrun Hera Portfolio 2015-A, Sunrun Inc., Investec Bank Plc (as administrative agent, issuing bank and as lender), and each of the additional lenders identified on the signature pages thereto	10-Q	001-37511	10.1	11/12/2019	
10.44^	Consent and Eighth Amendment to Second Amended and Restated Credit Agreement and Ninth Amendment to Amended and Restated Cash Diversion and Commitment Fee Guaranty dated as of December 30, 2019, among Sunrun Hera Portfolio 2015-A, the Company, Investec Bank Plc (as administrative agent, issuing bank and as lender), and each of the additional lenders identified on the signature pages thereto					X
21.1	List of subsidiaries of the Registrant	S-1	333-205217	21.1	6/25/2015	
23.1	Consent of Independent Registered Public Accounting Firm					X

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
31.1	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
31.2	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X
32.1†	Certifications of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					X
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the In-line XBRL document					
101.SCH	XBRL Taxonomy Schema Linkbase Document					
101.CAL	XBRL Taxonomy Definition Linkbase Document					
101.DEF	XBRL Taxonomy Calculation Linkbase Document					
101.LAB	XBRL Taxonomy Labels Linkbase Document					
101.PRE	XBRL Taxonomy Presentation Linkbase Document					
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the In-line XBRL document.					

† The certifications attached as Exhibit 32.1 that accompany this Annual Report on Form 10-K, are deemed furnished and not filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of Sunrun Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Annual Report on Form 10-K, irrespective of any general incorporation language contained in such filing.

\+ Indicates management contract or compensatory plan.

¥ Confidential treatment has been requested as to certain portions of this exhibit, which portions have been omitted and submitted separately to the Securities and Exchange Commission.

^ Portions of this exhibit have been omitted from the exhibit because they are both not material and would be competitively harmful if publicly disclosed.

SIGNATURES

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

Sunrun Inc.

Date: February 27, 2020

By: /s/ Lynn Jurich

Lynn Jurich

Chief Executive Officer and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, this Report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Name	Title	Date
/s/ Lynn Jurich **Lynn Jurich**	Chief Executive Officer and Director (Principal Executive Officer)	February 27, 2020
/s/ Robert Komin **Robert Komin**	Chief Financial Officer (Principal Financial Officer)	February 27, 2020
/s/ Michelle Philpot **Michelle Philpot**	Chief Accounting Officer (Principal Accounting Officer)	February 27, 2020
/s/ Edward Fenster **Edward Fenster**	Chairman and Director	February 27, 2020
/s/ Katherine August-deWilde **Katherine August-deWilde**	Director	February 27, 2020
/s/ Leslie Dach **Leslie Dach**	Director	February 27, 2020
/s/ Alan Ferber **Alan Ferber**	Director	February 27, 2020
/s/ Mary Powell **Mary Powell**	Director	February 27, 2020
/s/ Gerald Risk **Gerald Risk**	Director	February 27, 2020

Exhibit 4.7

DESCRIPTION OF CAPITAL STOCK

General

The following is a summary of the rights of our common stock and preferred stock and certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws. This summary does not purport to be complete and is qualified in its entirety by the provisions of our amended and restated certificate of incorporation, amended and restated bylaws, amended and restated investors' rights agreement and shareholders agreement, which are filed as exhibits to the Annual Report on Form 10-K of which this Exhibit 4.7 is a part, and to the applicable provisions of Delaware law.

Our authorized capital stock consists of 2,200,000,000 shares of capital stock, $0.0001 par value per share, of which:

- 2,000,000,000 shares are designated as common stock; and
- 200,000,000 shares are designated as preferred stock.

As of February 24, 2020, there were 119,385,549 shares of our common stock outstanding, held by 141 stockholders of record, and no shares of our preferred stock outstanding.

Common Stock

Dividend Rights

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of our common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts that our board of directors may determine.

Voting Rights

Holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders. We have not provided for cumulative voting for the election of directors in our amended and restated certificate of incorporation. Our amended and restated certificate of incorporation establishes a classified board of directors that is divided into three classes with staggered three-year terms. Only the directors in one class are subject to election by a plurality of the votes cast at each annual meeting of our stockholders, with the directors in the other classes continuing for the remainder of their respective three-year terms.

No Preemptive or Similar Rights

Our common stock is not entitled to preemptive rights and is not subject to conversion, redemption or sinking fund provisions.

Right to Receive Liquidation Distributions

If we become subject to a liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock and any participating preferred stock outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights and payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

Fully Paid and Non-Assessable

All of the outstanding shares of our common stock are fully paid and non-assessable.

Preferred Stock

Pursuant to our amended and restated certificate of incorporation, our board of directors has the authority, without further action by the stockholders, to issue from time to time shares of preferred stock in one or more series. Our board of directors may designate the rights, preferences, privileges and restrictions of the preferred stock, including dividend rights, conversion rights, voting rights, redemption rights, liquidation preference, sinking fund terms, and the number of shares constituting any series or the designation of any series. The issuance of preferred stock could have the effect of restricting dividends on our common stock, diluting the voting power of our common stock, impairing the liquidation rights of our common stock, or delaying, deterring, or preventing a change in control. Such issuance could have the effect of decreasing the market price of our common stock. We currently have no plans to issue any shares of preferred stock.

Options

As of December 31, 2019, we had outstanding options to purchase an aggregate of 10,785,101 shares of our common stock, with a weighted-average exercise price of approximately $7.38 per share, under our equity compensation plans and the equity compensation plan we assumed in connection with one of our acquisitions.

Restricted Stock Units

As of December 31, 2019, we had outstanding 3,943,976 shares of our common stock issuable upon the vesting of RSUs under our equity compensation plans.

Registration Rights

Certain holders of our common stock are entitled to rights with respect to the registration of their shares under the Securities Act. These registration rights are contained in our shareholders agreement (the "Shareholders Agreement"). We and certain former securityholders of CEE are parties to the Shareholders Agreement. The registration rights set forth in the Shareholders Agreement will expire seven years following our initial public offering, or, with respect to any particular stockholder, when such stockholder is able to sell all of its shares entitled to registration rights pursuant to Rule 144 of the Securities Act during any 90-day period. We will pay the registration expenses (other than underwriting discounts and commissions and stock transfer taxes) of the holders of the shares registered pursuant to the registrations described below.

Demand Registration Rights

The holders of at least a majority of the shares entitled to registration rights then outstanding can request that we file a registration statement to register the offer and sale of their shares. We are obligated to effect only two such registrations. Such request for registration must cover securities the anticipated aggregate public offering price of which, before payment of underwriting discounts and commissions, is at least $60,000,000 for the first request, and

at least $10,000,000 for the second request. If we determine that it would be materially detrimental to us and our stockholders to effect such a demand registration, we have the right to defer such registration, not more than once in any 12-month period, for a period of up to 90 days.

Piggyback Registration Rights

If we propose to register the offer and sale of shares of our common stock under the Securities Act, all holders of shares entitled to registration rights then outstanding can request that we include their shares in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act, other than with respect to (i) a registration on Form S-8 relating solely to employee stock option, stock purchase or other benefit plans, or (ii) a registration on Form S-4 relating solely to a transaction covered by Rule 145 promulgated under the Securities Act, the holders of these shares are entitled to notice of the registration and have the right, subject to certain limitations, to include their shares in the registration.

S-3 Registration Rights

The holders of at least a majority of the shares entitled to registration rights then outstanding can request that we register the offer and sale of their shares of our common stock on a registration statement on Form S-3 if we are eligible to file a registration statement on Form S-3 so long as the request covers securities the anticipated aggregate public offering price of which, before payment of underwriting discounts and commissions, is at least $3,000,000. These stockholders may make an unlimited number of requests for registration on a registration statement on Form S-3. However, we will not be required to effect a registration on Form S-3 if we have effected two such registrations within the 12-month period preceding the date of the request. Additionally, if we determine that it would be materially detrimental to us and our stockholders to effect such a registration, we have the right to defer such registration, not more than once in any 12-month period, for a period of up to 90 days.

Anti-Takeover Provisions

The provisions of our amended and restated certificate of incorporation and our amended and restated bylaws, which are summarized below, may have the effect of delaying or discouraging another person from acquiring control of us. These provisions are designed, in part, to encourage persons seeking to acquire control of us to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

Delaware Law

We are subject to of Section 203 of the Delaware General Corporation Law. In general, Section 203 prohibits a public Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction in which the person became an interested stockholder, unless:

- the transaction was approved by the board of directors prior to the time that the stockholder became an interested stockholder;

- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding shares owned by directors who are also officers of the corporation and shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

- at or subsequent to the time the stockholder became an interested stockholder, the business combination was approved by the board of directors and authorized at an annual or special meeting of the stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

In general, Section 203 defines a "business combination" to include mergers, asset sales and other transactions resulting in financial benefit to a stockholder and an "interested stockholder" as a person who, together with affiliates and associates, owns, or within three years did own, 15% or more of the corporation's outstanding voting stock. These provisions may have the effect of delaying, deferring or preventing changes in control of our company.

Amended and Restated Certificate of Incorporation and Amended and Restated Bylaw Provisions

Our amended and restated certificate of incorporation and our amended and restated bylaws include a number of provisions that could delay or discourage an unsolicited takeover or a change in control or changes in our board of directors or management team, including the following:

Board of Directors Vacancies. Our amended and restated certificate of incorporation and amended and restated bylaws authorize only our board of directors to fill vacant directorships, including newly created seats. In addition, the number of directors constituting our board of directors is be permitted to be set only by a resolution adopted by a majority vote of our entire board of directors. These provisions prevent a stockholder from increasing the size of our board of directors and then gaining control of our board of directors by filling the resulting vacancies with its own nominees. This makes it more difficult to change the composition of our board of directors and promotes continuity of management.

Classified Board. Our amended and restated certificate of incorporation and amended and restated bylaws provide that our board of directors is classified into three classes of directors. A third party may be discouraged from making a tender offer or otherwise attempting to obtain control of us as it is more difficult and time consuming for stockholders to replace a majority of the directors on a classified board of directors. See the section titled "Management—Classified Board of Directors."

Directors Removed Only for Cause. Our amended and restated certificate of incorporation provides that stockholders may remove directors only for cause.

Stockholder Action; Special Meeting of Stockholders. Our amended and restated certificate of incorporation provides that our stockholders may not take action by written consent, but may only take action at annual or special meetings of our stockholders. As a result, a holder controlling a majority of our capital stock is not able to amend our amended and restated bylaws or remove directors without holding a meeting of our stockholders called in accordance with our amended and restated bylaws. Our amended and restated bylaws further provide that special meetings of our stockholders may be called only by a majority of our board of directors, the chairman of our board of directors, our Chief Executive Officer or our President, thus preventing a stockholder from calling a special meeting. These provisions might delay the ability of our stockholders to force consideration of a proposal or for stockholders controlling a majority of our capital stock to take any action, including the removal of directors.

Advance Notice Requirements for Stockholder Proposals and Director Nominations. Our amended and restated bylaws provide advance notice procedures for stockholders seeking to bring business before our annual or special meetings of stockholders or to nominate candidates for election as directors at our annual or special meetings of stockholders. Our amended and restated bylaws also specify certain requirements regarding the form and content of a stockholder's notice. These provisions might preclude our stockholders from bringing matters before our annual or special meetings of stockholders or from making nominations for directors at our annual or special meetings of stockholders if the proper procedures are not followed. We expect that these provisions may also discourage a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.

No Cumulative Voting. The Delaware General Corporation Law provides that stockholders are not entitled to cumulate votes in the election of directors unless a corporation's certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation does not provide for cumulative voting.

Amendment of Charter Provisions. Any amendment of the above provisions in our amended and restated certificate of incorporation would require approval by holders of at least 66 ⅔% of our then outstanding capital stock.

Issuance of Undesignated Preferred Stock Our board of directors has the authority, without further action by our stockholders, to designate and issue shares of preferred stock with rights and preferences, including voting rights, designated from time to time by our board of directors. The existence of authorized but unissued shares of undesignated preferred stock would enable our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest or other means.

Choice of Forum. Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for any derivative action or proceeding brought on our behalf; any action asserting a breach of fiduciary duty; any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws; or any action asserting a claim against us that is governed by the internal affairs doctrine. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Company, LLC. The transfer agent and registrar's address is 6201 15th Avenue, Brooklyn, New York 11219.

Limitations of Liability and Indemnification

See the section titled "Certain Relationships and Related Party Transactions—Limitation of Liability and Indemnification of Officers and Directors" of the Annual Report on Form 10-K of which this Exhibit 4.7 is a part.

Listing

Our common stock is currently listed on the Nasdaq Global Select Market under the symbol “RUN.”

595 Market Street
29th Floor
San Francisco, CA 94105

May 15, 2018
Jeanna Steele

Re: Promotion to General Counsel

Dear Jeanna,

I am pleased to inform you that you have been promoted to General Counsel effective May 18, 2018 reporting directly to Bob Komin. The compensation terms of the promotion are outlined below:

Base Salary and Incentive Target

Your new base salary will be $285,000 and your new incentive target will be 50% of your base salary. Your new base salary and bonus target will be effective as of May 18, 2018.

Promotion Stock Grant

In addition, in connection with this promotion we will recommend to the Board of Directors that you be granted 23,000 restricted stock units ("RSUs"). The units will vest over four years, commencing on the day the Board of Directors approves your grant (the "Vesting Commencement Date"), with twenty-five percent (25%) of such units vesting on the one-year anniversary of your Vesting Commencement Date, and the remaining units vesting in equal quarterly installments thereafter (e.g., on the three month anniversary of your Vesting Commencement Date), contingent upon your continuous employment at the Company through each such date. The RSUs will be subject to the terms and conditions applicable to RSUs awarded under the Company's 2015 Equity Incentive Plan (the "2015 Plan"), as described in the 2015 Plan and the applicable 2015 RSU Award Agreement.

In addition, the Company will recommend to the Board of Directors that you be granted options ("the Option") to purchase 47,000 shares of Sunrun common stock. The shares subject to the Option will vest over four years, commencing on the day the Board of Directors approves your grant (the "Vesting Commencement Date"), with twenty-five percent (25%) of such shares vesting on the one-year anniversary of your Vesting Commencement Date, and the remaining shares vesting in equal monthly installments thereafter contingent upon your continuous employment at the Company through each such date. The shares subject to the Option will be subject to the terms and conditions applicable to shares awarded under the Company's 2015 Equity Incentive Plan, as described In the 2015 Plan and the applicable 2015 Option Award Agreement.

Freedom Plan and Other Benefits

There are no changes to your participation in the Freedom Plan for paid time off, or any other Company provided benefits.

Key Employee Change in Control and Severance Plan

You are eligible to participate in the Key Employee Change in Control and Severance Plan ("the Plan"). The Plan and your Participant Agreement will be provided to you separately. This plan was previously disclosed in the 2018 Proxy Statement.

Other Terms and Matters

You are otherwise bounds by the terms and conditions of the Company's Confidentiality, Inventions Assignment, and Arbitration Agreement, Sunrun's employment policies including but not limited to our Insider Trading, No-Hedging, and Whistleblower policies. This promotion is in no way a guarantee of continuous employment and your employment remains "at will" at all times.

Please sign this letter, and return it to me by May 18, 2018. Congratulations on your promotion, and we look forward to seeing your continued success at Sunrun.

/s/ Chad Herring
Chad Herring
Vice President, Talent

/s/ Jeanna Steele
Jeanna Steele
General Counsel

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[***] = Certain information contained in this document, marked by brackets, has been omitted because it is both not material and would be competitively harmful if publicly disclosed.

Exhibit 10.41

SUNRUN ATLAS ISSUER 2019-2, LLC

ISSUER

and

WELLS FARGO BANK, NATIONAL ASSOCIATION

INDENTURE TRUSTEE

INDENTURE

DATED AS OF OCTOBER 28, 2019

$371,000,000

SUNRUN ATLAS ISSUER 2019-2, LLC
SOLAR ASSET BACKED NOTES, SERIES 2019-2
CLASS A NOTES AND CLASS B NOTES

CPAM: 12883712.7

Table of Contents

THIS INDENTURE (as amended or supplemented from time to time, the "Indenture") is dated as of October 28, 2019 between Sunrun Atlas Issuer 2019-2, LLC, a limited liability company organized under the laws of the State of Delaware, as issuer (the "*Issuer*"), and Wells Fargo Bank, National Association, a national banking association, not in its individual capacity but solely in its capacity as indenture trustee (together with its successors and assigns in such capacity, the "*Indenture Trustee*").

PRELIMINARY STATEMENT

Pursuant to this Indenture, there is hereby duly authorized the execution and delivery of two classes of notes designated as the Issuer's 3.61% Solar Asset Backed Notes, Series 2019-2, Class A (the "*Class A Notes*"), 6.35% Solar Asset Backed Notes, Series 2019-2, Class B (the "*Class B Notes*" and together with the Class A Notes, the "*Notes*"). All covenants and agreements made by the Issuer herein are for the benefit and security of the Holders of the Notes. The Issuer is entering into this Indenture, and the Indenture Trustee is accepting the trusts created hereby, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

GRANTING CLAUSE

The Issuer hereby Grants to the Indenture Trustee, for the benefit of the Holders of the Notes, as their interests may appear, all of the rights, title, interest and benefits of the Issuer whether now existing or hereafter arising in and to: (a) the Managing Member Membership Interests; (b) the Contribution Agreements, the Transaction Management Agreement, the Manager Transition Agreement, the Custodial Agreement, the Performance Guaranty, any Letter of Credit and all other Transaction Documents; (c) amounts deposited from time to time into the Collection Account, the Liquidity Reserve Account, the Supplemental Reserve Account, the Tax Loss Insurance Proceeds Account, and all Eligible Investments in each such account; (d) the membership interests of each Tax Equity Investor Member in the related Project Company if and when acquired by the Issuer through the exercise of the related Purchase Option or the [***] Project Company Put Option; (e) the membership interests of each Managing Member in the related Project Company; (f) proceeds of any and all of the foregoing including all proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or other property; and (g) all other assets of the Issuer (collectively, the "*Trust Estate*") except that the Trust Estate will not include a lien on the Solar Assets or any other assets of the Project Companies.

Such Grants are made in trust, to secure payments of amounts due with respect to the Notes ratably and without prejudice, priority or distinction between the Notes, and to secure: (a) the payment of all amounts on the Notes as such amounts become due in accordance with their terms; (b) the payment of all other sums payable in accordance with the provisions of this Indenture; and (c) compliance with the provisions of this Indenture, all as provided in this Indenture.

The Indenture Trustee acknowledges such Grants, accepts the trusts hereunder in accordance with the provisions of this Indenture, and agrees to perform the duties herein required pursuant to the terms and provisions of this Indenture and subject to the conditions hereof.

ARTICLE I

DEFINITIONS

Section 1.01. General Definitions and Rules of Construction. Except as otherwise specified or as the context may otherwise require, capitalized terms used in this Indenture shall have the respective meanings given to such terms in the Standard Definitions attached hereto as Annex A, which is hereby incorporated by reference into this Indenture as if set forth fully in this Indenture. The rules of construction set forth in Annex A shall apply to this Indenture and are hereby incorporated by reference into this Indenture as if set forth fully in this Indenture.

Section 1.02. Calculations. Calculations required to be made pursuant to this Indenture shall be made on the basis of information or accountings as to payments on each Note furnished by the Transaction Manager. Except to the extent they are incorrect on their face, such information or accountings may be conclusively relied upon in making such calculations, but to the extent that it is later determined that any such information or accountings are incorrect, appropriate corrections or adjustments will be made.

ARTICLE II

THE NOTES; RECONVEYANCE

Section 2.01. General.

(a) The Notes shall be designated the Issuer's "3.61% Solar Asset Backed Notes, Series 2019-2, Class A" and "6.35% Solar Asset Backed Notes, Series 2019-2, Class B."

(b) All payments of principal and interest with respect to the Notes shall be made only from the Trust Estate on the terms and conditions specified herein. Each Noteholder and each Note Owner, by its acceptance of a Note, agrees that it will have recourse solely against such Trust Estate and such payment and indemnification obligations included therein.

(c) Except as otherwise provided herein, all Notes shall be substantially identical in all respects. Except as specifically provided herein, all Notes issued, authenticated and delivered under this Indenture shall be in all respects equally and ratably entitled to the benefits hereof without preference, priority or distinction on account of the actual time or times of authentication and delivery, all in accordance with the terms and provisions of this Indenture.

(d) The Initial Outstanding Note Balance of the Class A Notes and the Class B Notes that may be executed by the Issuer and authenticated and delivered by the Indenture Trustee and Outstanding at any given time under this Indenture is limited to $312,400,000 and $58,600,000, respectively.

(e) Holders of the Notes shall be entitled to payments of interest and principal as provided herein. Each Class of Notes shall have a final maturity on the Rated Final Maturity. All Notes of the same Class shall be secured on parity with one another, with no Note of any Class having any priority over any other Note of that same Class.

(f) The Notes that are authenticated and delivered to the Noteholders by the Indenture Trustee upon an Issuer Order on the Closing Date shall be dated as of the Closing Date. Any Note issued later in exchange for, or in replacement of, any Note issued on the Closing Date shall be dated the date of its authentication.

(g) The Notes are issuable in the applicable Minimum Denomination and, in each case, integral multiples of $1,000 in excess thereof; provided that one Note of such Class may be issued in an additional amount equal to any remaining portion of the Initial Outstanding Note Balance of such Class.

Section 2.02. Forms of Notes. The Notes shall be in substantially the form set forth in Exhibit A-1 or Exhibit A-2, as applicable, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may, consistently herewith, be determined by the Issuer, as evidenced by its execution thereof.

The Definitive Notes shall be typewritten, printed, lithographed or engraved or produced by any combination of these methods, all as determined by the officers executing such Notes, as evidenced by their execution of such Notes.

Each Note shall be dated the date of its authentication. The terms of the Notes are set forth in Exhibit A-1 or Exhibit A-2, and are part of the terms of this Indenture.

(a) *Global Notes.* The Notes are being offered and sold by the Issuer to the Initial Purchasers pursuant to the Note Purchase Agreement.

Notes offered and sold within the United States to QIBs in reliance on Rule 144A and, with respect to any Class B Notes acquired by Sunrun or any of its affiliates, Institutional Accredited Investors, shall be issued initially in the form of Rule 144A Global Notes, which shall be deposited on behalf of the purchasers of the Notes represented thereby with the Indenture Trustee, as custodian for the Securities Depository, and registered in the name of the Securities Depository or a nominee of the Securities Depository, duly executed by the Issuer and authenticated by the Indenture Trustee

as hereinafter provided. The Outstanding Note Balance of the Rule 144A Global Notes may from time to time be increased or decreased by adjustments made on the records of the Indenture Trustee and the Securities Depository or its nominee as hereinafter provided. The Indenture Trustee shall not be liable for any error or omission by the Securities Depository in making such record adjustments and the records of the Indenture Trustee shall be controlling with regard to outstanding principal amount of Notes hereunder.

Notes offered and sold outside of the United States in reliance on Regulation S under the Securities Act shall be issued initially in the form of a Regulation S Temporary Global Note, which shall be deposited on behalf of the purchasers of the Notes represented thereby with the Indenture Trustee, as custodian for the Securities Depository, and registered in the name of the Securities Depository or the nominee of the Securities Depository for the investors' respective accounts at Euroclear Bank S.A./N.V. as operator of the Euroclear System ("*Euroclear*"), or Clearstream Banking société anonyme ("*Clearstream*"), duly executed by the Issuer and authenticated by the Indenture Trustee as hereinafter provided. Beneficial interests in the Regulation S Temporary Global Notes may be held only through Euroclear or Clearstream.

Within a reasonable period of time following the expiration of the "40-day distribution compliance period" (as defined in Regulation S), beneficial interests in the Regulation S Temporary Global Note shall be exchanged for beneficial interests in Regulation S Permanent Global Notes upon the receipt by the Indenture Trustee of an Officer's Certificate from the Issuer. The Regulation S Permanent Global Notes will be deposited with the Indenture Trustee, as custodian, and registered in the name of a nominee of the Securities Depository. Simultaneously with the authentication of the Regulation S Permanent Global Notes, the Indenture Trustee shall cancel the Regulation S Temporary Global Note. The Outstanding Note Balance of the Regulation S Temporary Global Note and the Regulation S Permanent Global Notes may from time to time be increased or decreased by adjustments made on the records of the Indenture Trustee and the Securities Depository or its nominee, as the case may be, in connection with transfers of interest as hereinafter provided. The Indenture Trustee shall incur no liability for any error or omission of the Securities Depository in making such record adjustments and the records of the Indenture Trustee shall be controlling with regard to outstanding principal amount of Regulation S Global Notes hereunder.

Each Global Note shall represent such of the outstanding Notes as shall be specified therein and each shall provide that it shall represent the aggregate amount of outstanding Notes from time to time endorsed thereon and that the aggregate amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and prepayments. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the amount of outstanding Notes represented thereby shall be made by the Indenture Trustee, or by the Note Registrar at the direction of the Indenture Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.08.

The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "Management Regulations" and "Instructions to Participants" of Clearstream shall be applicable to interests in the Regulation S Temporary Global Note and the Regulation S Permanent Global Notes that are held by the members of, or participants in, the Securities Depository (*"Agent Members"*) through Euroclear or Clearstream.

Except as set forth in Section 2.08, the Global Notes may be transferred, in whole and not in part, only to another nominee of the Securities Depository or to a successor of the Securities Depository or its nominee.

(b) *Book-Entry Provisions*. This Section 2.02(b) shall apply only to the Global Notes deposited with or on behalf of the Securities Depository.

The Issuer shall execute and the Indenture Trustee shall, in accordance with this Section 2.02(b), authenticate and deliver one Global Note for each Class of Notes which (i) shall be registered in the name of the Securities Depository or the nominee of the Securities Depository and (ii) shall be delivered by the Indenture Trustee to the Securities Depository or pursuant to the Securities Depository's instructions or held by the Indenture Trustee as custodian for the Securities Depository.

Agent Members shall have no rights either under this Indenture with respect to any Global Note held on their behalf by the Securities Depository or by the Indenture Trustee as custodian for the Securities Depository or under such Global Note, and the Securities Depository may be treated by the Issuer, the Indenture Trustee and any agent of the Issuer or the Indenture Trustee as the absolute owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Issuer, the Indenture Trustee or any agent of the Issuer or the Indenture Trustee from giving effect to any written certification, proxy or other authorization furnished by the Securities Depository or impair, as between the Securities Depository and its Agent Members, the operation of customary practices of such Securities Depository governing the exercise of the rights of an owner of a beneficial interest in any Global Note.

The Note Registrar and the Indenture Trustee shall be entitled to treat the Securities Depository for all purposes of this Indenture (including the payment of principal of and interest on the Notes and the giving of instructions or directions hereunder) as the sole Holder of the Notes, and shall have no obligation to the Note Owners.

The rights of Note Owners shall be exercised only through the Securities Depository and shall be limited to those established by law and agreements between such Note Owners and the Securities Depository and/or the Agent Members pursuant to the Note Depository Agreement. The initial Securities Depository will make book-entry transfers among the Agent Members and receive

and transmit payments of principal of and interest on the Notes to such Agent Members with respect to such Global Notes.

Whenever this Indenture requires or permits actions to be taken based upon instructions or directions of Holders of Notes evidencing a specified percentage of the Outstanding amount of the Notes, the Securities Depository shall be deemed to represent such percentage only to the extent that it has received instructions to such effect from Note Owners and/or Agent Members owning or representing, respectively, such required percentage of the beneficial interest in the Notes and has delivered such instructions to the Indenture Trustee.

(c) *Definitive Notes.* Except as provided in Sections 2.08 and 2.13, owners of beneficial interests in Global Notes will not be entitled to receive physical delivery of certificated definitive, fully registered Notes (the "*Definitive Notes*").

Section 2.03. Payment of Principal and Interest.

(a) Principal payments on the Notes will be made on each Payment Date to the Noteholders as of the related Record Date pursuant to the provision of Section 5.05. The remaining Aggregate Outstanding Note Balance, if any, shall be due and payable on the Rated Final Maturity.

(b) On each Payment Date, the Note Interest for each Class of Notes will be distributed to the registered Noteholders of the applicable Class of Notes as of the related Record Date in accordance with the Priority of Payments. Interest on the Notes with respect to any Payment Date will accrue at the applicable Note Rate based on the Interest Accrual Period.

(c) If the Outstanding Note Balance of any Class of Notes has not been paid in full on or before the Anticipated Repayment Date, additional interest (the "*Post-ARD Additional Note Interest*") will begin to accrue during each Interest Accrual Period thereafter on such Class of Notes at the related Post-ARD Additional Interest Rate. The Post-ARD Additional Note Interest for a Class of Notes will only be due and payable after the Aggregate Outstanding Note Balance has been paid in full. Prior to such time, the Post-ARD Additional Note Interest accruing on a Class of Notes will be deferred and added to any Post-ARD Additional Note Interest previously deferred and remaining unpaid ("*Deferred Post-ARD Additional Note Interest*"). Deferred Post-ARD Additional Note Interest will not bear interest.

Section 2.04. Payments to Noteholders.

(a) Noteholders of each Class shall, subject to the priorities and conditions set forth in Section 5.05, be entitled to receive payments of interest and principal on each Payment Date. Any payment of interest or principal payable with respect to the Notes on the applicable Payment Date shall be made to the Person in whose name such Note is registered on the Record Date for such Payment Date in the manner provided in Section 5.07.

(b) All reductions in the principal balance of a Note (or one or more Predecessor Notes) effected by payments of principal made on any Payment Date shall be binding upon all Holders of such Note and of any Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof, whether or not such payment is noted on such Note.

Section 2.05. Execution, Authentication, Delivery and Dating.

(a) The Notes shall be executed by the Issuer. The signature of such Authorized Officer on the Notes may be manual or facsimile. Notes bearing the manual or facsimile signature of any individual who was, at the time of execution thereof, an Authorized Officer of the Issuer shall bind the Issuer, notwithstanding the fact that such individual ceased to hold such office prior to the authentication and delivery of such Notes or did not hold such office at the date of issuance of such Notes.

(b) On the Closing Date, the Issuer shall, and at any time and from time to time after the execution and delivery of this Indenture, the Issuer may deliver Notes executed by the Issuer to the Indenture Trustee for authentication, and the Indenture Trustee, upon receipt of the Notes and of an Issuer Order, shall authenticate and deliver such Notes; *provided*, *however*, that the Indenture Trustee shall not authenticate the Notes on the Closing Date unless and until it shall have received the documents listed in Section 2.12.

(c) Each Note authenticated and delivered by the Indenture Trustee to or upon an Issuer Order on or prior to the Closing Date shall be dated the Closing Date. All other Notes that are authenticated after the Closing Date for any other purpose under this Indenture shall be dated the date of their authentication.

(d) Notes issued upon transfer, exchange or replacement of other Notes shall be issued in authorized denominations reflecting the Outstanding Note Balance so transferred, exchanged or replaced, but shall represent only the Outstanding Note Balance so transferred, exchanged or replaced. In the event that any Note is divided into more than one Note in accordance with this Article II, such Outstanding Note Balance shall be divided among the Notes delivered in exchange therefor.

(e) No Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Note a certificate of authentication, substantially in the form provided for herein, executed by the Indenture Trustee by the manual signature of a Responsible Officer of the Indenture Trustee, and such executed certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered.

Section 2.06. Temporary Notes. Except for the Notes maintained in book-entry form, temporary Notes shall be issuable in any authorized denomination, and substantially in the form of

the Definitive Notes but with such omissions, insertions and variations as may be appropriate for temporary Notes, all as may be determined by the Issuer. Every such temporary Note shall be executed by the Issuer and authenticated by the Indenture Trustee upon the same conditions and in substantially the same manner, and with the same effect, as the Definitive Notes. Without unreasonable delay, the Issuer will execute and deliver to the Indenture Trustee Definitive Notes (other than in the case of Notes in global form) and thereupon any or all temporary Notes (other than in the case of Notes in global form) may be surrendered in exchange therefor, at the Corporate Trust Office, and the Indenture Trustee shall authenticate and deliver in exchange for such temporary Notes an equal aggregate principal amount of Definitive Notes. Such exchange shall be made by the Issuer at its own expense and without any charge therefor. Until so exchanged, the temporary Notes shall in all respects be entitled to the same benefits and subject to the same limitations under this Indenture as Definitive Notes authenticated and delivered hereunder.

Section 2.07. Registration, Registration of Transfer and Exchange.

(a) The Indenture Trustee (in such capacity, the "*Note Registrar*") shall cause to be kept at its Corporate Trust Office a register (the "*Note Register*"), in which, subject to such reasonable regulations as it may prescribe, the Note Registrar shall provide for the registration of the Notes and the registration of transfers of such Notes. The Notes are intended to be obligations in registered form for purposes of Section 163(f), Section 871(h)(2) and Section 881(c)(2) of the Code.

(b) Each Person who has or who acquires any Ownership Interest in a Note shall be deemed by the acceptance or acquisition of such Ownership Interest to have agreed to be bound by the provisions of this Section 2.07 and Section 2.08.

(c) Each purchaser of Global Notes, other than the Initial Purchasers, will be deemed to have represented and agreed as follows:

(i) The purchaser (other than Sunrun or any affiliate thereof that acquires a Class B Note) (A) (1) is a QIB, (2) is aware that the sale to it is being made in reliance on Rule 144A and (3) is acquiring the Notes or interests therein for its own account or for the account of a QIB or (B) is not a U.S. Person and is purchasing the Notes or interests therein in an offshore transaction pursuant to Regulation S.

(ii) The purchaser understands that the Notes and interests therein are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Notes have not been and will not be registered under the Securities Act and that (A) if in the future it decides to offer, resell, pledge or otherwise transfer any of the Notes or any interests therein, such Class A Notes and Class B Notes or the interests therein may not be offered, resold, pledged or otherwise transferred in denominations lower than $100,000 and $750,000, respectively, and, in each case, in

integral multiples of $1,000 in excess thereof, and only (1) in the United States to a person whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (2) outside the United States in a transaction complying with the provisions of Regulation S under the Securities Act, or (3) pursuant to another exemption from registration under the Securities Act (if available and evidenced by an opinion of counsel acceptable to the Issuer and the Indenture Trustee), in each of cases (1) through (3) in accordance with any applicable securities laws of any State of the United States and any other applicable jurisdiction, and (B) the purchaser will, and each subsequent Holder is required to, notify any subsequent purchaser of such Notes or interests therein from it of the resale restrictions referred to in (A) above. Notwithstanding the foregoing restriction, any Note that has been properly issued in an amount no less than the applicable Minimum Denomination, or any interest therein, may be offered, resold, pledged or otherwise transferred in denominations less than the applicable Minimum Denomination if such lesser denomination is solely a result of a reduction in principal due to payments made in accordance with this Indenture.

(iii) The purchaser understands that the Notes will bear a legend substantially to the following effect:

THIS NOTE (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND NEITHER THIS NOTE NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE OR ANY INTEREST HEREIN IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE OR INTEREST HEREIN MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THE HOLDER OF THIS NOTE OR ANY INTEREST HEREIN AGREES FOR THE BENEFIT OF THE ISSUER THAT (A) THIS NOTE AND ANY INTEREST HEREIN MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN DENOMINATIONS LOWER THAN $100,000 *FOR CLASS A NOTES*/$750,000 *FOR CLASS B NOTES* AND IN INTEGRAL MULTIPLES OF $1,000 IN EXCESS THEREOF, AND ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A

TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S, OR (III) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE AND EVIDENCED BY AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER AND THE INDENTURE TRUSTEE), IN EACH OF CASES (I) THROUGH (III) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS NOTE OR ANY INTEREST HEREIN FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE. NOTWITHSTANDING THE FOREGOING RESTRICTION, ANY NOTE THAT HAS BEEN PROPERLY ISSUED IN AN AMOUNT NO LESS THAN $100,000 *FOR CLASS A NOTES*/$750,000 *FOR CLASS B NOTES*, OR ANY INTEREST THEREIN, MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN DENOMINATIONS LESS THAN $100,000 *FOR CLASS A NOTES*/$750,000 *FOR CLASS B NOTES* IF SUCH LESSER DENOMINATION IS SOLELY A RESULT OF A REDUCTION IN PRINCIPAL DUE TO PAYMENTS MADE IN ACCORDANCE WITH THIS INDENTURE.

THE PURCHASER UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE NOTES FROM THE SECURITIES DEPOSITORY.

(iv) The purchaser understands that any Note offered in reliance on Regulation S will, during the 40-day distribution compliance period commencing on the day after the later of the commencement of the offering and the date of original issuance of the Notes, bear a legend substantially to the following effect:

THIS NOTE IS A TEMPORARY GLOBAL NOTE FOR PURPOSES OF REGULATION S UNDER THE SECURITIES ACT WHICH IS EXCHANGEABLE FOR A REGULATION S PERMANENT GLOBAL NOTE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN THE INDENTURE.

PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING AND THE ORIGINAL ISSUE DATE OF THE NOTES, THIS NOTE MAY NOT BE OFFERED, SOLD,

PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO A U.S. PERSON EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

Following the 40-day distribution compliance period, interests in a Regulation S Temporary Global Note will be exchanged for interests in a Regulation S Permanent Global Note.

(v) Each purchaser and transferee by its purchase and holding of a Class A Note or Ownership Interest therein shall be deemed to have represented and warranted that (a) it is not acquiring the Class A Note or interest therein for or on behalf of or with the assets of any employee benefit plan as defined in Section 3(3) of the Employment Retirement Income Security Act of 1974, as amended ("*ERISA*") that is subject to Title I of ERISA or any other "plan" as defined in Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code or any entity whose underlying assets include plan assets (within the meaning of 29 C.F.R. 2510.3-101, as modified by Section 3(3) of ERISA) by reason of an employee benefit plan's or plan's investment in such entity (each a "*Benefit Plan Investor*"), or any "governmental plan" within the meaning of Section 3(32) of ERISA or "church plan" within the meaning of Section 3(33) of ERISA that is subject to any substantially similar provision of state or local law ("*Similar Law*"), or (b) if the purchaser or transferee is a Benefit Plan Investor or a governmental plan or church plan subject to Similar Law, the purchaser and transferee and the fiduciary of such Benefit Plan Investor or governmental plan or church plan by its purchase of the Class A Note or interest therein shall be deemed to have represented and warranted that the purchase and holding of the Class A Note or interest therein will not result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code or violation of Similar Law and will be consistent with any applicable fiduciary duties that may be imposed upon the purchaser or transferee.

(vi) Each purchaser and transferee by its purchase and holding of a Class B Note or Ownership Interest therein shall be deemed to have represented and warranted that at the time of its purchase and throughout the period that it holds such Class B Note or interest therein, that (a) it is not and will not be a Benefit Plan Investor and is not acquiring the Class B Note (or any interest therein), directly or indirectly, with the assets of a Benefit Plan Investor, (b) it is not and will not be a Government Plan or church plan subject to Similar Law and will not be acquiring the Class B Note, directly or indirectly, with the assets of such a Government Plan or church plan and (c) it will not sell or otherwise transfer the Class B Note or interest therein to any person without first obtaining the same foregoing representations, warranties and covenants from that person.

(vii) The purchaser understands that the Issuer may receive a list of participants holding positions in the Notes from the Securities Depository.

(viii) Each purchaser and transferee by its purchase of a Note or interest therein shall be deemed to have agreed to treat the Note as indebtedness and indicate on all federal, state and local income tax and information returns and reports required to be filed with respect to the Note, under any applicable federal, state or local tax statute or any rule or regulation under any of them, that the Note is indebtedness unless otherwise required by applicable law.

(d) Other than with respect to Notes maintained in book-entry form, at the option of a Noteholder, Notes may be exchanged for other Notes of any authorized denominations and of a like Outstanding Note Balance and Class upon surrender of the Notes to be exchanged at the Corporate Trust Office. Whenever any Notes are so surrendered for exchange, the Issuer shall execute, and the Indenture Trustee shall authenticate and deliver, the Notes which the Noteholder making the exchange is entitled to receive.

(e) Other than with respect to Notes maintained in book-entry form, any Note presented or surrendered for registration of transfer or exchange shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Indenture Trustee duly executed. All Notes issued upon any registration of transfer or exchange of Notes shall be the valid obligations of the Issuer, evidencing the same rights, and entitled to the same benefits under this Indenture, as the Class of Notes surrendered upon such registration of transfer or exchange. No service charge shall be made for any registration of transfer or exchange of Notes, but the Issuer and the Indenture Trustee may require payment of a sum sufficient to cover any tax or other governmental charge as may be imposed in connection with any registration of transfer or exchange of Notes, other than exchanges pursuant to Section 2.08 not involving any transfer.

The Notes have not been and will not be registered under the Securities Act or the securities laws of any jurisdiction. Consequently, the Notes are not transferable other than pursuant to an exemption from the registration requirements of the Securities Act and satisfaction of provisions set forth in this Indenture.

(f) Each purchaser and transferee by its purchase of a Class B Note or a beneficial interest therein shall be deemed to have made all of the certifications, representations, warranties and covenants set forth therein (which shall include those set forth in Section 2.07(c)(i)-(ix) and Section 2.08(e)). Any transfer of a beneficial interest in a Class B Note in violation of any of the foregoing will be of no force and effect and void *ab initio*.

(g) Sunrun and any affiliate thereof, by its holding, transfer or purchase of the Class B Notes on and after the Closing Date, will be deemed to have represented that it is an Institutional Accredited Investor.

Section 2.08. Transfer and Exchange.

(a) The transfer and exchange of Global Notes or beneficial interests therein shall be effected through the Securities Depository, in accordance with this Indenture and the procedures of the Securities Depository therefor, which shall include restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Beneficial interests in a Global Note may be transferred to persons who take delivery thereof in the form of a beneficial interest in the same Global Note in accordance with the transfer restrictions set forth in the legends in subsections (c)(iii) and (c)(iv) of Section 2.07, as applicable. Transfers of beneficial interests in the Global Notes to persons required or permitted to take delivery thereof in the form of an interest in another Global Note shall be permitted as follows:

(i) *Rule 144A Global Note to Regulation S Global Note*. If, at any time, an owner of a beneficial interest in a Rule 144A Global Note deposited with the Securities Depository (or the Indenture Trustee as custodian for the Securities Depository) wishes to transfer its interest in such Rule 144A Global Note to a person who is required or permitted to take delivery thereof in the form of an interest in a Regulation S Global Note, such owner shall, subject to compliance with the applicable procedures described herein (the "*Applicable Procedures*"), exchange or cause the exchange of such interest for an equivalent beneficial interest in a Regulation S Global Note as provided in this Section 2.08(a)(i). Upon receipt by the Indenture Trustee of (1) instructions given in accordance with the Applicable Procedures from an Agent Member directing the Indenture Trustee to credit or cause to be credited a beneficial interest in the Regulation S Global Note in an amount equal to the beneficial interest in the Rule 144A Global Note to be exchanged, (2) a written order given in accordance with the Applicable Procedures containing information regarding the participant account of the Securities Depository and the Euroclear or Clearstream account to be credited with such increase, and (3) a certificate in the form of Exhibit B-1 hereto given by the Note Owner of such beneficial interest stating that the transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with Rule 903 or Rule 904 of Regulation S, then the Indenture Trustee, as Note Registrar, shall instruct the Securities Depository to reduce or cause to be reduced the initial Outstanding Note Balance of the applicable Rule 144A Global Note and to increase or cause to be increased the initial Outstanding Note Balance of the applicable Regulation S Global Note by the initial principal amount of the beneficial interest in the Rule 144A Global Note to be exchanged, to credit or cause to be credited to the account of the person specified in such instructions a beneficial interest in the Regulation S Global Note equal to the reduction in the initial Outstanding Note Balance of the Rule 144A Global Note, and to debit, or cause to be debited, from the account of the person making such exchange or transfer the beneficial interest in the Rule 144A Global Note that is being exchanged or transferred.

(ii) *Regulation S Global Note to Rule 144A Global Note.* If, at any time an owner of a beneficial interest in a Regulation S Global Note deposited with the Securities Depository or with the Indenture Trustee as custodian for the Securities Depository wishes to transfer its interest in such Regulation S Global Note to a person who is required or permitted to take delivery thereof in the form of an interest in a Rule 144A Global Note, such owner shall, subject to the Applicable Procedures, exchange or cause the exchange of such interest for an equivalent beneficial interest in a Rule 144A Global Note as provided in this Section 2.08(a)(ii). Upon receipt by the Indenture Trustee of (1) instructions from Euroclear or Clearstream, if applicable, and the Securities Depository, directing the Indenture Trustee, as Note Registrar, to credit or cause to be credited a beneficial interest in the Rule 144A Global Note equal to the beneficial interest in the Regulation S Global Note to be exchanged, such instructions to contain information regarding the participant account with the Securities Depository to be credited with such increase, (2) a written order given in accordance with the Applicable Procedures containing information regarding the participant account of the Securities Depository and (3) if such transfer is being effected prior to the expiration of the "40-day distribution compliance period" (as defined by Regulation S under the Securities Act), a certificate in the form of Exhibit B-2 attached hereto given by the Note Owner of such beneficial interest stating (A) if the transfer is pursuant to Rule 144A, that the person transferring such interest in a Regulation S Global Note reasonably believes that the person acquiring such interest in a Rule 144A Global Note is a QIB and is obtaining such beneficial interest in a transaction meeting the requirements of Rule 144A and any applicable blue sky or securities laws of any State of the United States, (B) that the transfer complies with the requirements of Rule 144A under the Securities Act and any applicable blue sky or securities laws of any State of the United States or (C) if the transfer is pursuant to any other exemption from the registration requirements of the Securities Act, that the transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the requirements of the exemption claimed, such statement to be supported by an Opinion of Counsel from the transferee or the transferor in form reasonably acceptable to the Issuer and to the Indenture Trustee, then the Indenture Trustee, as Note Registrar, shall instruct the Securities Depository to reduce or cause to be reduced the initial Outstanding Note Balance of such Regulation S Global Note and to increase or cause to be increased the initial Outstanding Note Balance of the applicable Rule 144A Global Note by the initial principal amount of the beneficial interest in the Regulation S Global Note to be exchanged, and the Indenture Trustee, as Note Registrar, shall instruct the Securities Depository, concurrently with such reduction, to credit or cause to be credited to the account of the person specified in such instructions a beneficial interest in the applicable Rule 144A Global Note equal to the reduction in the Outstanding Note Balance at maturity of such Regulation S Global Note and to debit or cause to be debited

from the account of the person making such transfer the beneficial interest in the Regulation S Global Note that is being transferred.

(b) *Transfer and Exchange from Definitive Notes to Definitive Notes*. When Definitive Notes are presented by a Holder to the Note Registrar with a request:

(i) to register the transfer of Definitive Notes in the form of other Definitive Notes; or

(ii) to exchange such Definitive Notes for an equal principal amount of Definitive Notes of other authorized denominations,

the Note Registrar shall register the transfer or make the exchange as requested; *provided*, *however*, that the Definitive Notes presented or surrendered for register of transfer or exchange shall be duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Note Registrar duly executed by such Holder or by his attorney, duly authorized in writing; and

(i) if such Definitive Note is being transferred to a QIB in accordance with Rule 144A or in an offshore transaction pursuant to Regulation S, a certification to that effect from such Holder (in the form attached as Exhibit B-3 hereto); or

(ii) if such Definitive Note is being transferred in reliance on any other exemption from the registration requirements of the Securities Act, a certification to that effect from such Holder (in the form attached as Exhibit B-3 hereto) and an Opinion of Counsel from such Holder or the transferee reasonably acceptable to the Issuer and to the Indenture Trustee to the effect that such transfer is in compliance with the Securities Act.

(c) *Restrictions on Transfer and Exchange of Global Notes.* Notwithstanding any other provision of this Indenture, a Global Note may not be transferred except by the Securities Depository to a nominee of the Securities Depository or by a nominee of the Securities Depository to the Securities Depository or another nominee of the Securities Depository or by the Securities Depository or any such nominee to a successor Securities Depository or a nominee of such successor Securities Depository.

(d) *Initial Issuance of the Notes*. The Initial Purchasers shall not be required to deliver, and neither the Issuer nor the Indenture Trustee shall demand therefrom, any of the certifications or opinions described in this Section 2.08 in connection with the initial issuance of the Notes and the delivery thereof by the Issuer.

(e) *Tax Transfer Restrictions for the Class B Notes*. Notwithstanding anything to the contrary herein, no transfer of a beneficial interest in a Class B Note shall be effective, and any attempted transfer shall be void *ab initio*, unless, each transferee satisfies each of the items in clauses

(i) through (ix) below. By its acceptance of an Ownership Interest in a Class B Note, each transferee shall be deemed to have represented and agreed as follows:

(i) Either (A) it is not and will not become, for U.S. federal income tax purposes, a partnership, S corporation, or grantor trust (each such entity a "flow-through entity") or (B) if it is or becomes a flow-through entity, then (1) none of the direct or indirect beneficial owners of any of the interests in such flow-through entity has or ever will have 50% or more of the value of its interest in such flow-through entity attributable to the beneficial interest of such flow-through entity in the Class B Notes, other interest (direct or indirect) in the Issuer, or any interest created under this Indenture and (2) it is not and will not be a principal purpose of the arrangement involving the flow-through entity's beneficial interest in any Class B Note to permit any entity to satisfy the 100-partner limitation of Section 1.7704-1(h)(1)(ii) of the Treasury Regulations necessary for such entity not to be classified as a publicly traded partnership for U.S. federal income tax purposes.

(ii) It will not (A) acquire, sell, transfer, assign, pledge or otherwise dispose of any of its interests in a Class B Note (or any interest therein that is described in Section 1.7704-1(a)(2)(i)(B) of the Treasury Regulations) on or through (x) a U.S. national, regional or local securities exchange, (y) a foreign securities exchange or (z) an inter-dealer quotation system that regularly disseminates firm buy or sell quotations by identified brokers or dealers (including, without limitation, the National Association of Securities Dealers Automated Quotation System) ((x), (y) and (z), collectively, an "*Exchange*") or (B) cause any of its interests in the Class B Note to be marketed on or through an Exchange.

(iii) It will not cause any beneficial interest in a Class B Note to be traded or otherwise marketed on or through an "established securities market" or a "secondary market (or the substantial equivalent thereof)," each within the meaning of Section 7704(b) of the Code and the Treasury Regulations promulgated thereunder, including, without limitation, an interdealer quotation system that regularly disseminates firm buy or sell quotations.

(iv) Its beneficial interest in the Class B Note is not and will not be in an amount that is less than the Minimum Denomination for the Class B Notes, and it does not and will not hold any beneficial interest in the Class B Note on behalf of any person whose beneficial interest in the Class B Note is in an amount that is less than the Minimum Denomination for the Class B Notes set forth in this Indenture. It will not sell, transfer, assign, participate, or otherwise dispose of any beneficial interest in the Class B Note or enter into any financial instrument or contract the value of which is determined by reference in whole or in part to any Class B Note, in each case, if the effect of doing so would be that the beneficial interest of any person in a Class B Note would be in an amount that is less than the Minimum Denomination for the Class B Notes. Notwithstanding the foregoing restriction, any Class B Note that has originally been properly issued in an amount no less than the Class B

Minimum Denomination, or any interest therein, may be offered, resold, pledged or otherwise transferred in denominations less than the Minimum Denomination for the Class B Notes if such lesser denomination is solely a result of a reduction in principal due to payments made in accordance with this Indenture.

(v) It will not enter into any financial instrument the payment on which, or the value of which, is determined in whole or in part by reference to an interest in the Class B Note (including the amount of payments on the Class B Note, the value of the Class B Note or any contract that otherwise is described in Section 1.7704-1(a)(2)(i)(B) of the Treasury Regulations).

(vi) It will not use the Class B Note as collateral for the issuance of any securities that could cause the Issuer to become subject to taxation as a corporation or a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes.

(vii) It will not take any action that could reasonably be expected to cause, and will not omit to take any action, which omission could reasonably be expected to cause, the Issuer to become taxable as a corporation for U.S. federal income tax purposes.

(viii) It acknowledges that the Sponsor, the Originator, the Indenture Trustee, the Note Registrar, the Issuer and others will rely on the truth and accuracy of the foregoing representations, warranties and covenants and agrees that if it becomes aware that any of the foregoing are no longer accurate, it shall notify the Issuer.

(ix) It will treat the Class B Note as indebtedness and indicate on all U.S. federal and state income tax and information returns and reports required to be filed with respect to the Class B Note, under any applicable U.S. federal or state tax statute, rule, or regulation, that the Class B Note is indebtedness.

The Indenture Trustee shall maintain a file of all such transferee certifications delivered to it and shall make such transferee certifications available to the Issuer upon request.

(f) *Class B Notes.* Notwithstanding anything to the contrary in this Indenture, any provision requiring that the Class B Notes may only be acquired or held by a QIB shall not apply to Sunrun or any of its affiliates. Sunrun or any of its affiliates may acquire or hold Class B Notes so long as such entity is an Institutional Accredited Investor.

Section 2.09. Mutilated, Destroyed, Lost or Stolen Notes.

(a) If (i) any mutilated Note is surrendered to the Indenture Trustee or the Indenture Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, and (ii) there is delivered to the Indenture Trustee such security or indemnity as may be required by the Indenture

Trustee to hold each of the Issuer and the Indenture Trustee harmless, then, in the absence of actual notice to the Issuer or the Indenture Trustee that such Note has been acquired by a protected purchaser, the Issuer shall execute, and the Indenture Trustee shall authenticate and deliver upon an Issuer Order, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Note, a new Note or Notes of the same tenor and class and principal balance bearing a number not contemporaneously outstanding; *provided*, *however*, that if any such mutilated, destroyed, lost or stolen Note shall have become subject to receipt of payment in full, instead of issuing a new Note, the Indenture Trustee may make a payment with respect to such Note without surrender thereof, except that any mutilated Note shall be surrendered. If, after the delivery of such new Note or payment with respect to a destroyed, lost or stolen Note pursuant to the proviso to the preceding sentence, a protected purchaser of the original Note in lieu of which such new Note was issued presents for receipt of payments such original Note, the Issuer and the Indenture Trustee shall be entitled to recover such new Note (or such payment) from the Person to whom it was delivered or any Person taking such new Note from such Person, except a protected purchaser, and each of the Issuer and the Indenture Trustee shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage or cost incurred by the Issuer or the Indenture Trustee in connection therewith.

(b) Upon the issuance of any new Note under this Section 2.09, the Issuer or the Indenture Trustee may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

(c) Every new Note issued pursuant to this Section 2.09 in lieu of any destroyed, lost or stolen Note shall constitute an original additional contractual obligation of the Issuer, whether or not such destroyed, lost or stolen Note shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Notes duly issued hereunder.

(c) The provisions of this Section 2.09 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment with respect to mutilated, destroyed, lost or stolen Notes.

Section 2.10. Persons Deemed Noteholders. Before due presentment for registration of transfer of any Note, the Issuer, the Indenture Trustee and any agent of the Issuer or the Indenture Trustee may treat the Person in whose name any Note is registered as the owner of such Note (a) on the applicable Record Date for the purpose of receiving payments with respect to principal and interest on such Note and (b) on any date for all other purposes whatsoever, whether or not such Note be overdue, and none of the Issuer, the Indenture Trustee nor any agent of the Issuer or the Indenture Trustee shall be affected by any notice to the contrary.

Section 2.11. Cancellation of Notes. All Definitive Notes surrendered for payment, registration of transfer, exchange, or prepayment shall, if surrendered to any Person other than the

Indenture Trustee, be delivered to the Indenture Trustee and shall be promptly canceled by it. The Issuer may at any time deliver to the Indenture Trustee for cancellation any Note previously authenticated and delivered hereunder which the Issuer may have acquired in any manner whatsoever, and all Notes so delivered shall be promptly canceled by the Indenture Trustee. No Notes shall be authenticated in lieu of or in exchange for any Notes canceled as provided in this Section 2.11 except as expressly permitted by this Indenture. All canceled Notes shall be held and disposed of by the Indenture Trustee in accordance with its standard retention and disposal policy.

Section 2.12. Conditions to Closing. The Notes shall be executed, authenticated and delivered on the Closing Date in accordance with Section 2.05 and, upon receipt by the Indenture Trustee of the following:

(a) an Issuer Order authorizing the authentication and delivery of such Notes by the Indenture Trustee;

(b) the original Notes executed by the Issuer and true and correct copies of the fully executed Transaction Documents;

(c) Opinions of Counsel addressed to the Indenture Trustee, the Initial Purchasers, and the Rating Agency in form and substance satisfactory to the Indenture Trustee, the Initial Purchasers and the Rating Agency addressing corporate, security interest, tax and bankruptcy matters;

(d) an Officer's Certificate of an Authorized Officer of the Issuer, stating that:

(i) all representations and warranties of the Issuer contained in the Transaction Documents are true and correct, and no defaults of the Issuer exist under the Transaction Documents; and

(ii) the issuance of the Notes will not result in any breach of any of the terms, conditions or provisions of, or constitute a default under, this Indenture or any other Transaction Document, the Issuer Operating Agreement or any other constituent documents of the Issuer or any indenture, mortgage, deed of trust or other agreement or instrument to which the Issuer is a party or by which it is bound, or any order of any court or administrative agency entered in any proceeding to which the Issuer is a party or by which it may be bound or to which it may be subject, and that all conditions precedent provided in this Indenture relating to the authentication and delivery of the Notes have been fully satisfied; and

(iii) the conditions precedent in this Indenture relating to the authentication and delivery of the Notes have been satisfied;

(e) an Officer's Certificate dated as of the Closing Date, of an Authorized Officer of the Depositor that:

(i) the Depositor is not in default under any of the Transaction Documents to which it is a party, and the transfer of the Depositor Conveyed Property by the Depositor and the simultaneous Grant of the Trust Estate to the Indenture Trustee by the Issuer will not result in any breach of any of the terms, conditions or provisions of, or constitute a material default under, its organizational documents or any other constituent documents of it or any indenture, mortgage, deed of trust or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any proceeding to which it is a party or by which it may be bound or to which it may be subject; and

(ii) all representations and warranties of it contained in each of the Transaction Documents to which it is a party are true and correct;

(f) an Officer's Certificate dated as of the Closing Date, of an Authorized Officer of the Sunrun Atlas Holdco that:

(i) Sunrun Atlas Holdco is not in default under any of the Transaction Documents to which it is a party, and the transfer of the Conveyed Property by Sunrun Atlas Holdco and the simultaneous Grant of the Trust Estate to the Indenture Trustee by the Issuer will not result in any breach of any of the terms, conditions or provisions of, or constitute a material default under, its organizational documents or any other constituent documents of it or any indenture, mortgage, deed of trust or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any proceeding to which it is a party or by which it may be bound or to which it may be subject; and

(ii) all representations and warranties of it contained in each of the Transaction Documents to which it is a party are true and correct;

(g) an Officer's Certificate dated as of the Closing Date, of an Authorized Officer of the Sunrun Atlas Investor that:

(i) Sunrun Atlas Investor is not in default under any of the Transaction Documents to which it is a party, and the transfer of the Conveyed Property by Sunrun Atlas Holdco and the simultaneous Grant of the Trust Estate to the Indenture Trustee by the Issuer will not result in any breach of any of the terms, conditions or provisions of, or constitute a material default under, its organizational documents or any other constituent documents of it or any indenture, mortgage, deed of trust or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any proceeding to which it is a party or by which it may be bound or to which it may be subject; and

(ii) all representations and warranties of it contained in each of the Transaction Documents to which it is a party are true and correct;

(h) an Officer's Certificate dated as of the Closing Date, of an Authorized Officer of the Sunrun that:

(i) Sunrun is not in default under any of the Transaction Documents to which it is a party, and the transfer of the Conveyed Property by Sunrun and the simultaneous Grant of the Trust Estate to the Indenture Trustee by the Issuer will not result in any breach of any of the terms, conditions or provisions of, or constitute a material default under, its organizational documents or any other constituent documents of it or any indenture, mortgage, deed of trust or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any proceeding to which it is a party or by which it may be bound or to which it may be subject;

(ii) all representations and warranties of it contained in each of the Transaction Documents to which it is a party are true and correct; and

(iii) the conditions precedent in this Indenture relating to the authentication and delivery of the Notes have been satisfied;

(i) a Secretary's Certificate dated as of the Closing Date addressing each of the Issuer, Sunrun, Sunrun Atlas Holdco, Sunrun Atlas Investor and the Depositor regarding certain organizational matters and the incumbency of the signatures of the Issuer, the Transaction Manager and the Depositor;

(j) presentment of all applicable UCC termination statements or partial releases (collectively, the "*Termination Statements*") terminating the Liens of creditors of the Depositor, the Managing Members, the Original Managing Member Owner or any other Person with respect to any part of the Trust Estate (except as expressly contemplated by the Transaction Documents) and the Financing Statements (which shall constitute all of the Perfection UCCs with respect to the Closing Date) to the proper Person for filing to perfect the Indenture Trustee's first priority security interest in such Trust Estate Granted on the Closing Date registered in the name of the Indenture Trustee or its nominee and agent (a copy of the file stamped Financing Statements and Termination Statements shall be delivered by the Transaction Manager to the Indenture Trustee);

(k) evidence that the Indenture Trustee has established the Collection Account, the Liquidity Reserve Account, the Supplemental Reserve Account and the Tax Loss Insurance Proceeds Account;

(l) delivery by the Custodian to the Issuer and the Indenture Trustee of an executed Closing Date Certification;

(m) delivery by the Rating Agency to the Issuer and the Indenture Trustee of its rating letter assigning a rating to the Class A Notes of at least "A (sf)";

(n) all collections received in respect of the Depositor Conveyed Property for any period following the Cut-Off Date are retained by the Managing Members or the Project Companies or, to the extent not so retained, an equivalent amount has been deposited into the Collection Account on the Closing Date;

(o) the Issuer shall have deposited the Liquidity Reserve Account Required Balance into the Liquidity Reserve Account;

(p) the Issuer shall not be insolvent and will not become insolvent as a result of the Grant pursuant to this Indenture or the transactions contemplated by the Transaction Documents; and

(q) any other certificate, document or instrument reasonably requested by the Initial Purchasers or the Indenture Trustee.

Section 2.13. Definitive Notes. The Notes will be issued as Definitive Notes, rather than to DTC or its nominee, only if (a) the Securities Depository notifies the Issuer and the Indenture Trustee that it is unwilling or unable to continue as Securities Depository with respect to any or all of the Notes or (b) at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation, and in either case a successor Securities Depository is not appointed by the Issuer within 90 days after the Issuer receives notice or becomes aware of such condition, as the case may be. Upon the occurrence of any of the events described in the immediately preceding paragraph, the Issuer will issue the Notes of each Class in the form of Definitive Notes and thereafter the Indenture Trustee will recognize the holders of such Definitive Notes as Noteholders of each such Class under this Indenture. In connection with any proposed transfer outside the book entry system or exchange of beneficial interest in a Note for Notes in definitive registered form, the Issuer shall be required to provide or cause to be provided to the Indenture Trustee all information reasonably available to it that is not otherwise available to the Indenture Trustee and is reasonably requested by the Indenture Trustee and is otherwise necessary to allow the Indenture Trustee to comply with any applicable tax reporting obligations, including without limitation, any cost basis reporting obligations under Section 6045 of the Code. The Indenture Trustee may rely on any such information provided to it or available on the Note Register and shall have no responsibility to verify or ensure the accuracy of such information. The Indenture Trustee shall not have any responsibility or liability for any actions taken or not taken by DTC.

Section 2.14. Access to List of Noteholders' Names and Addresses . The Indenture Trustee shall furnish or cause to be furnished to the Transaction Manager within 15 days after receipt by the Indenture Trustee of a request therefor from the Transaction Manager in writing, a list, in such

form as the Transaction Manager may reasonably require, of the names and addresses of the Noteholders as of the most recent Record Date.

ARTICLE III

COVENANTS; COLLATERAL; REPRESENTATIONS; WARRANTIES

Section 3.01. Performance of Obligations.

(a) The Issuer will not take any action or cause any action to be taken by others which would release any Person from any of such Person's covenants or obligations in any Transaction Document or under any instrument or agreement included in the Trust Estate or that would result in the amendment, hypothecation, subordination, termination or discharge of, or impair the validity or effectiveness of, any such instrument or agreement, except as ordered by any bankruptcy or other court or as permitted by, or expressly contemplated in, this Indenture, the Transaction Documents or such other instrument or agreement.

(b) To the extent consistent with the Issuer Operating Agreement, the Issuer may contract with other Persons to assist it in performing its duties hereunder, and any performance of such duties shall be deemed to be action taken by the Issuer. To the extent that the Issuer contracts with other Persons which include or may include the furnishing of reports, notices or correspondence to the Indenture Trustee, the Issuer shall identify such Persons in a written notice to the Indenture Trustee.

(c) The Issuer shall and shall require each Sunrun Party to characterize (i) the transfers of the Conveyed Property pursuant to the Contribution Agreements as absolute transfers for legal purposes, (ii) the Grant of the Trust Estate by the Issuer under this Indenture as a pledge for U.S. federal income tax purposes and for financial accounting purposes, and (iii) the Notes as indebtedness for financial accounting purposes. In this regard, the financial statements of the Sunrun Parties and their consolidated subsidiaries will show the Conveyed Property as owned by the consolidated group and the Notes as indebtedness of the consolidated group (and will contain appropriate footnotes describing the transfer to the Issuer and the pledge to the Indenture Trustee for the benefit of the Noteholders), and the U.S. federal income tax returns of Sunrun and its consolidated subsidiaries will indicate that the Notes are indebtedness unless otherwise required by applicable law. The Issuer will cause each applicable Sunrun Party to file all required tax returns and associated forms, reports, schedules and supplements thereto in a manner consistent with such characterizations unless otherwise required by applicable law.

(d) The Issuer covenants to pay all material taxes or other similar charges levied by any Governmental Authority with regard to the Trust Estate (which shall include paying any Affiliate of the Issuer who pays such taxes for any affiliated group of which the Issuer is a member), except to the extent that the validity or amount of such taxes is contested in good faith, via appropriate

proceedings and with adequate reserves established and maintained therefor in accordance with GAAP.

(e) The Issuer hereby assumes liability for all liabilities associated with the Trust Estate or created under this Indenture, including but not limited to any obligation arising from the breach or inaccuracy of any representation, warranty or covenant of the Issuer set forth herein. Notwithstanding the foregoing, the Issuer has and shall have no liability with respect to the payment of principal and interest on the Notes, except as otherwise provided in this Indenture.

(f) The Issuer will punctually perform and observe all of its obligations and agreements contained in this Indenture, the Transaction Documents and in the instruments and agreements included in the Trust Estate, including, but not limited to, preparing (or causing to be prepared) and filing (or causing to be filed) all UCC financing statements and continuation statements required to be filed by the terms of this Indenture and the other Transaction Documents in accordance with and within the time periods provided for herein and therein. Except as otherwise expressly provided therein, the Issuer shall not waive, amend, modify, supplement or terminate any Transaction Document or any provision thereof without the consent of the Indenture Trustee (acting at the direction of the Majority Noteholders of the Controlling Class); provided that, in addition, any amendment to any Transaction Document shall be permitted on the same basis that an amendment to this Indenture is permitted pursuant to Section 10.01 hereof.

(g) If an Event of Default or Transaction Manager Termination Event shall arise from the failure of the Transaction Manager to perform any of its duties or obligations under the Transaction Management Agreement, the Issuer shall take all reasonable steps available to it to remedy such failure.

(h) The Issuer shall not waive timely performance or observance by the Transaction Manager or the Depositor of their respective duties under the Transaction Documents if the effect thereof would adversely affect the Holders of the Notes.

(i) If any of the Notes are issued with OID, the Issuer will provide Noteholders with the issue price, amount of OID, issue date and the yield to maturity upon request.

(j) If the related Tax Equity Investor Member exercises the [***] Project Company Put Option, the Issuer, upon one or more capital contributions from Sunrun, will acquire such Tax Equity Investor Member's membership interest in the [***] Project Company.

Section 3.02. Negative Covenants. In addition to the restrictions and prohibitions set forth in Sections 3.04, 3.09 and 3.10 and elsewhere herein, the Issuer will not:

(a) sell, transfer, exchange or otherwise dispose of any portion of its interest in the Trust Estate except as expressly permitted by or expressly contemplated in this Indenture or the other Transaction Documents;

(b) permit the validity or effectiveness of this Indenture or any Grant hereunder to be impaired, or permit the Lien of this Indenture to be amended, hypothecated, subordinated, terminated or discharged, or permit any Person to be released from any covenants or obligations under this Indenture, except as may be expressly permitted by or expressly contemplated in this Indenture or the other Transaction Documents;

(c) permit the Lien of this Indenture to not constitute a valid first priority, perfected security interest in the Trust Estate, subject to Permitted Liens;

(d) take any action or fail to take any action which may cause the Issuer to become classified as an association (or publicly traded partnership) that is taxable as a corporation for U.S. federal income tax purposes;

(e) act in violation of its organizational documents; or

(f) create, incur or suffer, or permit to be created or incurred or to exist, any Lien on any portion of the Trust Estate, except for the Lien created by this Indenture and Permitted Liens.

Section 3.03. Money for Note Payments.

(a) All payments with respect to any Notes which are to be made from amounts withdrawn from the Collection Account pursuant to Section 5.05 shall be punctually made on behalf of the Issuer by the Indenture Trustee, and no amounts so withdrawn from an Account for payments with respect to Notes shall be paid over to the Issuer under any circumstances except as provided in this Section 3.03 and Article V.

(b) When there shall be an Indenture Trustee that is not also the Note Registrar, the Issuer shall furnish, or cause the Note Registrar to furnish, with respect to Global Notes, on each Record Date, and with respect to Definitive Notes, no later than the fifth calendar day after each Record Date, a list, in such form as such Indenture Trustee may reasonably require, of the names and addresses of the Noteholders and of the number of individual Notes and the Outstanding Note Balance and Class of such Notes held by each such Noteholder.

(c) Any money held by the Indenture Trustee in trust for the payment of any amount distributable but unclaimed with respect to any Note shall be held in a non-interest bearing trust account, and if the same remains unclaimed for two years after such amount has become due to such Noteholder, such money shall be discharged from such trust and paid to the Issuer upon an Issuer Order without any further action by any Person; and the Holder of such Note shall thereafter, as an unsecured general creditor, look only to the Issuer for payment thereof (but only to the extent

of the amounts so paid to the Issuer), and all liability of the Indenture Trustee with respect to such trust money shall thereupon cease. The Indenture Trustee may adopt and employ, at the expense of the Issuer, any reasonable means of notification of such payment (including, but not limited to, mailing notice of such payment to Noteholders whose Notes have been called but have not been surrendered for prepayment or whose right to or interest in moneys due and payable but not claimed is determinable from the records of the Indenture Trustee, at the last address of record for each such Noteholder).

Section 3.04. Restriction of Issuer Activities. Until the date that is 365 days after the payment by the Issuer in full of all payments on the Notes, the Issuer will not on or after the date of execution of this Indenture: (i) engage in any business or investment activities other than those necessary for, incident to, connected with or arising out of, owning and Granting the Trust Estate to the Indenture Trustee for the benefit of the Noteholders, or contemplated hereby, in the Transaction Documents and the Issuer Operating Agreement; (ii) incur any indebtedness secured in any manner by, or that has any claim against, the Trust Estate or the Issuer other than indebtedness arising hereunder and in connection with the Transaction Documents and as otherwise expressly permitted in a Transaction Document; (iii) incur any other indebtedness except as permitted in the Issuer Operating Agreement; (iv) except to name a new Independent Manager or special member (subject to the limitations and obligations with respect to each such Person set forth in the Issuer Operating Agreement), amend, or propose to the member of the Depositor for its consent any amendment of, the Issuer Operating Agreement (or, if the Issuer shall be a successor to the Person named as the Issuer in the first paragraph of this Indenture, amend, consent to amendment or propose any amendment of, the governing instruments of such successor), without giving notice thereof in writing, 30 days prior to the date on which such amendment is to become effective, to the Rating Agency; (v) claim any credit on, or make any deduction from the principal or interest payable in respect of, the Notes (other than amounts properly withheld from such payments under the Code) or assert any claim against any present or former Noteholder by reason of the payment of the taxes levied or assessed upon any part of the Trust Estate; or (vi) dissolve or liquidate in whole or in part or merge or consolidate with any other Person, other than in compliance with Section 3.10 if any Notes are Outstanding.

Section 3.05. Protection of Trust Estate.

(a) The Issuer intends the security interest Granted pursuant to this Indenture in favor of the Indenture Trustee for the benefit of the Noteholders to be prior to all other Liens in respect of the Trust Estate, subject to Permitted Liens, and the Issuer shall take all actions necessary to obtain and maintain, in favor of the Indenture Trustee and the Noteholders, a first Lien on and a first priority, perfected security interest in the Trust Estate, subject to Permitted Liens. The Issuer authorizes and shall cause to be filed a financing statement that names the Issuer as debtor and the Indenture Trustee as secured party to ensure the perfection of the interest of the Indenture Trustee

in the Trust Estate (including describing the Trust Estate as “all assets of the Debtor whether now existing or hereafter acquired"). Subject to Section 3.05(f), the Issuer will from time to time prepare, execute (or authorize the filing of) and deliver all such supplements and amendments hereto and all such financing statements, continuation statements, instruments of further assurance, and other instruments (all as presented to it in final execution form), and will take such other action as may be necessary or advisable to:

(i) provide further assurance with respect to such Grant and/or Grant more effectively all or any portion of the Trust Estate;

(ii) maintain, preserve or enforce (A) the Lien and security interest (and the priority thereof) in favor of the Indenture Trustee created by this Indenture and (B) the terms and provisions of this Indenture or carry out more effectively the purposes hereof;

(iii) perfect, publish notice of, or protect the validity of, any Grant made or to be made by this Indenture;

(iv) enforce any of the Trust Estate; or

(v) preserve and defend title to any item comprising the Conveyed Property or other item included in the Trust Estate and the rights of the Indenture Trustee and of the Noteholders in such Conveyed Property or other item against the claims of all Persons.

The Issuer shall deliver or cause to be delivered to the Indenture Trustee file stamped copies of, or filing receipts for, any document recorded, registered or filed as provided above, as soon as available following such recording, registration or filing. The Issuer shall cooperate fully with the Indenture Trustee in connection with the obligations set forth above and will execute (or authorize the filing of) any and all documents reasonably required to fulfill the intent of this Section 3.05.

(b) The Issuer hereby irrevocably appoints the Indenture Trustee as its agent and attorney-in-fact (such appointment being coupled with an interest) to execute, or authorize the filing of, upon the Issuer’s failure to do so, any financing statement or continuation statement required pursuant to this Section 3.05; *provided, however*, that such designation shall not be deemed to create any duty in the Indenture Trustee to monitor the compliance of the Issuer with the foregoing covenants; and *provided further*, that the Indenture Trustee shall only be obligated to execute or authorize such financing statement or continuation statement upon written direction of the Transaction Manager and upon written notice to a Responsible Officer of the Indenture Trustee of the failure of the Issuer to comply with the provisions of Section 3.05(a); shall not be required to pay any fees, Taxes or other governmental charges in connection therewith; and shall not be required to prepare any financing statement or continuation statement required pursuant to this Section 3.05 (which shall in each case be prepared by the Issuer or the Transaction Manager). The Issuer shall cooperate with the Transaction Manager and provide to the Transaction Manager any information,

documents or instruments with respect to such financing statement or continuation statement that the Transaction Manager may reasonably require. Neither the Indenture Trustee nor any of its officers, directors, employees, attorneys or agents will be responsible or liable for the existence, genuineness, value or protection of any collateral securing the Notes, for the legality, enforceability, effectiveness or sufficiency of the Transaction Documents or any financing statement or continuation statement for the creation, perfection, continuation, priority, sufficiency or protection of any of the liens, or for any defect or deficiency as to any such matters, for monitoring the status of any lien or performance of the collateral or for the accuracy or sufficiency of any financing statement or continuation statement prepared for its execution or authorization hereunder.

(c) Except as necessary or advisable in connection with the fulfillment by the Indenture Trustee of its duties and obligations described herein or in any Transaction Document, the Indenture Trustee shall not remove any portion of the Trust Estate that consists of money or is evidenced by an instrument, certificate or other writing from the jurisdiction in which it was held as described in the most recent Opinion of Counsel that was delivered pursuant to Section 3.06 (or from the jurisdiction in which it was held as described in the Opinion of Counsel delivered at the Closing Date pursuant to Section 2.12(c), if no Opinion of Counsel has yet been delivered pursuant to Section 3.06) unless the Indenture Trustee shall have first received an Opinion of Counsel to the effect that the Lien created by this Indenture with respect to such property will continue to be maintained after giving effect to such action or actions.

(d) No later than 60 days prior to any Sunrun Party making any change in its name, identity, jurisdiction of organization or structure which would make any financing statement or continuation statement filed in accordance with paragraph (a) above seriously misleading within the meaning of Section 9-506 of the UCC as in effect in New York or wherever else necessary or appropriate under applicable law, or otherwise impair the perfection of the security interest in the Trust Estate, the Issuer shall give or cause to be given to the Indenture Trustee written notice of any such change and shall file such financing statements or amendments as may be necessary to continue the perfection of the Indenture Trustee's security interest in the Trust Estate. Neither the Depositor nor the Issuer shall become or seek to become organized under the laws of more than one jurisdiction.

(e) The Issuer shall give the Indenture Trustee written notice at least 60 days prior to any relocation of the Depositor's or the Issuer's respective principal executive office or jurisdiction of organization and whether, as a result of such relocation or the relocation of any other applicable Sunrun Party, the applicable provisions of relevant law or the UCC would require the filing of any amendment of any previously filed financing or continuation statement or of any new financing statement and shall file such financing statements or amendments as may be necessary to continue the perfection of the Indenture Trustee's security interest in the Trust Estate. The Issuer shall at all times maintain its principal executive office and jurisdiction of organization within the United States of America.

Section 3.06. Opinions and Officer's Certificates as to Trust Estate. On the Closing Date and, if requested by the Indenture Trustee, on the date of each supplemental indenture hereto, the Issuer shall furnish to the Indenture Trustee an Opinion of Counsel either stating that, in the opinion of such counsel, such action has been taken with respect to the recording and filing of this Indenture, and indentures supplemental hereto and other requisite documents and with respect to the authorization and filing of any financing statements and continuation statements, as are necessary to perfect and make effective the Lien and security interest in the Trust Estate in favor of the Indenture Trustee for the benefit of the Noteholders, created by this Indenture, subject to Permitted Liens, and reciting the details of such action, or stating that, in the opinion of such counsel, no such action is necessary to make such Lien and security interest effective.

On or before the thirtieth day prior to the fifth anniversary of the Closing Date and every five years thereafter until the Rated Final Maturity, the Issuer (or the Transaction Manager on behalf of the Issuer) shall furnish to the Indenture Trustee an Officer's Certificate either stating that all actions have been taken with respect to the recording, filing, re-recording and re-filing of this Indenture, any indentures supplemental hereto and any other requisite documents and with respect to the authorization and filing of any financing statements and continuation statements as is necessary to maintain the Lien created by this Indenture with respect to the Trust Estate and reciting the details of such actions or stating that no actions are necessary to maintain such Lien and security interest. The Issuer (or the Transaction Manager on behalf of the Issuer) shall also provide the Indenture Trustee with a file stamped copy of any document or instrument filed as described in such Officer's Certificate contemporaneously with the delivery of such Officer's Certificate. Such Officer's Certificate shall also describe the recording, filing, re-recording and re-filing of this Indenture, any indentures supplemental hereto and any other requisite documents and the authorization and filing of any financing statements and continuation statements that will be required to maintain the Lien of this Indenture with respect to the Trust Estate. If the Officer's Certificate delivered to the Indenture Trustee hereunder specifies future action to be taken by the Issuer, the Issuer (or the Transaction Manager on behalf of the Issuer) shall furnish a further Officer's Certificate no later than the time so specified in such Officer's Certificate to the effect required hereby.

Section 3.07. Statement as to Compliance. The Issuer will deliver to the Indenture Trustee and the Rating Agency, within 120 days after the end of each fiscal year (beginning with fiscal year 2019), an Officer's Certificate of the Issuer stating, as to the signer thereof, that, (a) a review of the activities of the Issuer during the preceding calendar year and of its performance under this Indenture has been made under such officer's supervision, (b) to the best of such officer's knowledge, based on such review, the Issuer has fulfilled all its obligations under this Indenture throughout such year, or, if there has been a default in the fulfillment of any such obligation that is continuing, specifying each such default known to such officer and the nature and status thereof and remedies therefor being pursued, and (c) to the best of such officer's knowledge, based on such review, no event has occurred and is continuing which is, or after notice or lapse of time or both would become,

an Event of Default hereunder or, if such an event has occurred and is continuing, specifying each such event known to him or her and the nature and status thereof and remedies therefor being pursued.

Section 3.08. Recording. The Issuer will, upon the Closing Date and thereafter from time to time, prepare and cause financing statements and such other instruments as may be required with respect thereto, including without limitation, the Financing Statements to be filed, registered and recorded as may be required by present or future law (with file stamped copies thereof delivered to the Indenture Trustee) to create, perfect and protect the Lien hereof upon the Conveyed Property and the other items of the Trust Estate, and protect the validity of this Indenture. The Issuer shall, from time to time, perform or cause to be performed any other act as required by law and shall execute (or authorize, as applicable) or cause to be executed (or authorized, as applicable) any and all further instruments (including financing statements, continuation statements and similar statements with respect to any of said documents with file stamped copies thereof delivered to the Indenture Trustee) that are necessary for such creation, perfection and protection. The Issuer shall pay, or shall cause to be paid, all filing, registration and recording taxes and fees incident thereto, and all expenses, taxes and other governmental charges incident to or in connection with the preparation, execution, authorization, delivery or acknowledgment of the recordable documents, any instruments of further assurance, and the Notes.

Section 3.09. Agreements Not to Institute Bankruptcy Proceedings. The Issuer shall only voluntarily institute any proceedings to adjudicate the Issuer as bankrupt or insolvent, consent to the institution of bankruptcy or insolvency proceedings against the Issuer, file a petition seeking or consenting to reorganization or relief under any applicable federal or State law relating to bankruptcy, consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Issuer or a substantial part of its property or admit its inability to pay its debts generally as they become due or authorize any of the foregoing to be done or taken on behalf of the Issuer, in accordance with the terms of the Issuer Operating Agreement.

Section 3.10. Additional Covenants; *Covenants with Respect to the Managing Members and Project Companies.*

(a) So long as any of the Notes are Outstanding:

(i) The Issuer will keep in full effect its existence, rights and franchises as a limited liability company under the laws of the State of Delaware and will obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Indenture, the Notes and each asset included in the Trust Estate and to perform its obligations under any of the Transaction Documents to which it is a party.

(ii) The Issuer shall not consolidate or merge with or into any other entity or convey or transfer its properties and assets substantially as an entirety to any entity unless (A) the entity (if other than the Issuer) formed or surviving such consolidation or merger, or that acquires by conveyance or transfer the properties and assets of the Issuer substantially as an entirety, shall be organized and existing under the laws of the United States of America or any State thereof as a special purpose bankruptcy remote entity, and shall expressly assume the obligation to make due and punctual payments of principal and interest on the Notes then Outstanding and the performance of every covenant on the part of the Issuer to be performed or observed pursuant to the Indenture, (B) immediately after giving effect to such transaction, no Default or Event of Default under this Indenture shall have occurred and be continuing, (C) such consolidation, merger, conveyance or transfer would not violate any applicable Designated Transfer Restrictions, (D) the Issuer shall have delivered to the Rating Agency and the Indenture Trustee an Officer's Certificate of the Issuer and an Opinion of Counsel, each stating that such consolidation, merger, conveyance or transfer complies with this Indenture and (E) the Issuer shall have given prior written notice of such consolidation or merger to the Rating Agency.

(iii) The funds and other assets of the Issuer shall not be commingled with those of any other Person except to the extent expressly permitted under the Transaction Documents.

(iv) The Issuer shall not be, become or hold itself out as being liable for the debts of any other Person.

(v) The Issuer shall not form, or cause to be formed, any subsidiaries.

(vi) The Issuer shall act solely in its own name and through its Authorized Officers or duly authorized officers or agents in the conduct of its business, and shall conduct its business so as not to mislead others as to the identity of the entity with which they are concerned. The Issuer shall not have any employees other than the Authorized Officers of the Issuer.

(vii) The Issuer shall maintain its records and books of account and shall not commingle its records and books of account with the records and books of account of any other Person. The books of the Issuer may be kept (subject to any provision contained in the applicable statutes) inside or outside the State of Delaware at such place or places as may be designated from time to time by the Issuer Operating Agreement.

(viii) All actions of the Issuer shall be taken by an Authorized Officer of the Issuer (or any Person acting on behalf of the Issuer).

(ix) The Issuer shall not amend its certificate of formation (except as required under Delaware law) or the Issuer Operating Agreement, without first giving prior written notice of such amendment to the Rating Agency (a copy of which shall be provided to the Indenture Trustee).

(x) The Issuer shall not waive, repeal, amend, vary, supplement or otherwise modify any provision of the Issuer Operating Agreement that requires the unanimous written consent of the Issuer's members and the Independent Manager without the prior written consent of all members and the Independent Manager and shall comply with and cause compliance with the provisions of its certificate of formation and Issuer Operating Agreement.

(xi) The Issuer will maintain the formalities of the form of its organization.

(xii) The annual financial statements of the Sunrun Parties and Sunrun's consolidated affiliates will disclose the effects of the transactions contemplated by the Transaction Documents in accordance with GAAP. Any consolidated financial statements which consolidate the assets and earnings of any Sunrun Party with those of the Issuer will contain a footnote stating that the assets of the Issuer will not be available to creditors of any other Sunrun Party or any other Person. The financial statements of the Issuer, if any, will disclose that the assets of any other Sunrun Party are not available to pay creditors of the Issuer.

(xiii) Other than certain costs and expenses related to the issuance of the Notes, no Sunrun Party shall (1) obligate itself to pay the Issuer's expenses, (2) guarantee the Issuer's obligations or (3) obligate itself to advance funds to the Issuer for payment of expenses except for costs and expenses for which a Sunrun Party other than the Issuer is required to make payments.

(xiv) All business correspondences of the Issuer shall be conducted in the Issuer's own name.

(xv) Other than as contemplated by the Transaction Documents, no Sunrun Party acts or will act as agent of the Issuer and the Issuer does not and will not act as agent of any other Sunrun Party.

(xvi) The Issuer shall not make any expenditure (by long-term or operating lease or otherwise) for capital assets (either realty or personalty).

(xvii) The Issuer shall comply with the requirements of all applicable laws, the non-compliance with which would, individually or in the aggregate, materially and

adversely affect the ability of the Issuer to perform its obligations under the Notes, this Indenture or any other Transaction Document.

(xviii) The Issuer shall not, directly or indirectly, (A) pay any dividend or make any distribution (by reduction of capital or otherwise), whether in cash, property, securities or a combination thereof, to any owner of a beneficial interest in the Issuer or otherwise with respect to any ownership or equity interest or security in or of the Issuer or to the Transaction Manager or the Transaction Transition Manager, (B) redeem, purchase, retire or otherwise acquire for value any such ownership or equity interest or security or (C) set aside or otherwise segregate any amounts for any such purpose; *provided*, *however*, that the Issuer may make, or cause to be made, distributions to the Transaction Manager, the Transaction Transition Manager, its beneficial owners and the Indenture Trustee as permitted by, and to the extent funds are available for such purpose under, this Indenture and the other Transaction Documents. The Issuer will not, directly or indirectly, make payments to or distributions from the Collection Account or any other Account except in accordance with this Indenture and the other Transaction Documents.

(b) So long as any of the Notes remain Outstanding, the Issuer agrees, as the sole member of each Managing Member, that it will:

(i) cause such Managing Member (A) to cause the related Project Company to make all Managing Member Distributions with respect to such Managing Member directly to the Collection Account and (B) to deliver to the Indenture Trustee for deposit into the Collection Account any Managing Member Distributions received by such Managing Member;

(ii) cause such Managing Member to comply with the provisions of its Managing Member LLCA and not to take any action that would cause such Managing Member to violate the provisions of its Managing Member LLCA;

(iii) cause such Managing Member to maintain all material licenses and permits required to carry on its business as now conducted and in accordance with the provisions of the Transaction Documents, except to the extent the failure to do so could not reasonably be expected to have a material adverse effect on the interests of the Noteholders;

(iv) not permit or consent to the admission of any new member of such Managing Member other than a “Special Member” as defined in and in accordance with the provisions of its Managing Member LLCA;

(v) not make any material amendment to the limited liability company agreement of such Managing Member that would reasonably be expected to have a material adverse effect on the interests of the Noteholders;

(vi) cause such Managing Member to, and cause the related Project Company to (A) comply with the provisions of its Project Company LLCA and (B) not take any action that would violate the provisions of such Project Company LLCA;

(vii) if applicable, cause such Managing Member (A) to comply with and enforce the provisions of the Master Tax Loss Insurance Policies, and (B) not to consent to any amendment to the Master Tax Loss Insurance Policies, to the extent such amendment would reasonably be expected to have a material adverse effect on the interests of the Noteholders;

(viii) if applicable, so long as such Managing Member is the managing member of a Project Company, cause such Project Company to comply with and enforce the provisions of the Master Tax Loss Insurance Policies;

(ix) so long as such Managing Member is the managing member of a Project Company, cause such Project Company to maintain all material licenses and permits required to carry on its business as now conducted and in accordance with the provisions of the Project Company Documents, except to the extent the failure to do so could not reasonably be expected to have a material adverse effect on the interests of the Noteholders;

(x) not permit such Managing Member to consent to the admission of any new member of the related Project Company other than pursuant to the exercise of the related Purchase Option or otherwise in connection with any transfer by the Tax Equity Investor Member pursuant to the related Project Company Documents;

(xi) cause such Managing Member to not consent to or approve any material amendment to the related Project Company LLCA or other Project Company Document that would reasonably be expected to have a material adverse effect on the interests of the Noteholders except to the extent that any such consent is expressly required pursuant to the terms of the applicable Project Company LLCA;

(xii) cause such Managing Member (other than the Managing Member in respect of the [***] Project Company) to direct the Tax Loss Policy Insurers to pay the proceeds of the Master Tax Loss Insurance Policies (other than any such proceeds paid by a Tax Loss Policy Insurer in respect of contest costs) into the Tax Loss Insurance Proceeds Account; and

(xiii) cause the Managing Member with respect to [***] Project Company to deposit into the Collection Account for distribution pursuant to the Priority of Payments an amount of any proceeds of the [***] Tax Loss Insurance Proceeds paid to such Managing Member in accordance with the related Project Company LLCA equal to the lesser of (x) such amount and (y) an amount equal to the aggregate amounts paid to the related Tax Equity

Investor Member in respect of such ITC Loss Indemnity through a Limited Step-up Event; provided, that any remaining amounts after giving effect to the payment described in the preceding clauses may be paid at the direction of the Transaction Manager.

Section 3.11. Providing of Notice.

(a) The Issuer, upon learning of any failure on the part of a Sunrun Party to observe or perform in any material respect any covenant, representation or warranty set forth in any Transaction Document to which it is a party, as applicable, which would reasonably be expected to have a material adverse effect on the Issuer, the Trust Estate, the Noteholders or the Notes or upon learning of any Event of Default, Transaction Manager Termination Event, proposed amendment of any Project Company Document which could be material to the Noteholders or resignation or removal of the Operator, shall promptly, and in any event within two (2) Business Days of becoming aware thereof, notify, in writing, the Indenture Trustee and the Depositor of such failure or Event of Default, Transaction Manager Termination Event, proposed material amendment of any Project Company Document or resignation or removal of the Operator.

(b) The Indenture Trustee, upon receipt of written notice by a Responsible Officer thereof of the Performance Guarantor's failure to perform any covenant or obligation of the Performance Guarantor set forth in the Performance Guaranty, shall promptly notify the Performance Guarantor of such failure in writing.

(c) As soon as possible, and in any event within five (5) Business Days, after the Issuer or any of its ERISA Affiliates knows or has reason to know that an ERISA Event has occurred, the Issuer deliver to the Indenture Trustee a certificate of a Responsible Officer of the Issuer setting forth the details of such ERISA Event, the action that the Issuer or the ERISA Affiliate proposes to take with respect thereto, and, when known, any action taken or threatened by the Internal Revenue Service, Department of Labor or the Pension Benefit Guaranty Corporation.

(d) To the extent any such notice has not been separately provided by a party to the Transaction Documents directly to the Indenture Trustee, the Issuer shall promptly, and in any event within five (5) Business Days, after receipt thereof by the Issuer, deliver to the Indenture Trustee copies of all material notices, requests, and other documents (excluding regular periodic reports) delivered or received by the Issuer under or in connection with the Transaction Documents.

(e) To the extent any such notice has not been separately provided by a party to the Transaction Documents directly to the Indenture Trustee, the Issuer shall promptly, and in any event within five (5) Business Days, after receipt thereof by any the Issuer, deliver to the Indenture Trustee copies of all notices and other documents delivered or received by such Issuer with respect to any material Liens on the Trust Estate (either individually or in the aggregate) other than Permitted Liens.

Section 3.12. Representations and Warranties of the Issuer. The Issuer hereby represents and warrants to the Indenture Trustee and the Noteholders that as of the Closing Date:

(a) The Issuer is duly formed and is validly existing as a limited liability company in good standing under the laws of the State of Delaware with full power and authority to execute and deliver this Indenture, the Transaction Management Agreement, the Depositor Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party and to perform the terms and provisions hereof and thereof; the Issuer is duly qualified to do business as a foreign business entity in good standing, and has obtained all required licenses and approvals, if any, in all jurisdictions in which the ownership or lease of property or the conduct of its business requires such qualifications except those jurisdictions in which failure to be so qualified would not have a material adverse effect on the business or operations of the Issuer, the Trust Estate, the Noteholders or the Conveyed Property.

(b) All necessary action has been taken by the Issuer to authorize the Issuer, and the Issuer has full power and authority, to execute, deliver and perform its obligations under this Indenture, the Transaction Management Agreement, the Depositor Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party, and no consent or approval of any Person is required for the execution, delivery or performance by the Issuer of this Indenture, the Transaction Management Agreement, the Depositor Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party.

(c) This Indenture, the Transaction Management Agreement, the Depositor Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party have been duly executed and delivered, and the execution and delivery of this Indenture, the Transaction Management Agreement, the Depositor Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party by the Issuer and its performance and compliance with the terms hereof and thereof will not violate its certificate of formation or the Issuer Operating Agreement or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or result in the breach of, any material contract or any other material agreement or instrument (including, without limitation, the Transaction Documents) to which the Issuer is a party or which may be applicable to the Issuer or any of its assets.

(d) This Indenture, the Transaction Management Agreement, the Depositor Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party constitute valid, legal and binding obligations of the Issuer, enforceable against it in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally and to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

(e) The Issuer is not in violation of, and the execution, delivery and performance of this Indenture, the Transaction Management Agreement, the Depositor Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party by the Issuer will not constitute a violation with respect to, any order or decree of any court or any order, regulation or demand of any federal, State, municipal or governmental agency, which violation might have consequences that would materially and adversely affect the condition (financial or other) or operations of the Issuer or its properties or might have consequences that would materially affect the performance of its duties hereunder or thereunder.

(f) No proceeding of any kind, including but not limited to litigation, arbitration, judicial or administrative, is pending or, to the Issuer's knowledge, threatened against or contemplated by the Issuer which could reasonably be expected to have a material adverse effect on the execution, delivery, performance or enforceability of this Indenture, the Notes or any other Transaction Document.

(g) None of the assets of the Issuer are or will be subject to Title I of ERISA, Section 4975 of the Code, or, by reason of any investment in the Issuer by any governmental plan, as the case may be, any other federal, state, or local provision similar to Section 406 of ERISA or Section 4975 of the Code. Neither the Issuer nor any of its ERISA Affiliates has maintained, participated or had any liability in respect of any Plan during the past six (6) years which could reasonably be expected to subject the Issuer or any of its ERISA Affiliates to any tax, penalty or other liabilities. With respect to any Plan which is a Multi-Employer Plan, no such Multi-Employer Plan shall be in "insolvent," as defined in Title IV ERISA, in each case, if the insolvent status continues unremedied for thirty (30) days. No ERISA Event has occurred or is reasonably likely to occur.

(h) Each of the representations and warranties of the Issuer set forth in the Transaction Management Agreement, the Depositor Contribution Agreement, the Issuer Operating Agreement and each other Transaction Document to which it is a party is, as of the Closing Date, true and correct in all material respects.

(i) There are no ongoing breaches or defaults under the Transaction Documents or any of the Project Company Documents by the Issuer or any of its affiliates or, to its Knowledge, any of the other parties to the Transaction Documents or Project Company Documents.

(j) The Issuer has not incurred debt or engaged in activities not related to the transactions contemplated hereunder except as permitted by the Issuer Operating Agreement or Section 3.04.

(k) The Issuer is not insolvent and will not become insolvent as a result of the Grant pursuant to this Indenture; the Issuer is not engaged and is not about to engage in any business or transaction for which any property remaining with the Issuer is unreasonably small capital or for which the remaining assets of the Issuer are unreasonably small in relation to the business of the

Issuer or the transaction; the Issuer does not intend to incur, and does not believe or reasonably should not have believed that it would incur, debts beyond its ability to pay as they become due; and the Issuer has not made a transfer or incurred an obligation and does not intend to make such a transfer or incur such an obligation with actual intent to hinder, delay or defraud any entity to which the Issuer was or became, on or after the date that such transfer was made or such obligation was incurred, indebted.

(l) The proceeds from the issuance of the Notes will be used by the Issuer to (i) pay the Depositor the purchase price for the Depositor Conveyed Property pursuant to the Depositor Contribution Agreement, (ii) pay certain expenses incurred in connection with the issuance of the Notes and (iii) make the required deposit into the Liquidity Reserve Account. The Depositor will distribute the portion of the proceeds from the sale of the Notes received from the Issuer under clause (i) above to Sunrun Atlas Investor, who will distribute such proceeds to Sunrun Atlas Holdco, who will distribute such proceeds to Sunrun, which will use such proceeds to simultaneously prepay prior financing arrangements of its subsidiaries and to obtain releases of all assets securing such financing arrangements that will form part of the Trust Estate.

(m) (i) The transfers of the Conveyed Property pursuant to the Contribution Agreements are absolute transfers for legal purposes, (ii) the Grant of the Trust Estate by the Issuer pursuant to the terms of this Indenture is a pledge for financial accounting purposes and U.S. federal income tax purposes, and (iii) the Notes will be treated by the Issuer as indebtedness for U.S. federal income tax purposes unless otherwise required by applicable law. In this regard, (i) the financial statements of Sunrun and its consolidated subsidiaries will show (A) that the Conveyed Property is owned by such consolidated group and (B) that the Notes are indebtedness of the consolidated group (and will contain footnotes describing the transfer to the Issuer and the pledge to the Indenture Trustee for the benefit of the Noteholders), and (ii) the U.S. federal income tax returns of Sunrun and its consolidated subsidiaries will indicate that the Notes are indebtedness unless otherwise required by applicable law.

(n) The Issuer has timely filed all federal, state, provincial, territorial, foreign and other Tax returns and reports required to be filed under applicable law, and has timely paid all material federal, state, foreign and other Taxes levied or imposed upon it or its properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate actions diligently conducted and for which adequate reserves have been provided in accordance with GAAP. No Lien or similar adverse claim has been filed, and no claim is being asserted, with respect to any such Tax due from the Issuer or with respect to the Conveyed Property or the assignments thereto. Any Taxes due and payable by the Issuer or its predecessors in interest in connection with the execution and delivery of this Indenture and the other Transaction Documents and the transfers and transactions contemplated hereby or thereby have been paid or shall have been paid if and when due. The Issuer is not liable for Taxes payable by any other Person.

(o) As of the Cut-Off Date, the Aggregate Discounted Solar Asset Balance is approximately $439,222,394 and the Securitization Share of DSAB of all Solar Assets is approximately $390,533,447.

(p) The legal name of the Issuer is as set forth in the introductory paragraph to this Indenture; the Issuer has no trade names, fictitious names, assumed names or "doing business as" names.

(q) The Issuer has not taken any action or failed to take any action that could cause it to be treated as an association taxable as a corporation for U.S. federal income tax purposes.

(r) No item comprising the Conveyed Property has been sold, transferred, assigned or pledged by the Issuer to any Person other than the Indenture Trustee; immediately prior to the pledge of the Conveyed Property to the Indenture Trustee pursuant to this Indenture, the Issuer was the sole owner thereof and had good and indefeasible title thereto, free of any Lien other than Permitted Liens.

(s) Upon (i) the filing of the Perfection UCCs in accordance with applicable law and (ii) the delivery to the Indenture Trustee of the certificates evidencing the Managing Member Membership Interests, together with instruments of transfer, the Indenture Trustee, for the benefit of the Noteholders, shall have a first priority perfected security interest in the Conveyed Property and in the proceeds thereof, limited with respect to proceeds to the extent set forth in Section 9-315 of the UCC as in effect in the applicable jurisdiction, subject to Permitted Liens. All filings (including, without limitation, UCC filings) and other actions as are necessary in any jurisdiction to provide third parties with notice of and to perfect the transfer and assignment of the Trust Estate to the Issuer and to give the Indenture Trustee a first perfected security interest in the Trust Estate (subject to Permitted Liens) and the payment of any fees, have been made or, with respect to Termination Statements, will be made within one Business Day of the Closing Date.

(t) None of the absolute transfers of the Conveyed Property pursuant to the Contribution Agreements or the Grant by the Issuer to the Indenture Trustee pursuant to this Indenture is subject to the bulk transfer or any similar statutory provisions in effect in any applicable jurisdiction.

(u) The Issuer is not and, immediately after giving effect to the offering and sale of the Notes and the application of the proceeds thereof as described in the Offering Circular, will not be required to register as an "investment company" as such term is defined in Section 3(a)(1) of the 1940 Act and is not relying solely on Section 3(c)(1) or Section 3(c)(7) of the 1940 Act for an exemption from registration under the 1940 Act. The Issuer is being structured so as not to constitute a "covered fund" for purposes of Section 619 of the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010, based on its current interpretations.

(v) The principal place of business and the principal executive office of the Issuer are located in the State of California and the jurisdiction of organization of the Issuer is the State of Delaware, and there are no other such locations.

(w) None of the Sunrun Parties or any of their affiliates, nor to the knowledge of the Sunrun Parties, any of their respective officers, directors or employees, appears on the Specially Designated Nationals and Blocked Persons List published by the Office of Foreign Assets Control (*"OFAC"*) or is otherwise a person with which any U.S. person is prohibited from dealing under the laws of the United States, unless authorized by OFAC. None of the Sunrun Parties conducts business or completes transactions with the governments of any country subject to comprehensive economic sanctions, or persons subject to specific economic sanctions, in each case as administered and enforced by OFAC. None of the Sunrun Parties will directly or indirectly use the proceeds from the issuance of the Notes, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person to fund any activities of or business with any person that, at the time of such funding, is subject to comprehensive or specific economic sanctions administered or enforced by OFAC, or is in any country or territory that, at the time of such funding or facilitation, is subject to comprehensive or specific economic sanctions administered or enforced by OFAC. None of the Sunrun Parties is in violation of Executive Order No. 13224 or the Patriot Act.

(x) None of the Sunrun Parties or any of their affiliates nor, to the knowledge of the Sunrun Parties, any of their respective directors, officers, employees or agents, shall use any of the proceeds of the sale of the Notes (i) for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (ii) to make any direct or indirect unlawful payment to any government official or employee from corporate funds, (iii) to violate any provision of the U.S. Foreign Corrupt Practices Act of 1977 or similar anti-corruption law to which they are lawfully subject, or (iv) to make any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

(y) Representations and warranties regarding the security interest and Custodian Files, in each case, made as of the Closing Date:

(i) The Grant contained in the "Granting Clause" of this Indenture creates a valid and continuing security interest (as defined in the applicable UCC) in the Conveyed Property in favor of the Indenture Trustee, which security interest is prior to all other Liens arising under the UCC (other than Permitted Liens), and is enforceable as such against creditors of the Issuer, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and to general principles of equity (regardless of whether enforcement is sought in a proceeding at law or in equity).

(ii) The Issuer has taken all steps necessary to perfect its ownership interest in 100% of the Managing Member Membership Interests.

(iii) Each Managing Member Membership Interest constitutes "investment property" within the meaning of the UCC.

(iv) The Issuer owns and has good and marketable title to the Depositor Conveyed Property free and clear of any Lien, claim or encumbrance of any Person, other than Permitted Liens.

(v) The Issuer has caused or will have caused, within ten days of the Closing Date, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Conveyed Property granted to the Indenture Trustee hereunder.

(vi) The Issuer has received a Certification from the Custodian that the Custodian is holding the Custodian Files that evidence the Solar Assets on behalf the Indenture Trustee for the benefit of the Noteholders.

(vii) Other than the security interest granted to the Indenture Trustee pursuant to this Indenture, the Issuer has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any portion of the Trust Estate. The Issuer has not authorized the filing of and is not aware of any financing statements against the Issuer that include a description of collateral covering any portion of the Trust Estate other than any financing statement relating to the security interest granted to the Indenture Trustee hereunder or that have been terminated. The Issuer is not aware of any judgment or tax lien filings against the Issuer.

(viii) The Issuer has taken all action required on its part for control (as defined in Section 8-106 of the UCC) to have been obtained by the Indenture Trustee on behalf of the Noteholders over each Managing Member Membership Interest with respect to which such control may be obtained pursuant to the UCC. No person other than the Indenture Trustee on behalf of the Noteholders has control or possession of all or any part of the Managing Member Membership Interests. Without limiting the foregoing, all certificates evidencing the Managing Member Membership Interests in existence on the date hereof have been delivered to the Indenture Trustee on behalf of the Noteholders.

The foregoing representations and warranties in Section 3.12(y)(i)-(viii) shall remain in full force and effect and shall not be waived or amended until the Notes are paid in full or otherwise released or discharged.

Section 3.13. Representations and Warranties of the Indenture Trustee. The Indenture Trustee hereby represents and warrants to the Rating Agency and the Noteholders that as of the Closing Date:

(a) The Indenture Trustee has been duly organized and is validly existing as a national banking association;

(b) The Indenture Trustee has full power and authority and legal right to execute, deliver and perform its obligations under this Indenture and each other Transaction Document to which it is a party and has taken all necessary action to authorize the execution, delivery and performance by it of this Indenture and each other Transaction Document to which it is a party;

(c) This Indenture and each other Transaction Document to which it is a party have been duly executed and delivered by the Indenture Trustee and constitute the legal, valid, and binding obligations of the Indenture Trustee, enforceable against the Indenture Trustee in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, liquidation, moratorium, fraudulent conveyance, or similar laws affecting creditors' or creditors of banks' rights and/or remedies generally or by general principles of equity (regardless of whether such enforcement is sought in a proceeding in equity or at law);

(d) The execution, delivery and performance of this Indenture and each other Transaction Document to which it is a party by the Indenture Trustee will not constitute a violation with respect to any order or decree of any court or any order, regulation or demand of any federal, State, municipal or governmental agency binding on the Indenture Trustee or such of its property which is material to it, which violation might have consequences that would materially and adversely affect the performance of its duties under this Indenture;

(e) The execution, delivery and performance of this Indenture and each other Transaction Document to which it is a party by the Indenture Trustee do not require any approval or consent of any Person, do not conflict with the Articles of Association and Bylaws of the Indenture Trustee, and do not and will not conflict with or result in a breach which would constitute a material default under any agreement applicable to it or such of its property which is material to it; and

(f) No proceeding of any kind, including but not limited to litigation, arbitration, judicial or administrative, is pending or, to the Indenture Trustee's knowledge, threatened against or contemplated by the Indenture Trustee which would have a reasonable likelihood of having an adverse effect on the execution, delivery, performance or enforceability of this Indenture or any other Transaction Document to which it is a party by or against the Indenture Trustee.

Section 3.14. Rule 144A Information. So long as any of the Notes are outstanding, and the Issuer is not subject to Section 13 or 15(d) of the Exchange Act, upon the request of a Noteholder, the Issuer shall promptly furnish at such Noteholder's expense to such Noteholder, and the

prospective purchasers designated by such Noteholder, Rule 144A Information in order to permit compliance with Rule 144A under the Securities Act in connection with the resale of such Notes by such Noteholder.

Section 3.15. Knowledge. Any references herein to the knowledge, discovery or learning of the Issuer or the Transaction Manager shall mean and refer to actual knowledge of an Authorized Officer of the Issuer or the Transaction Manager, as applicable.

Section 3.16. Capital Contributions. Nothing herein shall prevent any direct or indirect member of the Issuer from making capital contributions to the Issuer, a Managing Member or a Project Company, which capital contribution shall be effected directly by such direct or indirect member to the Issuer, the applicable Managing Member or the applicable Project Company, and the Lien of this Indenture shall not attach to any such capital contribution.

ARTICLE IV

MANAGEMENT, ADMINISTRATION AND SERVICING

Section 4.01. Transaction Management Agreement.

(a) The Transaction Management Agreement, duly executed counterparts of which have been delivered to the Indenture Trustee, sets forth the covenants and obligations of the Transaction Manager with respect to the Trust Estate and other matters addressed in the Transaction Management Agreement, and reference is hereby made to the Transaction Management Agreement for a detailed statement of said covenants and obligations of the Transaction Manager thereunder. The Issuer agrees that the Indenture Trustee, in its name or (to the extent required by law) in the name of the Issuer, shall, if so directed and indemnified by the Majority Noteholders of the Controlling Class, enforce all rights of the Issuer under the Transaction Management Agreement for and on behalf of the Noteholders whether or not the Issuer is in default hereunder.

(b) Promptly following a request from the Indenture Trustee (acting at the direction of the Majority Noteholders of the Controlling Class) to do so, the Issuer shall take all such lawful action as the Indenture Trustee may request to compel or secure the performance and observance by the Transaction Manager of each of its obligations to the Issuer and with respect to the Trust Estate under or in connection with the Transaction Management Agreement, in accordance with the terms thereof, and in effecting such request shall exercise any and all rights, remedies, powers and privileges lawfully available to the Issuer under or in connection with the Transaction Management Agreement to the extent and in the manner directed by the Indenture Trustee, including, without limitation, the transmission of notices of default on the part of the Transaction Manager thereunder and the institution of legal or administrative actions or proceedings to compel or secure performance by the Transaction Manager of each of its obligations under the Transaction Management Agreement.

(c) The Issuer shall not waive any default by the Transaction Manager under the Transaction Management Agreement if the effect thereof would adversely affect the Holders of the Notes without the written consent of the Indenture Trustee (which shall be given at the written direction of the Majority Noteholders of the Controlling Class).

(d) The Indenture Trustee does not assume any duty or obligation of the Issuer under the Transaction Management Agreement, and the rights given to the Indenture Trustee thereunder are subject to the provisions of Article VII.

(e) With respect to the Transaction Manager's obligations under Section 4.3 of the Transaction Management Agreement, the Indenture Trustee shall not have any responsibility to the Issuer, the Transaction Manager or any party hereunder to make any inquiry or investigation as to, and shall have no obligation in respect of, the terms of any engagement of the Independent Service Providers by the Transaction Manager; *provided*, *however* that the Indenture Trustee shall be authorized, upon receipt of written direction from the Transaction Manager directing the Indenture Trustee, to execute any acknowledgment or other agreement with the Independent Service Provider required for the Indenture Trustee to receive any of the reports or instructions provided for herein, which acknowledgment or agreement may include, among other things, (i) acknowledgement that the Transaction Manager has agreed that the procedures to be performed by the Independent Service Providers are sufficient for the Issuer's purposes, (ii) acknowledgment that the Indenture Trustee has agreed that the procedures to be performed by the Independent Service Providers are sufficient for the Indenture Trustee's purposes and that the Indenture Trustee's purposes is limited solely to receipt of the report, (iii) releases by the Indenture Trustee (on behalf of itself and the Noteholders) of claims against the Independent Service Providers and acknowledgement of other limitations of liability in favor of the Independent Service Providers, and (iv) restrictions or prohibitions on the disclosure of information or documents provided to it by such firm of Independent Service Providers (including to the Noteholders). Notwithstanding the foregoing, in no event shall the Indenture Trustee be required to execute any agreement in respect of the Independent Service Providers that the Indenture Trustee determines adversely affects it in its individual capacity or which is in a form that is not reasonably acceptable to the Indenture Trustee.

(f) In the event such Independent Service Providers require the Indenture Trustee or the Transaction Transition Manager to agree to the procedures to be performed by such Independent Service Providers in any of the reports required to be prepared pursuant to Section 4.01(e), the Transaction Manager shall direct the Indenture Trustee or the Transaction Transition Manager in writing to so agree; it being understood and agreed that the Indenture Trustee or the Transaction Transition Manager will deliver such letter of agreement in conclusive reliance upon the direction of the Transaction Manager, and the Indenture Trustee or the Transaction Transition Manager has not made any independent inquiry or investigation as to, and shall have no obligation or liability in respect of, the sufficiency, validity or correctness of such procedures. Neither the Indenture Trustee

nor the Transaction Transition Manager shall be liable for any claims, liabilities or expenses relating to such Independent Service Providers' engagement or any report issued in connection with such engagement, and the dissemination of any such report is subject to the written consent of the Independent Service Providers.

ARTICLE V

ACCOUNTS, COLLECTIONS, PAYMENTS OF INTEREST AND PRINCIPAL, RELEASES, AND STATEMENTS TO NOTEHOLDERS

Section 5.01. Accounts.

(a) On or prior to the Closing Date, the Issuer shall cause the Indenture Trustee to establish and maintain in the name of the Indenture Trustee, for the benefit of the Noteholders, four Eligible Accounts: (i) a collection account in which Managing Member Distributions and certain other amounts will be deposited from time to time (the "*Collection Account*"), (ii) a supplemental reserve account in which the Supplemental Reserve Account Deposit will be deposited from time to time (the "*Supplemental Reserve Account*"), (iii) a liquidity reserve account in which amounts necessary to maintain the Liquidity Reserve Account Required Deposit will be deposited from time to time (the "*Liquidity Reserve Account*") and (iv) a tax loss insurance proceeds account in which all proceeds of the Master Tax Loss Insurance Policies received by the Indenture Trustee with respect to any Tax Loss Indemnity will be deposited from time to time (the "*Tax Loss Insurance Proceeds Account*"), in each case, bearing a designation that the funds deposited therein are held for the benefit of the Noteholders. Each of the Collection Account, the Supplemental Reserve Account, the Liquidity Reserve Account and the Tax Loss Insurance Proceeds Account will initially be established with the Indenture Trustee.

(b) Funds on deposit in the Collection Account, the Supplemental Reserve Account and the Liquidity Reserve Account shall be invested by the Indenture Trustee (or any custodian with respect to funds on deposit in any such account) in Eligible Investments selected in writing by the Transaction Manager (pursuant to standing instructions or otherwise). All such Eligible Investments shall be held by or on behalf of the Indenture Trustee for the benefit of the Noteholders.

(c) All investment earnings pursuant to Section 5.01(b) of moneys deposited into the Collection Account, the Supplemental Reserve Account and the Liquidity Reserve Account shall be deposited (or caused to be deposited) by the Indenture Trustee into the Collection Account, and any loss resulting from such investments shall be charged to such Account. No investment of any amount held in any of the Collection Account, the Supplemental Reserve Account and the Liquidity Reserve Account shall mature later than the Business Day immediately preceding the Payment Date which is scheduled to occur immediately following the date of investment. The Transaction Manager, on behalf of the Issuer, will not direct the Indenture Trustee to make any investment of

any funds held in any of the Accounts unless the security interest Granted and perfected in such account will continue to be perfected in such investment, in either case without any further action by any Person.

(d) The Indenture Trustee shall not in any way be held liable by reason of any insufficiency in any of the Accounts resulting from any loss on any Eligible Investment included therein except for losses attributable to the Indenture Trustee's failure to follow instructions of the Issuer in accordance with Section 5.01, negligence or bad faith, or its failure to make payments on such Eligible Investments issued by the Indenture Trustee, in its commercial capacity as principal obligor and not as Indenture Trustee, in accordance with their terms.

(e) The Indenture Trustee may purchase from or sell to itself or an Affiliate, as principal or agent, the Eligible Investments. With respect to clause (v) of the definition of "Eligible Investments", Wells Fargo, or an Affiliate thereof may charge and collect such fees from such funds as are collected customarily for services rendered to such funds (but not to exceed investments earnings thereon).

(f) Funds on deposit in any Account shall remain uninvested if (i) the Transaction Manager shall have failed to give investment directions in writing for any funds on deposit in any Account to the Indenture Trustee by 1:00 p.m. Eastern time (or such other time as may be agreed by the Transaction Manager and the Indenture Trustee) on any Business Day; or (ii) based on the actual knowledge of, or receipt or written notice by, a Responsible Officer of the Indenture Trustee, a Default or Event of Default shall have occurred and be continuing with respect to the Notes but the Notes shall not have been declared due and payable, or, if such Notes shall have been declared due and payable following an Event of Default, amounts collected or receivable from the Trust Estate are being applied as if there had not been such a declaration.

(g) [Reserved].

(h) (i) The Indenture Trustee shall possess all right, title and interest in all funds on deposit from time to time in the Accounts and in all proceeds thereof (including, without limitation, all investment earnings on the Accounts) and all such funds, investments, proceeds and income shall be part of the Trust Estate. Except as otherwise provided herein, the Accounts shall be under the control (as defined in Section 9-104 of the UCC to the extent such account is a deposit account and Section 8-106 of the UCC to the extent such account is a securities account) of the Indenture Trustee for the benefit of the Noteholders. If, at any time, any of the Accounts ceases to be an Eligible Account, the Indenture Trustee (or the Transaction Manager on its behalf) shall within five Business Days establish a new Account as an Eligible Account and shall transfer any cash and/or any investments to such new Account. In connection with the foregoing, the Transaction Manager agrees that, in the event that any of the Accounts are not accounts with the Indenture Trustee, the

Transaction Manager shall notify the Indenture Trustee in writing promptly upon any of such Accounts ceasing to be an Eligible Account.

(i) With respect to the Account Property, the Indenture Trustee agrees that:

(A) any Account Property that is held in deposit accounts shall be held solely in Eligible Accounts; and, except as otherwise provided herein, each such Eligible Account shall be subject to the exclusive custody and control of the Indenture Trustee, and the Indenture Trustee shall have sole signature authority with respect thereto;

(B) any Account Property that constitutes physical property shall be delivered to the Indenture Trustee in accordance with paragraph (i)(A) or (i)(B), as applicable, of the definition of "Delivery" and shall be held, pending maturity or disposition, solely by the Indenture Trustee or a securities intermediary (as such term is defined in Section 8-102(a)(14) of the UCC) acting solely for the Indenture Trustee;

(C) any Account Property that is a book-entry security held through the Federal Reserve System pursuant to federal book-entry regulations shall be delivered in accordance with paragraph (1)(c) or (1)(e), as applicable, of the definition of "Delivery" and shall be maintained by the Indenture Trustee, pending maturity or disposition, through continued book-entry registration of such Account Property as described in such paragraph;

(D) any Account Property that is an "uncertificated security" under Article 8 of the UCC and that is not governed by clause (C) above shall be delivered to the Indenture Trustee in accordance with paragraph (i)(D) of the definition of "Delivery" and shall be maintained by the Indenture Trustee, pending maturity or disposition, through continued registration of the Indenture Trustee's (or its nominee's) ownership of such security;

(E) the Transaction Manager shall have the power, revocable by the Indenture Trustee upon the occurrence of a Transaction Manager Termination Event, to instruct the Indenture Trustee to make withdrawals and payments from the Accounts for the purpose of permitting the Transaction Manager and the Indenture Trustee to carry out their respective duties hereunder; and

(F) any Account held by it hereunder shall be maintained as a "securities account" as defined in the Uniform Commercial Code as in effect in New York (the "*New York UCC*"), and that it shall be acting as a "securities intermediary" for the Indenture Trustee itself as the "entitlement holder" (as defined in Section 8-102(a)

(7) of the New York UCC) with respect to each such Account. The parties hereto agree that each Account shall be governed by the laws of the State of New York, and regardless of any provision in any other agreement, the "securities intermediary's jurisdiction" (within the meaning of Section 8-110 of the New York UCC) shall be the State of New York. The Indenture Trustee acknowledges and agrees that (1) each item of property (whether investment property, financial asset, security, instrument or cash) credited to the Accounts shall be treated as a "financial asset" within the meaning of Section 8-102(a)(9) of the New York UCC and (2) notwithstanding anything to the contrary, if at any time the Indenture Trustee shall receive any order from the Indenture Trustee (solely in its capacity as securities intermediary) directing transfer or redemption of any financial asset relating to the Accounts, the Indenture Trustee shall comply with such entitlement order without further consent by the Issuer, or any other person. In the event of any conflict of any provision of this Section 5.01(g)(ii)(F) with any other provision of this Indenture or any other agreement or document, the provisions of this Section 5.01(g)(ii)(F) shall prevail.

Section 5.02. Supplemental Reserve Account and Tax Loss Insurance Proceeds Account. (a) (i) On each Payment Date, to the extent of Available Funds and in accordance with and subject to the Priority of Payments, the Indenture Trustee shall, based on the Quarterly Transaction Report, deposit into the Supplemental Reserve Account an amount equal to the Supplemental Reserve Account Deposit until the amount on deposit equals the Supplemental Reserve Account Required Balance.

(ii) The Indenture Trustee shall release funds from the Supplemental Reserve Account to pay the following amounts upon direction from the Transaction Manager set forth in an Officer's Certificate (no more than once per calendar month): the costs (inclusive of labor costs, if applicable) of replacement of (a) any inverter or energy storage device that no longer has the benefit of a manufacturer warranty or (b) any communication device and for which (i) the Operator is not obligated under the related MOMA to cover the replacement costs of such communication device, inverter or energy storage device (or if so obligated, fails to pay such costs), for the purpose of funding a loan by the Managing Member to the related Project Company to pay for the replacement of such communication device, inverter or energy storage device (or, if such a loan would not be permitted under the applicable Project Company LLCA, the Managing Member shall provide such amount in the form of an additional capital contribution to the Project Company) or (ii) the Transaction Manager in its role as Operator has paid under the related MOMA.

(iii) If the amount on deposit in the Supplemental Reserve Account exceeds the Supplemental Reserve Account Required Balance on any Payment Date, the amount of such

excess will be transferred to the Collection Account for distribution as part of Available Funds pursuant to the Priority of Payments.

(iv) The Indenture Trustee shall transfer to the Collection Account all amounts on deposit in the Supplemental Reserve Account on the earlier of the Rated Final Maturity and the acceleration of the Notes following an Event of Default.

(b) Notwithstanding Section 5.02(a)(i), upon the Rating Agency Condition being satisfied, in lieu of or in substitution for moneys otherwise required to be deposited to the Supplemental Reserve Account, the Issuer (or the Transaction Manager on behalf of the Issuer) may deliver or cause to be delivered to the Indenture Trustee a Letter of Credit issued by an Eligible Letter of Credit Bank in an amount equal to the Supplemental Reserve Account Required Balance; provided that any Supplemental Reserve Account Deposit required to be made after the replacement of amounts on deposit in the Supplemental Reserve Account with the Letter of Credit shall be made in deposits to the Supplemental Reserve Account as provided in the Priority of Payments or pursuant to an increase in the Letter of Credit, or addition of another Letter of Credit (such increase or addition to require satisfaction of the Rating Agency Condition). The Letter of Credit shall be held as an asset of the Supplemental Reserve Account and valued for purposes of determining the amount on deposit in the Supplemental Reserve Account as the amount then available to be drawn on such Letter of Credit. Any references in the Transaction Documents to amounts on deposit in the Supplemental Reserve Account shall include the value of the Letter of Credit unless specifically excluded. If the amounts on deposit in the Supplemental Reserve Account are represented by a Letter of Credit, the Indenture Trustee shall be required to submit the drawing documents to the Eligible Letter of Credit Bank to draw the full stated amount of the Letter of Credit and deposit the proceeds therefrom in the Supplemental Reserve Account in the following circumstances: (i) if the Indenture Trustee is directed by the Transaction Manager on behalf of the Issuer, pursuant to an Officer's Certificate, to withdraw funds from the Supplemental Reserve Account for any reason; (ii) if the Letter of Credit is scheduled to expire in accordance with its terms and has not been extended or replaced with a Letter of Credit issued by an Eligible Letter of Credit Bank by the date that is ten days prior to the expiration date; or (iii) if the Indenture Trustee is directed by the Issuer, the Transaction Manager or the Majority Noteholders of the Controlling Class, pursuant to an Officer's Certificate stating that the financial institution issuing the Letter of Credit ceases to be an Eligible Letter of Credit Bank. Any drawing on the Letter of Credit may be reimbursed by the Issuer only from amounts remitted to the Issuer pursuant to clauses (x) or (xii) of the Priority of Payments.

(c) The Indenture Trustee shall deposit into the Tax Loss Insurance Proceeds Account upon receipt all Master Tax Loss Insurance Proceeds received by it, as applicable, with respect to any ITC Loss Indemnity.

(d) At the direction of the Transaction Manager pursuant to an Officer's Certificate, the Indenture Trustee shall (i) pay applicable amounts on deposit in the Tax Loss Insurance Proceeds Account (x) to the related Project Company for distribution by such Project Company to its members in accordance with the terms of the related Project Company LLCA, (y) directly to the applicable Tax Equity Investor Member in the amount of the applicable ITC Loss Indemnity or (z) to the Project Company to pay the taxes owed, so as to resolve such ITC Loss Indemnity and (ii) once the applicable ITC Loss Indemnity has been paid in full (as determined by the Transaction Manager), the Indenture Trustee shall (A) deposit into the Collection Account for distribution pursuant to the Priority of Payments an amount of any remaining Master Tax Loss Insurance Proceeds paid to the related Managing Member equal to the lesser of (1) such remaining amount and (2) the aggregate amounts paid to the related Tax Equity Investor Member in respect of such ITC Loss Indemnity through a Limited Step-up Event and (B) pay any remaining amounts after giving effect to clause (A) at the written direction of the Transaction Manager.

(e) To the extent not refundable to the applicable Tax Loss Policy Insurer(s), so long as the applicable ITC Loss Indemnity has been paid in full (as determined by the Transaction Manager), the Indenture Trustee shall transfer to the Collection Account all amounts on deposit in the Tax Loss Insurance Proceeds Account on the earlier of the Rated Final Maturity or the acceleration of the Notes following an Event of Default.

Section 5.03.Liquidity Reserve Account.

(a) On the Closing Date, the Issuer shall deliver to the Indenture Trustee an amount equal to the Liquidity Reserve Account Required Balance with respect to the Closing Date for deposit into the Liquidity Reserve Account. As described in the Priority of Payments, to the extent of Available Funds, the Indenture Trustee shall, on each Payment Date, deposit Available Funds into the Liquidity Reserve Account until the amount on deposit therein shall equal the Liquidity Reserve Account Required Balance.

(b) On each Payment Date, the Indenture Trustee shall, based on the Quarterly Transaction Report, transfer funds on deposit in the Liquidity Reserve Account to the Collection Account to the extent the amount on deposit in the Collection Account as of such Payment Date is less than the amounts necessary to make the distributions described in clauses (i) through (iv) of Section 5.05(a). Based on the Quarterly Transaction Report, (i) if the amount on deposit in the Liquidity Reserve Account exceeds the Liquidity Reserve Account Required Balance on any Payment Date during a Regular Amortization Period, the amount of such excess will be transferred to the Supplemental Reserve Account, and (ii) if the amount on deposit in the Supplemental Reserve Account exceeds the Supplemental Reserve Account Required Balance on such Payment Date, the amount of such excess will be transferred to the Collection Account and will be part of Available Funds distributed pursuant to the Priority of Payments. Based on the Quarterly Transaction Report, if the amount on deposit in the Liquidity Reserve Account exceeds the Liquidity Reserve Account

Required Balance on any Payment Date during an Early Amortization Period or Sequential Interest Amortization Period, the amount of such excess will be transferred to the Collection Account and will be part of the Available Funds distributed pursuant to the Priority of Payments.

(c) Upon the earliest of (i) the Rated Final Maturity, (ii) the acceleration of the Notes following an Event of Default and (iii) the Payment Date on which the sum of Available Funds and the amount on deposit in the Liquidity Reserve Account is greater than or equal to the sum of (1) the payments and distributions required under clauses (i) through (iv) of the Priority of Payments, (2) the Aggregate Outstanding Note Balance as of such Payment Date prior to any distributions made on such Payment Date, and (3) all other Issuer Secured Obligations then due, the Indenture Trustee shall, based on the information set forth in the related Quarterly Transaction Report, withdraw any remaining funds on deposit in the Liquidity Reserve Account (including investment earnings or income) and deposit such funds into the Collection Account. On the Termination Date, the Indenture Trustee shall, based on the information set forth in the related Quarterly Transaction Report, withdraw any remaining funds on deposit in the Liquidity Reserve Account (including investment earnings or income) and pay such amount to the Issuer.

(d) Notwithstanding Section 5.03(a), upon the Rating Agency Condition being satisfied, in lieu of or in substitution for moneys otherwise required to be deposited to the Liquidity Reserve Account, the Issuer (or the Transaction Manager on behalf of the Issuer) may deliver or cause to be delivered to the Indenture Trustee a Letter of Credit issued by an Eligible Letter of Credit Bank in an amount equal to the Liquidity Reserve Account Required Balance; *provided* that any deposit into the Liquidity Reserve Account required to be made after the replacement of amounts on deposit in the Liquidity Reserve Account with the Letter of Credit shall be made in deposits to the Liquidity Reserve Account as provided in the Priority of Payments or pursuant to an increase in the Letter of Credit, or addition of another Letter of Credit (such increase or addition to require satisfaction of the Rating Agency Condition). The Letter of Credit shall be held as an asset of the Liquidity Reserve Account and valued for purposes of determining the amount on deposit in the Liquidity Reserve Account as the amount then available to be drawn on such Letter of Credit. Any references in the Transaction Documents to amounts on deposit in the Liquidity Reserve Account shall include the value of the Letter of Credit unless specifically excluded. If the amounts on deposit in the Liquidity Reserve Account are represented by a Letter of Credit, the Indenture Trustee shall be required to submit the drawing documents to the Eligible Letter of Credit Bank to draw the full stated amount of the Letter of Credit and deposit the proceeds therefrom in the Liquidity Reserve Account in the following circumstances: (i) if the Indenture Trustee is directed by the Transaction Manager on behalf of the Issuer, pursuant to an Officer's Certificate, to withdraw funds from the Liquidity Reserve Account for any reason; (ii) if the Letter of Credit is scheduled to expire in accordance with its terms and has not been extended or replaced with a Letter of Credit issued by an Eligible Letter of Credit Bank by the date that is ten days prior to the expiration date; or (iii) if the Indenture Trustee is directed by the Issuer, the Transaction Manager or the Majority Noteholders of the

Controlling Class, pursuant to an Officer's Certificate stating that the financial institution issuing the Letter of Credit ceases to be an Eligible Letter of Credit Bank. Any drawing on the Letter of Credit may be reimbursed by the Issuer only from amounts remitted to the Issuer pursuant to clauses (x) or (xii) of the Priority of Payments.

Section 5.04. Collection Account.

(a) On or prior to the Closing Date, the Transaction Manager, on behalf of the Issuer as owner of each Managing Member, shall have instructed each Managing Member to direct the related Project Company to pay all Managing Member Distributions to the Collection Account. The Issuer shall cause all other amounts required to be deposited therein pursuant to the Transaction Documents, to be deposited within two Business Days of receipt thereof. The Indenture Trustee shall provide or make available electronically (or upon written request, by first class mail or facsimile) monthly statements on all amounts received in the Collection Account to the Issuer and the Transaction Manager.

(b) The Transaction Manager will be entitled to be reimbursed from amounts on deposit in the Collection Account with respect to a Collection Period for amounts previously deposited in the Collection Account but later determined by the Transaction Manager to have resulted from mistaken deposits or postings or checks returned for insufficient funds. The amount to be reimbursed hereunder shall be paid to the Transaction Manager on the related Payment Date upon certification by the Transaction Manager of such amounts; *provided*, *however*, that the Transaction Manager must provide such certification within six months of such mistaken deposit, posting or returned check.

(c) The Indenture Trustee shall make distributions from the Collection Account as directed by the Transaction Manager in accordance with the Transaction Management Agreement.

Section 5.05. Distribution of Funds in the Collection Account.

(a) On each Payment Date, Available Funds on deposit in the Collection Account shall be distributed by the Indenture Trustee, based solely on the information set forth in the related Quarterly Transaction Report, in the following order and priority of payments (the "*Priority of Payments*"):

(i) (a) to the Indenture Trustee, (1) the Indenture Trustee Fee and any accrued and unpaid Indenture Trustee Fees with respect to prior Payment Dates plus (2) out-of-pocket expenses and indemnities of the Indenture Trustee incurred and not reimbursed in connection with its obligations and duties under this Indenture, (b) to the Transaction Transition Manager (1) the Transaction Transition Manager Fee and any accrued and unpaid Transaction Transition Manager Fees with respect to prior Payment Dates, (2) Transaction Transition Manager Expenses and (3) any accrued and unpaid transition costs payable to

the Transaction Transition Manager, and (c) to the Custodian, (1) the Custodian Fee and any accrued and unpaid Custodian Fees with respect to prior Payment Dates plus (2) out-of-pocket expenses and indemnities of the Custodian incurred and not reimbursed in connection with its obligations and duties under the Custodial Agreement; provided that payments to the Indenture Trustee as reimbursement for clause (a)(2), to the Transaction Transition Manager as reimbursement for clause (b)(2) and to the Custodian as reimbursement for clause (c)(2) will be limited to $100,000 in the aggregate per calendar year as long as no Event of Default has occurred, and the Notes have not been accelerated, or the Trust Estate sold, pursuant to this Indenture; provided, further, that the payments to the Transaction Transition Manager as reimbursement for clause (b)(3) will be limited to $75,000 per transition occurrence and $150,000 in the aggregate;

(ii) to the Transaction Manager, the Transaction Manager Fee, plus any accrued and unpaid Transaction Manager Fees with respect to prior Payment Dates;

(iii) to the Class A Noteholders, the Class A Note Interest for such Payment Date;

(iv) to the Class B Noteholders, the Class B Note Interest for such Payment Date;

(v) to the Liquidity Reserve Account, an amount equal to the greater of (a) (1) the Liquidity Reserve Account Required Balance minus (2) the amount on deposit in the Liquidity Reserve Account on such Payment Date and (b) $0;

(vi) to the Supplemental Reserve Account, an amount equal to the Supplemental Reserve Account Deposit until the Supplemental Reserve Account Required Balance has been met;

(vii) to the Noteholders: (a) during a Regular Amortization Period, in the following order: (1) to the Class A Noteholders, the Class A Scheduled Note Principal Payment for such Payment Date, (2) to the Class B Noteholders, the Class B Scheduled Note Principal Payment for such Payment Date (which will be $0), (3) to the Class A Noteholders, the Unscheduled Note Principal Payment for such Payment Date until the Outstanding Note Balance of the Class A Notes has been reduced to zero, (4) to the Class B Noteholders, any Unscheduled Note Principal Payment for such Payment Date remaining after payment to the Class A Noteholders until the Outstanding Note Balance of the Class B Notes has been reduced to zero and (5) to the Class B Noteholders, any unpaid Deferred Interest on the Class B Notes; and (b) during an Early Amortization Period or Sequential Interest Amortization Period, all remaining Available Funds shall be distributed in the following order: (1) to the Class A Noteholders until the Outstanding Note Balance of the Class A Notes has been reduced to zero and (2) to the Class B Noteholders in the following order:

(A) to reduce the Outstanding Note Balance of the Class B Notes to zero and (B) to pay any unpaid Deferred Interest on the Class B Notes;

(viii) (a) to the Class A Noteholders, the Class A Additional Principal Amount for such Payment Date until the Outstanding Note Balances of the Class A Notes have been reduced to zero; and (b) to the Class B Noteholders, the Class B Additional Principal Amount for such Payment Date until the Outstanding Note Balance of the Class B Notes has been reduced to zero;

(ix) to the Indenture Trustee, the Transaction Transition Manager and the Custodian, any incurred and not reimbursed out-of-pocket expenses and indemnities of the Indenture Trustee and the Custodian and Transaction Transition Manager Expenses, in each case to the extent not paid in accordance with (i) above;

(x) to the Eligible Letter of Credit Bank or other party as directed by the Transaction Manager (a) any fees and expenses related to the Letter of Credit and (b) any amounts which have been drawn under the Letter of Credit and any interest due thereon;

(xi) to the Class A Noteholders and the Class B Noteholders, in that order, the respective Post-ARD Additional Note Interest and Deferred Post-ARD Additional Note Interest due on such Payment Date, if any; and

(xii) to or at the direction of the Issuer, any remaining Available Funds on deposit in the Collection Account.

Section 5.06. Early Amortization Period Payments and Sequential Interest Amortization Period Payments. Any distributions of principal made during an Early Amortization Period or a Sequential Interest Amortization Period will be allocated in the following manner to determine any unpaid amounts on future Payment Dates: first, to the Scheduled Note Principal Payment calculated for such Payment Date; and second, to the Unscheduled Note Principal Payment amount calculated for such Payment Date.

Section 5.07. Note Payments.

(1) The Indenture Trustee shall pay from amounts on deposit in the Collection Account in accordance with the Quarterly Transaction Report and Section 5.05 to each Noteholder of record as of the related Record Date either (i) by wire transfer, in immediately available funds to the account of such Noteholder at a bank or other entity having appropriate facilities therefor, if such Noteholder shall have provided to the Indenture Trustee appropriate written instructions at least five Business Days prior to related Payment Date (which instructions may remain in effect for subsequent Payment Dates unless revoked by such Noteholder), or (ii) if not, by check mailed to such Noteholder at the address of such Noteholder appearing in the Note Register, the amounts to be paid to such Noteholder

pursuant to such Noteholder's Notes; *provided*, that so long as the Notes are registered in the name of the Securities Depository such payments shall be made to the nominee thereof in immediately available funds.

(a) In the event that any withholding Tax is imposed on the Issuer's payment (or allocations of income) to a Noteholder, such withholding Tax shall reduce the amount otherwise distributable to the Noteholder in accordance with this Section 5.07. The Indenture Trustee is hereby authorized and directed to retain from amounts otherwise distributable to the Noteholders any applicable withholding Taxes in accordance with applicable law. The Transaction Manager shall instruct the Indenture Trustee of any withholding Tax that is legally owed by the Issuer in respect of the Issuer's payment to a Noteholder (or the nominee, if the Notes are registered in the name of the Securities Depositary), in writing in a Quarterly Transaction Report. Nothing herein shall prevent the Indenture Trustee from contesting at the expense of the applicable Noteholder any such withholding Tax in appropriate proceedings, and withholding payment of such withholding Tax, if permitted by law, pending the outcome of such proceedings. The amount of any withholding Tax imposed with respect to a Noteholder shall be treated as cash distributed to such Noteholder at the time it is withheld by the Issuer or the Indenture Trustee (at the direction of the Transaction Manager or the Issuer) and remitted to the appropriate taxing authority. In the event that a Noteholder wishes to apply for a refund of any such withholding Tax, the Indenture Trustee shall reasonably cooperate with such Noteholder in making such claim so long as such Noteholder agrees to reimburse the Indenture Trustee for any out-of-pocket expenses incurred.

(b) Each Noteholder and each Note Owner, by its acceptance of its Note, will be deemed to have consented to the provisions of Section 5.05(a) relating to the Priority of Payments.

(c) For purposes of U.S. federal income, state and local income and franchise taxes, each Noteholder and each Note Owner, by its acceptance of its Note, will be deemed to have agreed to, and hereby instructs the Indenture Trustee to, (i) treat the Notes as indebtedness unless otherwise required by applicable law, and (ii) treat the Grant of the Trust Estate by the Issuer to the Indenture Trustee pursuant to this Indenture as a pledge.

(d) Each Noteholder and each Note Owner, by its acceptance of such Note or such beneficial interest in such Note, will be deemed to have agreed to provide the Indenture Trustee or the Issuer or other applicable withholding agent with the Noteholder Tax Identification Information and the Noteholder FATCA Information. In addition, each Noteholder and each Note Owner will be deemed to have agreed that the Indenture Trustee (or other applicable withholding agent) has the right to withhold FATCA Withholding Tax from any amount of interest or other amounts (without any corresponding gross-up) payable to a Noteholder or Note Owner that fails to comply with the foregoing requirements provided that such amounts are properly remitted to the appropriate taxing authority. The Issuer hereby covenants with the Indenture Trustee that, upon request from the Indenture Trustee, the Issuer will provide the Indenture Trustee with information that is reasonably

available to the Issuer so as to enable the Indenture Trustee to determine whether or not the Indenture Trustee is obliged to make any withholding, including FATCA Withholding Tax, in respect of any payments with respect to a Note (and if applicable, to provide the necessary detailed information that is reasonably available to the Issuer to effectuate any withholding, including FATCA Withholding Tax).

Section 5.08. Statements to Noteholders; Tax Returns. Within 30 days after the end of each calendar year, the Indenture Trustee shall furnish to each Person who at any time during such calendar year was a Noteholder of record and received any payment thereon (a) a report as to the aggregate of amounts paid during such calendar year to each such Noteholder allocable to principal, interest or other amounts for such calendar year or applicable portion thereof during which such Person was a Noteholder and (b) such information required by the Code, to enable such Noteholders to prepare their U.S. federal and state income tax returns. The obligation of the Indenture Trustee set forth in this paragraph shall be deemed to have been satisfied to the extent that information shall be provided by the Indenture Trustee, in the form of Form 1099 or other comparable form, pursuant to any requirements of the Code.

The Indenture Trustee shall have no responsibility or liability with respect to reporting or calculation of original issue discount with respect to the Notes. Upon written request from the Noteholders to the Indenture Trustee for any information with respect to original issue discount accruing on the Notes, the Issuer will promptly supply to the Indenture Trustee any such information for further distributions to the Noteholders.

The Issuer shall cause the Transaction Manager, at the Transaction Manager's expense, to cause a firm of Independent Service Providers to prepare any tax returns required to be filed by the Issuer. The Indenture Trustee, upon reasonable written request, shall furnish the Issuer with all such information in the possession of the Indenture Trustee as may be reasonably required in connection with the preparation of any tax return of the Issuer.

Section 5.09. Reports by Indenture Trustee. Within five Business Days after the end of each Collection Period, the Indenture Trustee shall provide or make available electronically (or upon written request, by first class mail or facsimile) to the Transaction Manager a written report setting forth the amounts in the Collection Account, the Liquidity Reserve Account, the Tax Loss Insurance Proceeds Account and the Supplemental Reserve Account, and the identity of the investments included therein. Without limiting the generality of the foregoing, the Indenture Trustee shall, upon the written request of the Transaction Manager, promptly transmit or make available electronically to the Transaction Manager, copies of all accountings of, and information with respect to, the Collection Account, the Liquidity Reserve Account, the Tax Loss Insurance Proceeds Account and the Supplemental Reserve Account, investments thereof, and payments thereto and therefrom.

Section 5.10. Final Balances. Upon payment of all principal and interest with regard to the Notes, all other amounts due to the Noteholders as expressly provided for in the Transaction Documents and payment of all reasonable fees, charges and other expenses, such as fees and expenses of the Indenture Trustee, all moneys remaining in all Accounts, except moneys necessary to make payments equal to such amounts and payments of principal and interest with respect to the Notes, which moneys shall be held and disbursed by the Indenture Trustee pursuant to this Article V, shall be, subject to applicable escheatment laws, remitted to, or at the direction of, the Issuer.

ARTICLE VI

VOLUNTARY PREPAYMENT OF NOTES AND RELEASE OF COLLATERAL

Section 6.01. Voluntary Prepayment.

(a) Each Class of Notes are subject to prepayment, in whole or in part (such prepayment, a "*Voluntary Prepayment*"), prior to its Rated Final Maturity, at the option of the Issuer on any Business Day, upon (i) delivery to the Indenture Trustee and the Transaction Manager, not less than 15 days prior to the date fixed for the proposed prepayment (the "*Voluntary Prepayment Date*"), of a Notice of Prepayment from the Issuer stating the Issuer's election to prepay the Notes or portion thereof in the form attached hereto as Exhibit C, and (ii) the deposit by the Issuer into the Collection Account, in the case of any Voluntary Prepayment in whole, no later than 11:00 a.m. Eastern time on such Voluntary Prepayment Date, or in the case of any Voluntary Prepayment in part, no later than 12:00 p.m. Eastern time on the Business Day prior to such Voluntary Prepayment Date, of an amount equal to the sum of (i) the outstanding principal balance of the Notes to be prepaid, (ii) all accrued and unpaid interest thereon (including any Deferred Interest or Post-ARD Additional Note Interest), (iii) all amounts owed to the Indenture Trustee, the Transaction Manager, the Transaction Transition Manager, the Custodian and any other parties to the Transaction Documents, and (iv) with respect to the Class A Notes, the Make Whole Amount, if applicable (the " *Prepayment Amount*"). On the specified Voluntary Prepayment Date, *provided* that the Indenture Trustee has received the Prepayment Amount, in the case of any Voluntary Prepayment in whole, no later than 11:00 a.m. Eastern time on such Voluntary Prepayment Date, or in the case of any Voluntary Prepayment in part, no later than 12:00 p.m. Eastern time on the Business Day prior to such specified Voluntary Prepayment Date, the Indenture Trustee shall (x) withdraw the Prepayment Amount from the Collection Account and disburse such amounts in accordance with clauses (i) through (v) of the Priority of Payments and then to the Noteholders, the Make Whole Amount, if applicable, and then (i) if no Sequential Interest Amortization Period is then in effect, to pay down the Notes on a pro rata basis, and (ii) if a Sequential Interest Amortization Period is then in effect, first to pay down the Class A Notes until the Outstanding Note Balance of the Class A Notes has been reduced to zero, and then to pay down the Class B Notes until the Outstanding Note Balance of the Class B Notes has been reduced to zero and (y) to the extent the Outstanding Note Balance is prepaid, release

any remaining assets in the Trust Estate to, or at the direction of, the Issuer. Notwithstanding the foregoing, the Issuer has the right to voluntarily prepay the Class B Notes in whole or in part without making a pro rata prepayment of the Class A Notes.

(b) If a Voluntary Prepayment Date with respect to the Class A Notes occurs prior to the Make Whole Determination Date, the Issuer shall pay the Class A Noteholders the Make Whole Amount. No Make Whole Amount shall be due to the Noteholders if a Voluntary Prepayment is made on or after the Make Whole Determination Date. No Make Whole Amount is payable with respect to the Class B Notes.

(c) If the Issuer elects to rescind the Voluntary Prepayment, it must give written notice of such determination to the Indenture Trustee at least two Business Days prior to the Voluntary Prepayment Date. If a Voluntary Prepayment of the Notes has been rescinded pursuant to this Section 6.01(c), the Indenture Trustee shall provide notice of such rescission to the registered owner of each Note which had been subject to the rescinded Voluntary Prepayment at the address shown on the Note Register maintained by the Note Registrar with copies to the Issuer, the Transaction Manager and the Rating Agency.

Section 6.02. [Reserved]

Section 6.03. Notice of Voluntary Prepayment. Any Notice of Voluntary Prepayment shall be given by the Indenture Trustee by mailing a copy of the notice of prepayment by first-class mail (postage prepaid) not less than 10 days and not more than 15 days prior to the date fixed for prepayment to the registered owner of each Note to be prepaid at the address shown on the Note Register maintained by the Note Registrar with copies to the Issuer, the Transaction Manager and the Rating Agency. Failure to give or receive such notice of prepayment by mailing to any Noteholder, or any defect therein, shall not affect the validity of any proceedings for the prepayment of other Notes. If a Voluntary Prepayment has been rescinded pursuant to Section 6.01(c) or Section 6.02(c), as applicable, and to the extent the Indenture Trustee had provided notice of the Voluntary Prepayment, the Indenture Trustee shall provide notice of such rescission to the registered owner of each Note which had been subject to the rescinded Voluntary Prepayment at the address shown on the Note Register maintained by the Note Registrar with copies to the Issuer, the Transaction Manager and the Rating Agency.

Any notice mailed as provided in this Section 6.03 shall be conclusively presumed to have been duly given, whether or not the registered owner of such Notes receives the notice.

Section 6.04. Cancellation of Notes. All Notes which have been paid in full or retired or received by the Indenture Trustee for exchange shall not be reissued but shall be canceled and destroyed in accordance with its customary procedures.

Section 6.05. Release of Collateral. The Indenture Trustee shall, on or after the Termination Date, release any remaining portion of the Trust Estate from the Lien created by this Indenture and shall deposit in the Collection Account any funds then on deposit in any other Account. The Indenture Trustee shall release property from the Lien created by this Indenture pursuant to this Section 6.05 only upon receipt by the Indenture Trustee of an Issuer Order accompanied by an Officer's Certificate and an Opinion of Counsel described in Section 314(c)(2) of the Trust Indenture Act of 1939, as amended, and meeting the applicable requirements of Section 12.02.

ARTICLE VII

THE INDENTURE TRUSTEE

Section 7.01. Duties of Indenture Trustee.

(a) If a Responsible Officer of the Indenture Trustee has received notice pursuant to Section 7.02(a), or a Responsible Officer of the Indenture Trustee shall otherwise have actual knowledge that an Event of Default has occurred and is continuing, the Indenture Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(b) Except during the occurrence and continuance of such an Event of Default:

(i) The Indenture Trustee need perform only those duties that are specifically set forth in this Indenture and any other Transaction Document to which it is a party and no others and no implied covenants or obligations of the Indenture Trustee shall be read into this Indenture or any other Transaction Document.

(ii) In the absence of negligence or bad faith on its part, the Indenture Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Indenture Trustee and conforming to the requirements of this Indenture or any other Transaction Document. The Indenture Trustee shall, however, examine such certificates and opinions to determine whether they conform on their face to the requirements of this Indenture or any other Transaction Document but the Indenture Trustee shall not be required to determine, confirm or recalculate information contained in such certificates or opinions.

(c) No provision of this Indenture shall be construed to relieve the Indenture Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) This paragraph does not limit the effect of subsection (b) of this Section 7.01.

(ii) The Indenture Trustee shall not be liable in its individual capacity for any action taken or error of judgment made in good faith by a Responsible Officer or other officers of the Indenture Trustee, unless it is proved that the Indenture Trustee was negligent in ascertaining the pertinent facts.

(iii) The Indenture Trustee shall not be personally liable with respect to any action it takes, suffers or omits to take in good faith in accordance with a direction received by it from the Noteholders in accordance with this Indenture or any other Transaction Document or for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture or any other Transaction Document.

(iv) The Indenture Trustee shall have no responsibility for filing any financing or continuation statement in any public office at any time or otherwise to perfect or to maintain the perfection of any security interest in the Trust Estate or in any item comprising the Conveyed Property.

(d) No provision of this Indenture or any other Transaction Document shall require the Indenture Trustee to expend or risk its own funds or otherwise incur any financial or other liability in the performance of any of its duties hereunder or thereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not assured to it.

(e) The provisions of subsections (a), (b), (c) and (d) of this Section 7.01 shall apply to any co-trustee or separate trustee appointed by the Issuer and the Indenture Trustee pursuant to Section 7.13.

(f) The Indenture Trustee shall not in any way be held liable by reason of any insufficiency in any Account held by the Indenture Trustee resulting from any loss experienced on any item comprising the Conveyed Property.

(g) In no event shall the Indenture Trustee be required to take any action that conflicts with applicable law, any of the provisions of this Indenture or any other Transaction Document or with the Indenture Trustee's duties hereunder or that adversely affect its rights and immunities hereunder.

(h) In no event shall the Indenture Trustee have any obligations or duties under or have any liabilities whatsoever to Noteholders under ERISA.

(i) The Indenture Trustee shall not make any direct or indirect transfer of the Managing Member Membership Interests except in compliance with the Designated Transfer Restrictions and the Acknowledgements (as determined by the Majority Noteholders of the Controlling Class).

(j) In no event shall the Indenture Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control and without the fault or negligence of the Indenture Trustee, including, without limitation, strikes, work stoppages, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities; it being understood that the Indenture Trustee shall resume performance as soon as practicable under the circumstances.

Section 7.02. Notice of Default, Transaction Manager Termination Event or Event of Default; Delivery of Manager Reports.

(a) The Indenture Trustee shall not be required to take notice of or be deemed to have notice or knowledge of any default, Default, Transaction Manager Termination Event, Event of Default event or information, or be required to act upon any default, Default, Transaction Manager Termination Event, Event of Default, event or information (including the sending of any notice) unless a Responsible Officer of the Indenture Trustee is specifically notified in writing at the address set forth in Section 12.04 or until a Responsible Officer of the Indenture Trustee shall have acquired actual knowledge of a default, Default, a Transaction Manager Termination Event, an Event of Default, an event or information and shall have no duty to take any action to determine whether any such default, Default, Transaction Manager Termination Event, Event of Default, or event has occurred. In the absence of receipt of such notice or actual knowledge, the Indenture Trustee may conclusively assume that there is no such default, Default, Event of Default, Transaction Manager Termination Event or event. If written notice of the existence of a default, a Default, an Event of Default, a Transaction Manager Termination Event, an event or information has been delivered to a Responsible Officer of the Indenture Trustee or a Responsible Officer of the Indenture Trustee has actual knowledge thereof, the Indenture Trustee shall promptly provide paper or electronic notice thereof to the Issuer, the Transaction Transition Manager, the Rating Agency and each Noteholder, but in any event, no later than five days after such knowledge or notice occurs.

(b) In the event the Transaction Manager does not make available to the Rating Agency all reports of the Transaction Manager and all reports to the Noteholders, upon request of the Rating Agency, the Indenture Trustee shall make available promptly after such request, copies of such Manager reports as are in Indenture Trustee's possession to the Rating Agency and the Noteholders.

Section 7.03. Rights of Indenture Trustee.

(a) The Indenture Trustee may rely and shall be protected in acting or refraining from acting upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Indenture Trustee need not investigate any fact or matter stated in any document. The Indenture Trustee need not investigate or re-calculate, evaluate, certify, verify or independently determine the accuracy of any numerical information, report, certificate, information, statement,

representation or warranty or any fact or matter stated in any such document and may conclusively rely as to the truth of the statements and the accuracy of the information therein.

(b) Before the Indenture Trustee takes any action or refrains from taking any action under this Indenture or any other Transaction Document, it may require an Officer's Certificate of the Issuer or an Opinion of Counsel, the costs of which (including the Indenture Trustee's reasonable attorney's fees and expenses) shall be paid by the party requesting that the Indenture Trustee act or refrain from acting. The Indenture Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel.

(c) The Indenture Trustee shall not be personally liable for any action it takes or omits to take or any action or inaction it believes in good faith to be authorized or within its rights or powers.

(d) The Indenture Trustee shall not be bound to make any investigation into the facts of matters stated in any reports, certificates, payment instructions, opinion, notice, order or other paper or document unless requested in writing by 25% or more of the Noteholders, and such Noteholders have provided to the Indenture Trustee indemnity satisfactory to it.

(e) The Indenture Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys or a custodian or nominee, and the Indenture Trustee shall not be responsible for any misconduct or negligence on the part of any such agent, attorney, custodian or nominee appointed by it hereunder with due care. The Indenture Trustee may consult with counsel, accountants and other experts and the advice or opinion of counsel, accountants and other experts with respect to legal and other matters relating to any Transaction Document shall be full and complete authorization and protection from liability with respect to any action taken, omitted or suffered by it hereunder in good faith and in accordance with such advice or opinion of counsel.

(f) The Indenture Trustee shall not be required to give any bond or surety with respect to the execution of this Indenture or the powers granted hereunder.

(g) The Indenture Trustee shall not be liable for any action or inaction of the Issuer, the Transaction Manager, the Custodian or any other party (or agent thereof) to this Indenture or any Transaction Document and may assume compliance by such parties with their obligations under this Indenture or any other Transaction Document, unless a Responsible Officer of the Indenture Trustee shall have received written notice to the contrary at the Corporate Trust Office of the Indenture Trustee.

(h) The Indenture Trustee shall be under no obligation to exercise any of the trusts or powers vested in it by this Indenture or to institute, conduct or defend any litigation hereunder or in relation hereto at the request, order or direction of any of the Noteholders, pursuant to the

provisions of this Indenture, unless such Noteholders shall have offered to the Indenture Trustee security or indemnity satisfactory to the Indenture Trustee against the costs, expenses and liabilities (including the fees and expenses of the Indenture Trustee's counsel and agents) which may be incurred therein or thereby.

(i) The Indenture Trustee shall have no duty (i) to maintain or monitor any insurance or (ii) to see to the payment or discharge of any tax, assessment, or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of the Trust Estate.

(j) Delivery of any reports, information and documents to the Indenture Trustee provided for herein or any other Transaction Document is for informational purposes only (unless otherwise expressly stated), and the Indenture Trustee's receipt of such or otherwise publicly available shall not constitute actual or constructive knowledge or notice of any information contained therein or determinable from information contained therein, including the Transaction Manager's or the Issuer's compliance with any of its representations, warranties or covenants hereunder (as to which the Indenture Trustee is entitled to rely exclusively on Officer's Certificates). The Indenture Trustee shall not have actual notice of any default or any other matter unless a Responsible Officer of the Indenture Trustee receives actual written notice of such default or other matter.

(k) The Indenture Trustee does not have any obligation to investigate any matter or exercise any powers vested under this Indenture unless requested in writing by 25% or more of the Noteholders.

(l) Knowledge of the Indenture Trustee shall not be attributed or imputed to Wells Fargo's other roles in the transaction and knowledge of the Transaction Transition Manager or the Custodian shall not be attributed or imputed to each other or to the Indenture Trustee (other than those where the roles are performed by the same group or division within Wells Fargo or otherwise share the same Responsible Officers), or any affiliate, line of business, or other division of Wells Fargo (and vice versa).

(m) The right of the Indenture Trustee to perform any permissive or discretionary act enumerated in this Indenture or any related document shall not be construed as a duty.

Section 7.04. Not Responsible for Recitals, Issuance of Notes or Application of Moneys as Directed. The recitals contained herein and in the Notes, except the certificates of authentication on the Notes, shall be taken as the statements of the Issuer, and the Indenture Trustee assumes no responsibility for their correctness. The Indenture Trustee makes no representations with respect to the Trust Estate or as to the validity or sufficiency of the Trust Estate or this Indenture or any other Transaction Document or of the Notes. The Indenture Trustee shall not be accountable for the use or application by the Issuer of the proceeds of the Notes. Subject to Section 7.01(b), the

Indenture Trustee shall not be liable to any Person for any money paid to the Issuer upon an Issuer Order, Transaction Manager instruction or order or direction provided in a Quarterly Transaction Report contemplated by this Indenture or any other Transaction Document.

Section 7.05. May Hold Notes. The Indenture Trustee or any agent of the Issuer, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Issuer or Sunrun or any Affiliate of the Issuer or Sunrun with the same rights it would have if it were not Indenture Trustee or other agent.

Section 7.06. Money Held in Trust. The Indenture Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Issuer and except to the extent of income or other gain on investments which are obligations of the Indenture Trustee hereunder.

Section 7.07. Compensation and Reimbursement.

(a) The Issuer agrees:

(i) to pay the Indenture Trustee, in accordance with and subject to the Priority of Payments, the Indenture Trustee Fee. The Indenture Trustee's compensation shall not be limited by any law with respect to compensation of a trustee of an express trust and the payments to the Indenture Trustee provided by Article V hereto shall constitute payments due with respect to the applicable fee agreement or letter;

(ii) in accordance with and subject to the Priority of Payments, to reimburse the Indenture Trustee upon request for all reasonable expenses, disbursements and advances incurred or made by the Indenture Trustee in accordance with any provision of this Indenture (including, but not limited to, the reasonable compensation, expenses and disbursements of its agents and counsel and allocable costs of in house counsel); *provided*, *however*, in no event shall the Issuer pay or reimburse the Indenture Trustee or the agents or counsel, including in house counsel of either, for any expenses, disbursements and advances incurred or made by the Indenture Trustee in connection with any negligent action or negligent inaction or willful misconduct on the part of the Indenture Trustee;

(iii) to indemnify the Indenture Trustee and its officers, directors, employees and agents for, and to hold them harmless against, any fee, loss, liability, damage, cost or expense (including reasonable attorneys' fees and expenses and court costs) incurred without negligence or bad faith on the part of the Indenture Trustee, to the extent such matters have been determined by a court of competent jurisdiction, arising out of, or in connection with, the acceptance or administration of this trust, including those incurred in connection with any action, claim or suit brought to enforce the indemnification or other obligations of the relevant transaction parties; *provided*, *however*, that:

(A) with respect to any such claim the Indenture Trustee shall have given the Issuer, the Depositor and the Transaction Manager written notice thereof promptly after the Indenture Trustee shall have actual knowledge thereof, *provided*, that failure to notify shall not relieve the parties of their obligations hereunder;

(B) notwithstanding anything to the contrary in this Section 7.07(a)(iii), none of the Issuer, the Depositor or the Transaction Manager shall be liable for settlement of any such claim by the Indenture Trustee entered into without the prior consent of the Issuer, the Depositor or the Transaction Manager, as the case may be, which consent shall not be unreasonably withheld or delayed; and

(C) the Indenture Trustee, its officers, directors, employees and agents, as a group, shall be entitled to counsel separate from the Issuer, the Depositor and the Transaction Manager; to the extent the Issuer's, the Depositor's and the Transaction Manager's interests are not adverse to the interests of the Indenture Trustee, its officers, directors, employees or agents, the Indenture Trustee may agree to be represented by the same counsel as the Issuer, the Depositor and the Transaction Manager.

Such payment obligations and indemnification shall survive the resignation or removal of the Indenture Trustee as well as the discharge, termination or assignment hereof. The Indenture Trustee's expenses are intended as expenses of administration.

Anything in this Indenture to the contrary notwithstanding, in no event shall the Indenture Trustee be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Indenture Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(b) The Indenture Trustee shall, on each Payment Date, in accordance with the Priority of Payments set forth in Section 5.05, deduct payment of its fees, expenses and indemnities hereunder from moneys in the Collection Account.

(c) The Issuer agrees to assume and to pay, and to indemnify, defend and hold harmless the Indenture Trustee and the Noteholders from any taxes which may at any time be asserted with respect to, and as of the date of, the Grant of the Trust Estate to the Indenture Trustee, including, without limitation, any sales, gross receipts, general corporation, personal property, privilege or license taxes (but with respect to the Noteholders only, not including any federal, State or other taxes arising out of the creation or the issuance of the Notes or payments with respect thereto) and costs (including court costs), expenses and reasonable counsel fees and expenses in defending against the same.

Section 7.08. Eligibility; Disqualification. The Indenture Trustee shall always have a combined capital and surplus as stated in Section 7.09, and shall always be a bank or trust company with corporate trust powers organized under the laws of the United States or any State thereof which is a member of the Federal Reserve System and shall be rated at least "A-" by S&P.

Section 7.09. Indenture Trustee's Capital and Surplus . The Indenture Trustee and/or its parent shall at all times have a combined capital and surplus of at least $100,000,000. If the Indenture Trustee publishes annual reports of condition of the type described in Section 310(a)(2) of the Trust Indenture Act of 1939, as amended, its combined capital and surplus for purposes of this Section 7.09 shall be as set forth in the latest such report.

Section 7.10. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Indenture Trustee and no appointment of a successor Indenture Trustee pursuant to this Section 7.10 shall become effective until the acceptance of appointment by the successor Indenture Trustee under Section 7.11.

(b) The Indenture Trustee may resign at any time by giving written notice thereof to the Issuer and the Transaction Manager. If an instrument of acceptance by a successor Indenture Trustee shall not have been delivered to the Indenture Trustee within 30 days after the giving of such notice of resignation, the resigning Indenture Trustee may petition any court of competent jurisdiction for the appointment of a successor Indenture Trustee.

(c) The Indenture Trustee may be removed at any time by the Super-Majority Noteholders of the Controlling Class upon 30 days' prior written notice, delivered to the Indenture Trustee, with copies to the Transaction Manager and the Issuer.

(d) (i) If at any time the Indenture Trustee shall cease to be eligible under Section 7.08 or 7.09 or shall become incapable of acting or shall be adjudged bankrupt or insolvent, or a receiver of the Indenture Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Indenture Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, with 30 days' prior written notice, the Issuer with the prior written consent of the Super-Majority Noteholders of the Controlling Class, by an Issuer Order, may remove the Indenture Trustee.

(ii) If the Indenture Trustee shall be removed pursuant to Sections 7.10(c) or (d) and no successor Indenture Trustee shall have been appointed pursuant to Section 7.10(e) and accepted such appointment within 30 days of the date of removal, the removed Indenture Trustee may petition any court of competent jurisdiction for appointment of a successor Indenture Trustee acceptable to the Issuer.

(e) If the Indenture Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Indenture Trustee for any cause, the Issuer, with the prior written consent of the Majority Noteholders of the Controlling Class, by an Issuer Order shall promptly appoint a successor Indenture Trustee.

(f) The Issuer shall give to the Rating Agency and the Noteholders notice of each resignation and each removal of the Indenture Trustee and each appointment of a successor Indenture Trustee. Each notice shall include the name of the successor Indenture Trustee and the address of its Corporate Trust Office.

(g) The provisions of this Section 7.10 shall apply to any co-trustee or separate trustee appointed by the Issuer and the Indenture Trustee pursuant to Section 7.13.

Section 7.11. Acceptance of Appointment by Successor.

(a) Every successor Indenture Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer and the retiring Indenture Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Indenture Trustee shall become effective and such successor Indenture Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Indenture Trustee. Notwithstanding the foregoing, on request of the Issuer or the successor Indenture Trustee, such retiring Indenture Trustee shall, upon payment of its fees, expenses and other charges, execute and deliver an instrument transferring to such successor Indenture Trustee all the rights, powers and trusts of the retiring Indenture Trustee and shall duly assign, transfer and deliver to such successor Indenture Trustee all property and money held by such retiring Indenture Trustee hereunder. Upon request of any such successor Indenture Trustee, the Issuer shall execute and deliver any and all instruments for more fully and certainly vesting in and confirming to such successor Indenture Trustee all such rights, powers and trusts.

(b) No successor Indenture Trustee shall accept its appointment unless at the time of such acceptance such successor Indenture Trustee shall be qualified and eligible under Sections 7.08 and 7.09.

(c) Notwithstanding the replacement of the Indenture Trustee, the obligations of the Issuer pursuant to Section 7.07(a)(iii) and (c) and the Indenture Trustee's protections under this Article VII shall continue for the benefit of the retiring Indenture Trustee.

Section 7.12. Merger, Conversion, Consolidation or Succession to Business of Indenture Trustee . Any corporation or national banking association into which the Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation, bank, trust company or national banking association resulting from any merger, conversion or consolidation to which the Indenture Trustee shall be a party, or any corporation, bank, trust company or national banking

association succeeding to all or substantially all of the corporate trust business of the Indenture Trustee, shall be the successor of the Indenture Trustee hereunder if such corporation, bank, trust company or national banking association shall be otherwise qualified and eligible under Section 7.08 and 7.09, without the execution or filing of any paper or any further act on the part of any of the parties hereto. The Indenture Trustee shall provide the Rating Agency written notice of any such transaction. In case any Notes have been authenticated, but not delivered, by the Indenture Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Indenture Trustee may adopt such authentication and deliver the Notes so authenticated with the same effect as if such successor Indenture Trustee had authenticated such Notes.

Section 7.13. Co-trustees and Separate Indenture Trustees.

(a) At any time or times, for the purpose of meeting the legal requirements of any jurisdiction in which any of the Trust Estate may at the time be located, for enforcement actions, and where a conflict of interest exists, the Indenture Trustee shall have power to appoint and, upon the written request of the Indenture Trustee, the Issuer shall for such purpose join with the Indenture Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint, one or more Persons approved by the Indenture Trustee either to act as co-trustee, jointly with the Indenture Trustee, of all or any part of the Trust Estate, or to act as separate trustee of any such property, in either case with such powers as may be provided in the instrument of appointment, and to vest in such Person or Persons in the capacity aforesaid, any property, title, right or power deemed necessary or desirable, subject to the other provisions of this Section 7.13. If the Issuer does not join in such appointment within 15 days after the receipt by it of a request so to do, or in case an Event of Default has occurred and is continuing, the Indenture Trustee alone shall have power to make such appointment. Any Person so appointed shall assume the obligations of the Indenture Trustee hereunder in full.

(b) Should any written instrument from the Issuer be required by any co-trustee or separate trustee so appointed for more fully confirming to such co-trustee or separate trustee such property, title, right or power, any and all such instruments shall, on request, be executed, acknowledged and delivered by the Issuer.

(c) Every co-trustee or separate trustee shall, to the extent permitted by law, but to such extent only, be appointed subject to the following terms:

(i) The Notes shall be authenticated and delivered and all rights, powers, duties and obligations hereunder with respect to the custody of securities, cash and other personal property held by, or required to be deposited or pledged with, the Indenture Trustee hereunder, shall be exercised solely by the Indenture Trustee.

(ii) The rights, powers, duties and obligations hereby conferred or imposed upon the Indenture Trustee with respect to any property covered by such appointment shall be conferred or imposed upon and exercised or performed by the Indenture Trustee and such co-trustee or separate trustee jointly, except to the extent that under any law of any jurisdiction in which any particular act is to be performed, the Indenture Trustee shall be incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations shall be exercised and performed solely by such co-trustee or separate trustee.

(iii) The Indenture Trustee at any time, by an instrument in writing executed by it, may accept the resignation of, or remove, any co-trustee or separate trustee appointed under this Section 7.13. Upon the written request of the Indenture Trustee, the Issuer shall join with the Indenture Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal. A successor to any co-trustee or separate trustee so resigned or removed may be appointed in the manner provided in this Section 7.13.

(iv) No co-trustee or separate trustee hereunder shall be financially or otherwise liable by reason of any act or omission of the Indenture Trustee, or any other such trustee hereunder, and the Indenture Trustee shall not be financially or otherwise liable by reason of any act or omission of any co-trustee or other such separate trustee hereunder.

(v) Any notice, request or other writing delivered to the Indenture Trustee shall be deemed to have been delivered to each such co-trustee and separate trustee.

(vi) Any separate trustee or co-trustee may, at any time, constitute the Indenture Trustee, its agent or attorney-in-fact, with full power and authority, to the extent not prohibited by law, to do any lawful act under or with respect to this Indenture on its behalf and in its name. The Indenture Trustee shall not be responsible for any action or inaction of any such separate trustee or co-trustee. The Indenture Trustee shall not have any responsibility or liability relating to the appointment of any separate or co-trustee. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estate, properties, rights, remedies and trusts shall vest in and be exercised by the Indenture Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

Section 7.14. Books and Records. The Indenture Trustee agrees to provide to the Noteholders the right during normal business hours upon two days' prior notice in writing to inspect its books and records insofar as the books and records relate to the functions and duties of the Indenture Trustee pursuant to this Indenture.

Section 7.15. Control. Upon the Indenture Trustee being adequately indemnified in writing to its satisfaction, the Majority Noteholders of the Controlling Class shall have the right to direct the Indenture Trustee with respect to any action or inaction by the Indenture Trustee hereunder, the exercise of any trust or power conferred on the Indenture Trustee, or the conduct of any proceeding for any remedy available to the Indenture Trustee with respect to the Notes or the Trust Estate *provided* that:

(a) such direction shall not be in conflict with any rule of law or with this Indenture or expose the Indenture Trustee to financial or other liability (for which it has not been adequately indemnified) or be unduly prejudicial to the Noteholders not approving such direction including, but not limited to and without intending to narrow the scope of this limitation, direction to the Indenture Trustee to act or omit to act, directly or indirectly, to amend, hypothecate, subordinate, terminate or discharge any Lien benefiting the Noteholders in the Trust Estate;

(b) the Indenture Trustee may take any other action deemed proper by the Indenture Trustee which is not inconsistent with such direction; and

(c) except as expressly provided otherwise herein (but only with the prior consent of or at the direction of the Majority Noteholders of the Controlling Class), the Indenture Trustee shall have the authority to take any enforcement action to enforce the provisions of this Indenture.

Section 7.16. Suits for Enforcement. If an Event of Default of which a Responsible Officer of the Indenture Trustee shall have actual knowledge, shall occur and be continuing, the Indenture Trustee may, in its discretion and shall, at the direction of the Majority Noteholders of the Controlling Class (provided that the Indenture Trustee is adequately indemnified in writing to its satisfaction), proceed to protect and enforce its rights and the rights of any Noteholders under this Indenture by a suit, action or proceeding in equity or at law or otherwise, whether for the specific performance of any covenant or agreement contained in this Indenture or in aid of the execution of any power granted in this Indenture or for the enforcement of any other legal, equitable or other remedy as the Indenture Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of the rights of the Indenture Trustee or any Noteholders, but in no event shall the Indenture Trustee be liable for any failure to act in the absence of direction the Majority Noteholders of the Controlling Class.

Section 7.17. Compliance with Applicable Anti-Terrorism and Anti-Money Laundering Regulations. In order to comply with laws, rules and regulations applicable to banking institutions, including those relating to the funding of terrorist activities and money laundering, the Indenture Trustee is required to obtain, verify and record certain information relating to individuals and entities which maintain a business relationship with Indenture Trustee. Accordingly, each of the parties agrees to provide to Indenture Trustee upon its request from time to time such identifying information

and documentation as may be available for such party in order to enable Indenture Trustee to comply with applicable law.

ARTICLE VIII

[RESERVED]

ARTICLE IX

EVENT OF DEFAULT

Section 9.01. Events of Default. The occurrence of any of the following events shall constitute an "*Event of Default*" hereunder:

(a) a default in the payment of any Note Interest (which, for the avoidance of doubt, does not include Deferred Interest or Post-ARD Additional Note Interest) on a Payment Date, which default shall not have been cured after three Business Days;

(b) a default in the payment of the Aggregate Outstanding Note Balance or any Deferred Interest at the Rated Final Maturity;

(c) either (A) a court having jurisdiction in respect of the Issuer enters a decree or order for (1) relief in respect of the Issuer, all Managing Members or all Project Companies under any Applicable Law relating to bankruptcy, restructuring, insolvency, receivership, winding-up, liquidation, reorganization, examination, relief of debtors or other similar law now or hereafter in effect; (2) appointment of a receiver, receiver and manager, liquidator, examiner, assignee, custodian, trustee, sequestrator or similar official of the Issuer, all Managing Members or all Project Companies; or (3) the winding up or liquidation of the affairs of such Issuer and, in each case, such decree or order shall remain unstayed or such writ or other process shall not have been stayed or dismissed within sixty (60) days from entry thereof; or (B) the Issuer, all Managing Members or all Project Companies, (1) commences a voluntary case under any Applicable Law relating to bankruptcy, restructuring, insolvency, receivership, winding-up, liquidation, reorganization, examination, relief of debtors or other similar law now or hereafter in effect, or consents to the entry of an order for relief in any involuntary case under any such law; (2) consents to the appointment of or taking possession by a receiver, receiver and manager, liquidator, examiner, assignee, custodian, trustee, sequestrator or similar official of the Issuer, all Managing Members or all Project Companies or for all or substantially all of the property and assets of the Issuer, all Managing Members or all Project Companies; or (3) effects any general assignment for the benefit of creditors, admits in writing its inability to pay its debts generally as they come due, voluntarily suspends payment of its obligations or becomes insolvent;

(d) the failure of the Issuer to observe or perform in any material respect any covenant or obligation of the Issuer set forth in this Indenture (other than the failure to make any required payment with respect to the Notes), which has not been cured within 30 days from the date of receipt by the Issuer of written notice from the Indenture Trustee (to the extent a Responsible Officer of the Indenture Trustee has received written notice or has actual knowledge thereof) of such breach or default, or the failure of the Issuer to deposit into the Collection Account all amounts held or received by the Issuer required to be deposited therein within three (3) Business Days of the required deposit date;

(e) any representation, warranty or statement of the Issuer (other than representations and warranties as to whether a Designated Solar Asset is an Eligible Solar Asset) contained in the Transaction Documents or any report, document or certificate delivered by the Issuer pursuant to the foregoing agreements shall prove to be incorrect in any material respect as of the time when the same shall have been made and, within 30 days after written notice thereof shall have been given to the Indenture Trustee and the Issuer by the Transaction Manager, the Indenture Trustee (to the extent a Responsible Officer of the Indenture Trustee has received written notice or has actual knowledge thereof) or by the Majority Noteholders of the Controlling Class, the circumstance or condition in respect of which such representation, warranty or statement was incorrect shall not have been eliminated or otherwise cured (which cure may be effected by payment of an indemnity claim) or waived by the Indenture Trustee, acting at the direction of the Majority Noteholders of the Controlling Class;

(f) the failure for any reason of the Indenture Trustee to have a first priority perfected security interest in the Trust Estate in favor of the Indenture Trustee (subject to Permitted Liens) which is not stayed, released or otherwise cured within ten days of receipt of notice or knowledge thereof;

(g) the Issuer, any Project Company or any Managing Member becomes subject to registration as an "investment company" under the 1940 Act;

(h) the Issuer, any Project Company or any Managing Member shall become taxable as an association (or publicly traded partnership taxable as a corporation) for U.S. federal or state income tax purposes;

(i) the failure by the Depositor or the Performance Guarantor to pay the Liquidated Damages Amount for a Defective Solar Asset in accordance with the Depositor Contribution Agreement or Performance Guaranty as applicable; or

(j) there shall remain in force, undischarged, unsatisfied, and unstayed for more than 30 consecutive days, any final non-appealable judgment in the amount of $100,000 or more against the Issuer not covered by insurance.

In the case of any event described in the foregoing subparagraphs, after the applicable grace period set forth in such subparagraphs, if any, the Indenture Trustee shall give written notice to the Noteholders, the Rating Agency, the Transaction Manager, the Transaction Transition Manager and the Issuer that an Event of Default has occurred as of the date of such notice. The Issuer is required to give the Indenture Trustee written notice of the occurrence of any Event of Default promptly and in any event within two (2) Business Days after the Issuer has actual knowledge thereof.

Section 9.02. Actions of Indenture Trustee. If an Event of Default shall have occurred and be continuing hereunder, the Indenture Trustee shall, at the direction of the Super-Majority Noteholders of the Controlling Class, do one of the following:

(a) declare the entire unpaid principal amount of the Notes, all interest accrued and unpaid thereon and all other amounts payable under this Indenture and the other Transaction Documents to be immediately due and payable;

(b) either on its own or through an agent, take possession of and sell the Trust Estate pursuant to Section 9.15, *provided*, *however*, that neither the Indenture Trustee nor any collateral agent may sell or otherwise liquidate the Trust Estate unless either (i) the proceeds of such sale or liquidation are sufficient to discharge in full the amounts then due and unpaid upon the Notes for principal and accrued interest and the fees and all other amounts required to be paid pursuant to the Priority of Payments or (ii) the Holders of 100% of the Aggregate Outstanding Note Balance consent thereto;

(c) institute proceedings for collection of amounts due on the Notes or under this Indenture by automatic acceleration or otherwise, or if no such acceleration or collection efforts have been made, or if such acceleration or collection efforts have been made, but have been annulled or rescinded, the Indenture Trustee may elect to take possession of the Trust Estate and collect or cause the collection of the proceeds thereof and apply such proceeds in accordance with the applicable provisions of this Indenture;

(d) enforce any judgment obtained and collect any amounts adjudged from the Issuer;

(e) institute any proceedings for the complete or partial foreclosure of the Lien created by the Indenture with respect to the Trust Estate; and

(f) protect the rights of the Indenture Trustee and the Noteholders by taking any appropriate action including exercising any remedy of a secured party under the UCC or any other applicable law.

Notwithstanding the foregoing, upon the occurrence of an Event of Default of the type described in clause (c) of the definition thereof, the entire Aggregate Outstanding Note Balance, all interest

accrued and unpaid thereon and all other amounts payable under this Indenture and the other Transaction Documents shall automatically become immediately due and payable.

Section 9.03. Indenture Trustee May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, composition or other judicial proceeding relative to the Issuer or any other obligor upon the Notes or the property of the Issuer or of such other obligor or their creditors, the Indenture Trustee (irrespective of whether the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Indenture Trustee shall have made any demand on the Issuer for the payment of overdue principal or any interest or other amounts) shall, at the written direction of the Majority Noteholders of the Controlling Class, by intervention in such proceeding or otherwise:

(a) file and prove a claim for the whole amount owing and unpaid with respect to the Notes issued hereunder and file such other papers or documents as may be necessary or advisable in order to have the claims of the Indenture Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Indenture Trustee, its agents and counsel) and of the Noteholders allowed in such proceeding; and

(b) collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any receiver, assignee, trustee, liquidator, or sequestrator (or other similar official) in any such proceeding is hereby authorized by each Noteholder to make such payments to the Indenture Trustee and, in the event that the Indenture Trustee shall consent to the making of such payments directly to the Noteholders, to pay to the Indenture Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Indenture Trustee, its agents and counsel, and any other amounts due the Indenture Trustee under Section 7.07.

Nothing herein contained shall be deemed to authorize the Indenture Trustee to authorize and consent to or accept or adopt on behalf of any Noteholder any plan of reorganization, arrangement, adjustment, or composition affecting any of the Notes or the rights of any Noteholder thereof, or to authorize the Indenture Trustee to vote with respect to the claim of any Noteholder in any such proceeding.

Section 9.04. Indenture Trustee May Enforce Claim Without Possession of Notes. All rights of action and claims under this Indenture or the Notes may be prosecuted and enforced by the Indenture Trustee without the possession of any of the Notes or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Indenture Trustee shall be brought in its own name as trustee for the benefit of the Noteholders, and any recovery of judgment shall be applied first, to the payment of the reasonable compensation, expenses, disbursements and advances of the Indenture Trustee, its agents and counsel and any other amounts due the Indenture

Trustee under Section 7.07 (*provided* that, any indemnification by the Issuer under Section 7.07 shall be paid only in the priority set forth in Section 5.05) and second, for the ratable benefit of the Noteholders for all amounts due to such Noteholders.

Section 9.05. Knowledge of Indenture Trustee. Any references herein to the knowledge, discovery or learning of the Indenture Trustee shall mean and refer to actual knowledge of a Responsible Officer of the Indenture Trustee.

Section 9.06. Limitation on Suits. No Holder of any Note shall have any right to institute any Proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder unless:

(a) such Holder has previously given written notice to the Indenture Trustee of a continuing Event of Default;

(b) the Majority Noteholders of the Controlling Class shall have made written request to the Indenture Trustee to institute Proceedings with respect to such Event of Default in its own name as Indenture Trustee hereunder;

(c) such Holder or Holders have offered to the Indenture Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(d) the Indenture Trustee for 30 days after its receipt of such notice, request and offer of security or indemnity has failed to institute any such Proceedings; and

(e) no direction inconsistent with such written request has been given to the Indenture Trustee during such 30-day period by the Majority Noteholders of the Controlling Class;

it being understood and intended that no one or more Holders of Notes shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other Holders of Notes, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided.

Section 9.07. Unconditional Right of Noteholders to Receive Principal and Interest. The Holders of the Notes shall have the right, which is absolute and unconditional, subject to the express terms of this Indenture, to receive payment of principal and interest on such Notes, subject to the respective relative priorities provided for in this Indenture, as such principal and interest becomes due and payable from the Trust Estate and to institute Proceedings for the enforcement of any such payment, and such right shall not be impaired except as expressly permitted herein without the consent of such Holders.

Section 9.08. Restoration of Rights and Remedies. If the Indenture Trustee or any Noteholder has instituted any Proceeding to enforce any right or remedy under this Indenture and such Proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Indenture Trustee or to such Noteholder, then, and in every case, the Issuer, the Indenture Trustee and the Noteholders shall, subject to any determination in such Proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Indenture Trustee and the Noteholders shall continue as though no such Proceeding had been instituted.

Section 9.09. Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes in Section 2.09, no right or remedy herein conferred upon or reserved to the Indenture Trustee or to the Noteholders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 9.10. Delay or Omission; Not Waiver. No delay or omission of the Indenture Trustee or of any Holder of any Note to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or any acquiescence therein. Every right and remedy given by this Article IX or by law to the Indenture Trustee or to the Noteholders may be exercised from time to time, and as often as may be deemed expedient, by the Indenture Trustee or by the Noteholders, as the case may be.

Section 9.11. Control by Noteholders. The Majority Noteholders of the Controlling Class shall have the right to direct the time, method and place of conducting any Proceeding for any remedy available to the Indenture Trustee or exercising any trust or power conferred on the Indenture Trustee; *provided* that:

(a) such direction shall not be in conflict with any rule of law or with this Indenture including, without limitation, any provision hereof which expressly provides for approval by a greater percentage of the aggregate principal amount of all Outstanding Notes;

(b) the Indenture Trustee may take any other action deemed proper by the Indenture Trustee which is not inconsistent with such direction; *provided*, *however*, that, subject to Section 7.01, the Indenture Trustee need not take any action which a Responsible Officer or Officers of the Indenture Trustee in good faith determines might involve it in personal liability (unless the Indenture Trustee is furnished with the reasonable indemnity referred to in Section 9.11(c)); and

(c) the Indenture Trustee has been furnished reasonable indemnity against costs, expenses and liabilities which it might incur in connection therewith.

Section 9.12. Waiver of Certain Events by Less Than All Noteholders. The Super-Majority Noteholders of the Controlling Class may, on behalf of the Holders of all the Notes, waive any past Default, Event of Default or Transaction Manager Termination Event, and its consequences, except:

(a) a Default in the payment of the principal of or interest on any Note, or a Default caused by the Issuer becoming subject to registration as an "investment company" under the 1940 Act, or

(b) with respect to a covenant or provision hereof which under Article X cannot be modified or amended without the consent of the Holder of each Outstanding Note affected.

Upon any such waiver, such Default, Event of Default or Transaction Manager Termination Event shall cease to exist, and any Default, Event of Default or Transaction Manager Termination Event or other consequence arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default, Event of Default or Transaction Manager Termination Event or impair any right consequent thereon.

Section 9.13. Undertaking for Costs. All parties to this Indenture agree, and each Noteholder and each Note Owner by its acceptance of a Note, shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Indenture Trustee for any action taken, suffered or omitted by it as Indenture Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section 9.13 shall not apply to any suit instituted by the Indenture Trustee or to any suit instituted by any Noteholder for the enforcement of the payment of the principal of or interest on any Note on or after the Rated Final Maturity expressed in such Note.

Section 9.14. Waiver of Stay or Extension Laws. The Issuer covenants (to the extent that it may lawfully do so) that it will not, at any time, insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Indenture Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 9.15. Sale of Trust Estate.

(a) The power to effect any sale of any portion of the Trust Estate pursuant to this Article IX shall not be exhausted by any one or more sales as to any portion of the Trust Estate remaining unsold, but shall continue unimpaired until the entire Trust Estate securing the Notes shall have been sold or all amounts payable on the Notes and under this Indenture with respect thereto shall have been paid. The Indenture Trustee, acting on its own or through an agent, may from time to time postpone any sale by public announcement made at the time and place of such sale.

(b) The Indenture Trustee shall not, in any private sale, sell to a third party the Trust Estate, or any portion thereof unless the Super-Majority Noteholders of the Controlling Class direct the Indenture Trustee, in writing, to make such sale or unless either (i) the proceeds of such sale or liquidation are sufficient to discharge in full the amounts then due and unpaid upon the Notes for principal and accrued interest and the fees and all other amounts required to be paid pursuant the Priority of Payments or (ii) the Holders of 100% of the principal amount of each Class of Notes then Outstanding consent thereto.

(c) The Indenture Trustee or any Noteholder may bid for and acquire any portion of the Trust Estate in connection with a public or private sale thereof, and in lieu of paying cash therefor, any Noteholder may make settlement for the purchase price by crediting against amounts owing on the Notes of such Holder or other amounts owing to such Holder secured by this Indenture, that portion of the net proceeds of such sale to which such Holder would be entitled, after deducting the reasonable costs, charges and expenses incurred by the Indenture Trustee or the Noteholders in connection with such sale. The Notes need not be produced in order to complete any such sale, or in order for the net proceeds of such sale to be credited against the Notes. The Indenture Trustee or the Noteholders may hold, lease, operate, manage or otherwise deal with any property so acquired in any manner permitted by law.

(d) The Indenture Trustee shall execute and deliver an appropriate instrument of conveyance transferring its interest in any portion of the Trust Estate in connection with a sale thereof. In addition, the Indenture Trustee is hereby irrevocably appointed the agent and attorney-in-fact of the Issuer to transfer and convey its interest in any portion of the Trust Estate in connection with a sale thereof, and to take all action necessary to effect such sale. No purchaser or transferee at such a sale shall be bound to ascertain the Indenture Trustee's authority, inquire into the satisfaction of any conditions precedent or see to the application of any monies.

(e) The method, manner, time, place and terms of any sale of all or any portion of the Trust Estate shall be commercially reasonable.

(f) This Section 9.15 is subject to Section 7.01(i).

Section 9.16. Action on Notes. The Indenture Trustee's right to seek and recover judgment on the Notes or under this Indenture shall not be affected by the seeking, obtaining or application of any other relief under or with respect to this Indenture. Neither the Lien of this Indenture nor any rights or remedies of the Indenture Trustee or the Noteholders shall be impaired by the recovery of any judgment by the Indenture Trustee against the Issuer or by the levy of any execution under such judgment upon any portion of the Trust Estate or upon any of the assets of the Issuer.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.01. Supplemental Indentures Without Noteholder Approval.

(a) Provided that (i) the Issuer shall have provided prior written notice to the Rating Agency of such modification, (ii) the Indenture Trustee shall have received a Tax Opinion, and (iii) if requested by the Indenture Trustee, the Indenture Trustee shall (x) have received an opinion that (a) such modification is authorized or permitted under the terms of this Indenture and will not have a material adverse effect on any Noteholder, and (b) that all conditions precedent to the execution of such modification have been satisfied or (y) have received an officer's certificate of the Transaction Manager that such modification is authorized or permitted under the terms of this Indenture and will not have a material adverse effect on any Noteholder and the Indenture Trustee shall have received Rating Agency Confirmation with respect to such action (provided that the Issuer shall not be required to obtain Rating Agency Confirmation or the consent of any person with respect to any modification described in clauses (i), (ii) or (iii) below), the Issuer and the Indenture Trustee, when authorized and directed by an Issuer Order, at any time and from time to time, may without the consent of the Noteholders, enter into one or more amendments or indentures supplemental hereto, in form satisfactory to the Indenture Trustee for any of the following purposes:

(i) to correct, amplify or add to the description of any property at any time subject to the Lien of this Indenture, or better to assure, convey and confirm unto the Indenture Trustee any property subject or required to be subjected to the Lien of this Indenture, or to subject to the Lien of this Indenture additional property;

(ii) to evidence the succession of another Person to either the Issuer or the Indenture Trustee in accordance with the terms hereof, and the assumption by any such successor of the covenants of the Issuer or the Indenture Trustee contained herein and in the Notes;

(iii) to cure any ambiguity, to correct any manifest error or any error which is of a formal, minor or technical nature, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein or to conform the provisions herein to the descriptions set forth in the Offering Circular;

(iv) to add to the covenants of the Issuer or the Indenture Trustee, for the benefit of the Noteholders or to surrender any right or power herein conferred upon the Issuer; or

(v) to effect any matter specified in Section 10.06.

(b) Promptly after the execution by the Issuer and the Indenture Trustee of any amendment or supplemental indenture pursuant to this Section 10.01, the Indenture Trustee shall make available to the Noteholders and the Rating Agency a copy of such supplemental indenture. Any failure of the Indenture Trustee to mail such copy shall not, however, in any way impair or affect the validity of any such amendment or supplemental indenture.

Section 10.02. Supplemental Indentures with Consent of Noteholders.

(a) With the prior written consent of each Noteholder affected thereby, prior written notice to the Rating Agency and receipt by the Indenture Trustee of a Tax Opinion, the Issuer and the Indenture Trustee, when authorized and directed by an Issuer Order, at any time and from time to time, may enter into an amendment or a supplemental indenture for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Indenture or of modifying in any manner the rights of the Noteholders under this Indenture for the following purposes:

(i) to change the Rated Final Maturity of the principal of any Note, or the due date of any payment of interest on any Note, or reduce the principal amount thereof, or the interest rate thereon, change the place of payment where, or the coin or currency in which any Note or any interest thereon is payable, or impair the right to institute suit for the enforcement of the payment of interest due on any Note on or after the due date thereof or for the enforcement of the payment of the entire remaining unpaid principal amount of any Note on or after the Rated Final Maturity thereof or change any provision of Article VI regarding the amounts payable upon any Voluntary Prepayment of the Notes;

(ii) to reduce the percentage of the Outstanding Note Balance of any Class of Notes, the consent of the Noteholders of which is required to approve any such supplemental indenture; or the consent of the Noteholders of which is required for any waiver of compliance with provisions of this Indenture or Events of Default or Transaction Manager Termination Events under this Indenture or under the Transaction Management Agreement and their consequences provided for in this Indenture or for any other purpose hereunder;

(iii) to modify any of the provisions of this Section 10.02;

(iv) to modify or alter the provisions of the proviso to the definition of the term “Outstanding”; or

(v) to permit the creation of any other Lien with respect to any part of the Trust Estate or terminate the Lien of this Indenture on any property at any time subject hereto or, except with respect to any action which would not have a material adverse effect on any Noteholder (as evidenced by an Opinion of Counsel to such effect), deprive the Noteholder of the security afforded by the Lien of this Indenture.

(b) With the prior written consent of the Majority Noteholders of the Controlling Class, and receipt by the Indenture Trustee of a Tax Opinion, the Issuer and the Indenture Trustee, when authorized and directed by an Issuer Order, at any time and from time to time, may enter into one or more amendments or indentures supplemental hereto, in form and substance satisfactory to the Indenture Trustee (acting at the direction of the Majority Noteholders of the Controlling Class) for the purpose of modifying, eliminating or adding to the provisions of this Indenture; provided, that such supplemental indentures shall not have any of the effects described in paragraphs (i) through (v) of Section 10.02(a).

(c) Promptly after the execution by the Issuer and the Indenture Trustee of any amendment or supplemental indenture pursuant to this Section 10.02, the Indenture Trustee shall make available to the Noteholders and the Rating Agency a copy of such supplemental indenture. Any failure of the Indenture Trustee to mail such copy shall not, however, in any way impair or affect the validity of any such supplemental indenture.

(d) Whenever the Issuer or the Indenture Trustee solicits a consent to any amendment or supplement to the Indenture, the Issuer shall fix a record date in advance of the solicitation of such consent for the purpose of determining the Noteholders entitled to consent to such amendment or supplement. Only those Noteholders at such record date shall be entitled to consent to such amendment or supplement whether or not such Noteholders continue to be Holders after such record date.

Section 10.03. Execution of Amendments and Supplemental Indentures. In executing, or accepting the additional trusts created by, any amendment or supplemental indenture permitted by this Article X or the modifications thereby of the trusts created by this Indenture, the Indenture Trustee shall be entitled to receive, and (subject to Section 7.01) shall be fully protected in relying upon, an Opinion of Counsel (i) stating that the execution of such supplemental indenture is authorized or permitted by this Indenture and (ii) in accordance with Section 3.06. The Indenture Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Indenture Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 10.04. Effect of Amendments and Supplemental Indentures. Upon the execution of any amendment or supplemental indenture under this Article X, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all

purposes; and every Holder of Notes which have theretofore been or thereafter are authenticated and delivered hereunder shall be bound thereby.

Section 10.05. Reference in Notes to Amendments and Supplemental Indentures. Notes authenticated and delivered after the execution of any amendment or supplemental indenture pursuant to this Article X may, and if required by the Issuer shall, bear a notation as to any matter provided for in such supplemental indenture. If the Issuer shall so determine, new Notes so modified as to conform to any such supplemental indenture may be prepared and executed by the Issuer and authenticated and delivered by the Indenture Trustee in exchange for Outstanding Notes.

Section 10.06. Indenture Trustee to Act on Instructions. Notwithstanding any provision herein to the contrary (other than Section 10.02), in the event the Indenture Trustee is uncertain as to the intention or application of any provision of this Indenture or any other agreement to which it is a party, or such intention or application is ambiguous as to its purpose or application, or is, or appears to be, in conflict with any other applicable provision thereof, or if this Indenture or any other agreement to which it is a party permits or does not prohibit any determination by the Indenture Trustee, or is silent or incomplete as to the course of action which the Indenture Trustee is required or is permitted or may be permitted to take with respect to a particular set of facts or circumstances, the Indenture Trustee shall, at the expense of the Issuer, be entitled to request and rely upon the following: (a) written instructions of the Issuer directing the Indenture Trustee to take certain actions or refrain from taking certain actions, which written instructions shall contain a certification that the taking of such actions or refraining from taking certain actions is in the best interest of the Noteholders and (b) prior written consent of the Majority Noteholders of the Controlling Class. In such case, the Indenture Trustee shall have no liability to the Issuer or the Noteholders for, and the Issuer shall hold harmless the Indenture Trustee from, any liability, costs or expenses arising from or relating to any action taken by the Indenture Trustee acting upon such instructions, and the Indenture Trustee shall have no responsibility to the Noteholders with respect to any such liability, costs or expenses. The Issuer shall provide a copy of such written instructions to the Rating Agency.

ARTICLE XI

[RESERVED]

ARTICLE XII

MISCELLANEOUS

Section 12.01. Compliance Certificates and Opinions; Furnishing of Information. Upon any application or request by the Issuer to the Indenture Trustee to take any action under any provision

of this Indenture (except with respect to ordinary course actions under this Indenture and except as otherwise specifically provided in this Indenture), the Issuer, at the request of the Indenture Trustee, shall furnish to the Indenture Trustee a certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that, in the opinion of such counsel, all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of certificates and Opinions of Counsel are specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or Opinion of Counsel need be furnished.

Section 12.02. Form of Documents Delivered to Indenture Trustee.

(a) If several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

(b) Any certificate or opinion of an Authorized Officer of the Issuer may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by outside counsel, unless such Authorized Officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion or any Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an Authorized Officer of any relevant Person, stating that the information with respect to such factual matters is in the possession of such Person, unless such officer or counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous. Any Opinion of Counsel may be based on the written opinion of other counsel, in which event such Opinion of Counsel shall be accompanied by a copy of such other counsel's opinion and shall include a statement to the effect that such counsel believes that such counsel and the Indenture Trustee may reasonably rely upon the opinion of such other counsel.

(c) Where any Person is required to make, give or execute two or more applications, requests, consents, notices, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

(d) Wherever in this Indenture, in connection with any application or certificate or report to the Indenture Trustee, it is provided that the Issuer or the Transaction Manager shall deliver any document as a condition of the granting of such application, or as evidence of the Issuer's or the Transaction Manager's compliance with any term hereof, it is intended that the truth and accuracy,

at the time of the granting of such application or at the effective date of such notice or report (as the case may be), of the facts and opinions stated in such document shall in such case be conditions precedent to the right of the Issuer to have such application granted or to the sufficiency of such notice or report. The foregoing shall not, however, be construed to affect the Indenture Trustee's right to rely upon the truth and accuracy of any statement or opinion contained in any such document as provided in Section 7.01(b)(ii).

(e) Wherever in this Indenture it is provided that the absence of the occurrence and continuation of a Default, an Event of Default or a Transaction Manager Termination Event is a condition precedent to the taking of any action by the Indenture Trustee at the request or direction of the Issuer, then notwithstanding that the satisfaction of such condition is a condition precedent to the Issuer's or the Indenture Trustee's right to make such request or direction, the Indenture Trustee shall be protected in acting in accordance with such request or direction if a Responsible Officer of the Indenture Trustee does not have actual knowledge of the occurrence and continuation of such Default, Event of Default or Transaction Manager Termination Event.

Section 12.03. Acts of Noteholders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Noteholders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Noteholders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Indenture Trustee, and, where it is hereby expressly required, to the Issuer. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "*Act*" of the Noteholders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 7.01) conclusive in favor of the Indenture Trustee and the Issuer, if made in the manner provided in this Section 12.03.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Whenever such execution is by an officer of a corporation or a member of a limited liability company or a partnership on behalf of such corporation, limited liability company or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority.

(c) The ownership of Notes shall be proved by the Note Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Notes shall bind the Holder of every Note issued upon the registration or transfer thereof or in exchange therefor or in lieu thereof, with respect to anything done, omitted or suffered to be done by the Indenture Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Notes.

Section 12.04. Notices, Etc. Any request, demand, authorization, direction, notice, consent, waiver or act of Noteholders or other documents provided or permitted by this Indenture to be made upon, given or furnished to, or filed with:

(a) the Indenture Trustee by any Noteholder or by the Issuer, shall be in writing and shall be delivered personally or mailed by first-class registered or certified mail, postage prepaid, or by telephonic facsimile transmission and overnight delivery service, postage prepaid, and received by, a Responsible Officer of the Indenture Trustee at its Corporate Trust Office listed below; or

(b) any other Person shall be in writing and shall be delivered personally or by electronic or telephonic facsimile transmission and prepaid overnight delivery service at the address listed below or at any other address subsequently furnished in writing to the Indenture Trustee by the applicable Person.

To the Indenture Trustee:	Wells Fargo Bank, National Association 600 S. 4th Street MAC N9300-061 Minneapolis, MN 55479 Attention: Corporate Trust Services – Asset Backed Administration Phone: (612) 667-8058 Fax: (612) 667-3464
To the Issuer:	Sunrun Atlas Issuer 2019-2, LLC c/o Sunrun Inc. 225 Bush Street San Francisco, CA 94104 Attention: General Counsel
with a copy to:	Sunrun Inc. 225 Bush Street San Francisco, CA 94104 Attention: General Counsel
To KBRA:	Kroll Bond Rating Agency, Inc. 805 Third Avenue, 29th Floor New York, NY 10022 Attention: ABS Surveillance Email: abssurveillance@kbra.com

Notices delivered to the Rating Agency shall be by electronic delivery to the email address set forth above where information is available in electronic format. In addition, upon the written request of any beneficial owner of a Note, the Indenture Trustee shall provide to such beneficial owner copies of such notices, reports or other information delivered, in one or more of the means requested, by the Indenture Trustee hereunder to other Persons as such beneficial owner may reasonably request.

Section 12.05. Notices and Reports to Noteholders; Waiver of Notices.

(a) Where this Indenture provides for notice to Noteholders of any event or the mailing of any report to the Noteholders, such notice or report shall be written and shall be sufficiently given (unless otherwise herein expressly provided) if mailed, first-class, postage-prepaid, to each Noteholder affected by such event or to whom such report is required to be mailed or sent via electronic mail, at the address or electronic mail address of such Noteholder as it appears on the

Note Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice or the mailing of such report. In any case where a notice or report to Noteholders is mailed in the manner provided above, neither the failure to mail such notice or report, nor any defect in any notice or report so mailed, to any particular Noteholder shall affect the sufficiency of such notice or report with respect to other Noteholders, and any notice or report which is mailed in the manner herein provided shall be conclusively presumed to have been duly given or provided.

(b) Where this Indenture provides for notice in any manner, such notice may be waived in writing by any Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Noteholders shall be filed with the Indenture Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

(c) If, by reason of the suspension of regular mail service as a result of a strike, work stoppage or similar activity, it shall be impractical to mail notice of any event to the Noteholders when such notice is required to be given pursuant to any provision of this Indenture, then any manner of giving such notice as shall be satisfactory to the Indenture Trustee shall be deemed to be a sufficient giving of such notice.

(d) The Indenture Trustee shall promptly upon written request furnish to each Noteholder each Quarterly Transaction Report and, unless directed to do so under any other provision of this Indenture or any other Transaction Document (in which case no request shall be necessary), a copy of all reports, financial statements and notices received by the Indenture Trustee pursuant to this Indenture and the other Transaction Documents, but only with the use of a password provided by the Indenture Trustee; *provided, however,* the Indenture Trustee shall have no obligation to provide such information described in this Section 12.05 until it has received the requisite information from the Issuer or the Transaction Manager. The Indenture Trustee will make no representation or warranties as to the accuracy or completeness of such documents and will assume no responsibility therefor. The Indenture Trustee's internet website will initially be located at www.CTSLink.com or at such other address as the Indenture Trustee shall notify the parties to the Indenture from time to time. In connection with providing access to the Indenture Trustee's website, the Indenture Trustee may require registration and the acceptance of a disclaimer. The Trustee shall not be liable for the dissemination of information in accordance with this Indenture.

Section 12.06. Rules by Indenture Trustee. The Indenture Trustee may make reasonable rules for any meeting of Noteholders.

Section 12.07. Issuer Obligation. Each of the Indenture Trustee and each Noteholder accepts that the enforceability against the Issuer under this Indenture and under the Notes shall be limited to the assets of the Issuer, whether tangible or intangible, real or person (including the Trust Estate) and the proceeds thereof. No recourse may be taken, directly or indirectly, against (a) any member,

manager, officer, employee, trustee, agent or director of the Issuer or of any predecessor of the Issuer, (b) any member, manager, beneficiary, officer, employee, trustee, agent, director or successor or assign of a holder of a member or limited liability company interest in the Issuer, or (c) any incorporator, subscriber to capital stock, stockholder, officer, director, employee or agent of the Indenture Trustee or any predecessor or successor thereof, with respect to the Issuer's obligations with respect to the Notes or any of the statements, representations, covenants, warranties or obligations of the Issuer under this Indenture or any Note or other writing delivered in connection herewith or therewith.

Section 12.08. Enforcement of Benefits. The Indenture Trustee for the benefit of the Noteholders shall be entitled to enforce and, at the written direction of and with indemnity by the Super-Majority Noteholders of the Controlling Class, the Indenture Trustee shall enforce the covenants and agreements of the Transaction Manager contained in the Transaction Management Agreement, the Transaction Transition Manager contained in the Manager Transition Agreement, the Custodian contained in the Custodial Agreement, the Depositor contained in the Depositor Contribution Agreement, any Sunrun Party in any other Contribution Agreement, the Performance Guarantor contained in the Performance Guaranty and each other Transaction Document.

Section 12.09. Effect of Headings and Table of Contents. The Section and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 12.10. Successors and Assigns. All covenants and agreements in this Indenture by the Issuer and the Indenture Trustee shall bind their respective successors and assigns, whether so expressed or not.

Section 12.11. Separability. If any provision in this Indenture or in the Notes 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. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as part of this Indenture, a provision as similar in its terms and purpose to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

Section 12.12. Benefits of Indenture. Nothing in this Indenture or in the Notes, expressed or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any separate trustee or co-trustee appointed under Section 7.13 and the Noteholders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 12.13. Legal Holidays. If the date of any Payment Date or any other date on which principal of or interest on any Note is proposed to be paid or any date on which mailing of notices by the Indenture Trustee to any Person is required pursuant to any provision of this Indenture, shall

not be a Business Day, then (notwithstanding any other provision of the Notes or this Indenture) payment or mailing of such notice need not be made on such date, but may be made or mailed on the next succeeding Business Day with the same force and effect as if made or mailed on the nominal date of any such Payment Date or other date for the payment of principal of or interest on any Note, or as if mailed on the nominal date of such mailing, as the case may be, and in the case of payments, no interest shall accrue for the period from and after any such nominal date, *provided* such payment is made in full on such next succeeding Business Day.

Section 12.14. Governing Law; Jurisdiction; Waiver of Jury Trial. (a) This Indenture and each Note shall be construed in accordance with and governed by the substantive laws of the State of New York (including New York General Obligations Laws §§ 5-1401 and 5-1402, but otherwise without regard to conflicts of law provisions thereof, except with regard to the UCC) applicable to agreements made and to be performed therein.

(b) The Parties hereto agree to the non-exclusive jurisdiction of the state and federal courts in New York.

(c) TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HERETO AND EACH NOTEHOLDER BY ACCEPTANCE OF A NOTE IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION PROCEEDING OR COUNTERCLAIM BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS INDENTURE, ANY OTHER DOCUMENT IN CONNECTION HEREWITH OR ANY MATTER ARISING HEREUNDER OR THEREUNDER.

Section 12.15. Counterparts. This Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same agreement. Delivery of an executed counterpart of this Indenture by facsimile or other electronic transmission (i.e., "pdf" or "tif") shall be effective delivery of a manually executed counterpart hereof and deemed an original.

Section 12.16. Recording of Indenture. If this Indenture is subject to recording in any appropriate public recording offices, the Issuer shall effect such recording at its expense in compliance with an Opinion of Counsel to the effect that such recording is necessary either for the protection of the Noteholders or any other person secured hereunder or for the enforcement of any right or remedy granted to the Indenture Trustee under this Indenture or any other Transaction Document.

Section 12.17. Further Assurances. The Issuer agrees to do and perform, from time to time, any and all acts and to execute any and all further instruments required or reasonably requested by the Indenture Trustee to effect more fully the purposes of this Indenture, including, without limitation, the execution of any financing statements or continuation statements relating to the Trust Estate for filing under the provisions of the UCC of any applicable jurisdiction.

Section 12.18. No Bankruptcy Petition Against the Issuer. The Indenture Trustee agrees (and each Noteholder by its acceptance of the Notes shall be deemed to agree) that, prior to the date that is one year and one day after the payment in full of all amounts payable with respect to the Notes, it will not institute against the Issuer, or join any other Person in instituting against the Issuer, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other proceedings under the laws of the United States or any State of the United States. This Section 12.18 shall survive the termination of this Indenture.

Section 12.19. [Reserved].

Section 12.20. Liquidated Damages Demands. The Indenture Trustee will promptly notify the Issuer, the Transaction Manager and the Depositor of any demand by a Noteholder (or a beneficial owner thereof) made in writing to a Responsible Officer of the Indenture Trustee that the Depositor pay Liquidated Damages Amounts in respect of a Defective Solar Asset, whether on account of a breach of representation or warranty or otherwise. Other than forwarding Noteholder demands in accordance with this Section 12.20, the Indenture Trustee shall have no responsibility for compliance by the Issuer, the Transaction Manager or the Depositor with any reporting requirements under federal securities laws with respect to breaches of representations and warranties and shall not be required to determine whether or not such a breach has occurred or is material.

Section 12.21. [Reserved].

Section 12.22. Tax Treatment Disclosure . Any person (and each employee, representative, or other agent of such person) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the transaction and all materials of any kind (including opinions or other tax analyses) that are provided to such person relating to such tax treatment and tax structure.

Section 12.23. Multiple Roles. The parties expressly acknowledge and consent to Wells Fargo Bank, National Association, acting in the multiple roles of Indenture Trustee, the Transaction Transition Manager and the Custodian. Wells Fargo Bank, National Association may, in such capacities, discharge its separate functions fully, without hindrance or regard to conflict of interest principles, or other breach of duties to the extent that any such conflict or breach arises from the performance by Wells Fargo Bank, National Association of express duties set forth in this Indenture in any of such capacities, all of which defenses, claims or assertions are hereby expressly waived by the other parties hereto except in the case of negligence (other than errors in judgment), bad faith or willful misconduct by Wells Fargo Bank, National Association.

Section 12.24. PATRIOT Act. The parties hereto acknowledge that in accordance with the Customer Identification Program (CIP) requirements established under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107 56 (signed into law October 26, 2001) and its

implementing regulations (collectively, the Patriot Act), the Indenture Trustee in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Indenture Trustee. Each party hereby agrees that it shall provide the Indenture Trustee with such information as the Indenture Trustee may request from time to time in order to comply with any applicable requirements of the Patriot Act.

ARTICLE XIII

TERMINATION

Section 13.01. Termination of Indenture.

(a) This Indenture shall terminate on or after the Termination Date upon the payment to the Noteholders and the Indenture Trustee of all amounts required to be paid to them pursuant to this Indenture, and the conveyance and transfer of all right, title and interest in and to the property and funds in the Trust Estate to the Issuer. The Transaction Manager shall promptly notify the Indenture Trustee in writing of any prospective termination pursuant to this Article XIII.

(b) Notice of any prospective termination, specifying the Payment Date for payment of the final payment and requesting the surrender of the Notes for cancellation, shall be given promptly by the Indenture Trustee by letter to the Noteholders as of the applicable Record Date and the Rating Agency upon the Indenture Trustee receiving written notice of such event from the Issuer or the Transaction Manager. The Issuer or the Transaction Manager shall give such notice to the Indenture Trustee not later than the 5th day of the month of the final Payment Date stating (i) the Payment Date upon which final payment of the Notes shall be made, (ii) the amount of any such final payment, and (iii) the location for presentation and surrender of the Notes. Surrender of the Notes that are Definitive Notes shall be a condition of payment of such final payment.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Issuer and the Indenture Trustee have caused this Indenture to be duly executed as of the day and year first above written.

SUNRUN ATLAS ISSUER 2019-2, LLC, as
Issuer

By: Sunrun Atlas Depositor 2019-2, LLC
Its: Sole Member

By: Sunrun Atlas Investor 2019-2, LLC
Its: Sole Member

By: Sunrun Atlas Holdco 2019-2, LLC
Its: Sole Member

By: Sunrun Inc.
Its: Sole Member

By /s/ Robert Komin, Jr.
Name: Robert Komin, Jr.
Title: Chief Financial Officer

WELLS FARGO BANK, NATIONAL ASSOCIATION, as
Indenture Trustee

By /s/ Chad Schafer
Name: Chad Schafer
Title: Vice President

Agreed and Acknowledged:

SUNRUN INC.,
as Transaction Manager

By /s/ Robert Komin, Jr.
Name: Robert Komin, Jr.
Title: Chief Financial Officer

[Signature Page to Sunrun 2019-2 Indenture]

SCHEDULE I

SCHEDULE OF SOLAR ASSETS

[On file with the Indenture Trustee]

SCHEDULE II

SCHEDULED HOST CUSTOMER PAYMENTS
[On file with the Indenture Trustee]

SCHEDULE III

SCHEDULED PBI PAYMENTS
[On file with the Indenture Trustee]

SCHEDULE IV

SCHEDULED OUTSTANDING NOTE BALANCE

Payment Date	Class A Scheduled Outstanding Note Balance ($)	Class B Scheduled Outstanding Note Balance ($)
Closing Date	[***]	[***]
January 2020	[***]	[***]
April 2020	[***]	[***]
July 2020	[***]	[***]
October 2020	[***]	[***]
January 2021	[***]	[***]
April 2021	[***]	[***]
July 2021	[***]	[***]
October 2021	[***]	[***]
January 2022	[***]	[***]
April 2022	[***]	[***]
July 2022	[***]	[***]
October 2022	[***]	[***]
January 2023	[***]	[***]
April 2023	[***]	[***]
July 2023	[***]	[***]
October 2023	[***]	[***]
January 2024	[***]	[***]
April 2024	[***]	[***]
July 2024	[***]	[***]
October 2024	[***]	[***]
January 2025	[***]	[***]
April 2025	[***]	[***]
July 2025	[***]	[***]
October 2025	[***]	[***]
January 2026	[***]	[***]
April 2026	[***]	[***]
July 2026	[***]	[***]
October 2026	[***]	[***]
January 2027	[***]	[***]
April 2027	[***]	[***]
July 2027	[***]	[***]
October 2027	[***]	[***]

SCHEDULE V

PROJECTED TAX EQUITY INVESTOR DISTRIBUTIONS

Year	Tax Equity Investor Distributions ($)
2020	[***]
2021	[***]
2022	[***]
2023	[***]
2024	[***]
2025	[***]
2026	[***]
2027	[***]
2028	[***]
2029	[***]
2030	[***]
2031	[***]
2032	[***]
2033	[***]
2034	[***]
2035	[***]
2036	[***]
2037	[***]
2038	[***]

2039	[***]
2040	[***]
2041	[***]
2042	[***]
2043	[***]
2044	[***]
2045	[***]
Total	[***]

EXHIBIT A-1

FORM OF CLASS A NOTE

Note Number: [__]

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (*"DTC"*), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC) ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO HEREIN.

THIS GLOBAL NOTE (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND NEITHER THIS GLOBAL NOTE NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS GLOBAL NOTE OR ANY INTEREST HEREIN IS HEREBY NOTIFIED THAT THE SELLER OF THIS GLOBAL NOTE OR INTEREST HEREIN MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THE HOLDER OF THIS GLOBAL NOTE OR ANY INTEREST HEREIN AGREES FOR THE BENEFIT OF THE ISSUER THAT (A) THIS NOTE AND ANY INTEREST HEREIN MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN DENOMINATIONS LOWER THAN $100,000 AND IN INTEGRAL MULTIPLES OF $1,000 IN EXCESS THEREOF, AND ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE THE UNITED STATES IN AN

OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S, OR (III) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE AND EVIDENCED BY AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER AND THE INDENTURE TRUSTEE), IN EACH OF CASES (I) THROUGH (III) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS GLOBAL NOTE OR ANY INTEREST HEREIN FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. NOTWITHSTANDING THE FOREGOING RESTRICTION, ANY NOTE THAT HAS BEEN PROPERLY ISSUED IN AN AMOUNT NO LESS THAN $100,000 MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN DENOMINATIONS LESS THAN $100,000 IF SUCH LESSER DENOMINATION IS SOLELY A RESULT OF A REDUCTION IN PRINCIPAL DUE TO PAYMENTS MADE IN ACCORDANCE WITH THIS INDENTURE.

[*FOR REGULATION S TEMPORARY GLOBAL NOTE, ADD THE FOLLOWING:*

THIS GLOBAL NOTE IS A TEMPORARY GLOBAL NOTE FOR PURPOSES OF REGULATION S UNDER THE SECURITIES ACT WHICH IS EXCHANGEABLE FOR A REGULATION S PERMANENT GLOBAL NOTE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH HEREIN AND IN THE INDENTURE REFERRED TO HEREIN.]

THE PURCHASER UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE NOTES FROM THE SECURITIES DEPOSITORY.

SECTIONS 2.07 AND 2.08 OF THE INDENTURE CONTAIN FURTHER RESTRICTIONS ON THE TRANSFER AND RESALE OF THIS NOTE. EACH TRANSFEREE OF THIS NOTE, BY ACCEPTANCE HEREOF, IS DEEMED TO HAVE ACCEPTED THIS NOTE SUBJECT TO THE FOREGOING RESTRICTIONS ON TRANSFERABILITY.

EACH NOTEHOLDER OR NOTE OWNER, BY ITS ACCEPTANCE OF THIS NOTE (OR INTEREST THEREIN), COVENANTS AND AGREES THAT SUCH NOTEHOLDER OR NOTE OWNER, AS THE CASE MAY BE, SHALL NOT, PRIOR TO THE DATE THAT IS ONE YEAR AND ONE DAY AFTER THE TERMINATION OF THE INDENTURE, ACQUIESCE, PETITION OR OTHERWISE INVOKE OR CAUSE THE ISSUER TO INVOKE THE PROCESS OF ANY COURT OR GOVERNMENTAL AUTHORITY FOR THE PURPOSE OF COMMENCING OR SUSTAINING A CASE AGAINST THE ISSUER UNDER ANY FEDERAL OR STATE BANKRUPTCY, INSOLVENCY, REORGANIZATION OR SIMILAR LAW OR APPOINTING A RECEIVER, LIQUIDATOR, ASSIGNEE, INDENTURE TRUSTEE, CUSTODIAN, SEQUESTRATOR OR OTHER SIMILAR OFFICIAL OF THE ISSUER OR ANY

SUBSTANTIAL PART OF ITS PROPERTY, OR ORDERING THE WINDING UP OR LIQUIDATION OF THE AFFAIRS OF THE ISSUER. THE PRINCIPAL OF THIS NOTE IS PAYABLE IN INSTALLMENTS AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS SECURITY MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE INDENTURE TRUSTEE.

SUNRUN ATLAS ISSUER 2019-2, LLC
SOLAR ASSET BACKED NOTES, SERIES 2019-2
CLASS A NOTE

GLOBAL NOTE

Original Issue date	Rated Final Maturity	Issue Price
October 28, 2019	February 1, 2055	99.951670%

REGISTERED OWNER: CEDE & CO.

INITIAL PRINCIPAL BALANCE: $312,400,000

CUSIP No. [86772F AA9] [U8678A AA6]

ISIN No. [US86772FAA93] [USU8678AAA61]

THIS CERTIFIES THAT Sunrun Atlas Issuer 2019-2, LLC, a Delaware limited liability company (hereinafter called the " *Issuer*"), which term includes any successor entity under the Indenture, dated as of October 28, 2019 (the "*Indenture*"), between the Issuer and Wells Fargo Bank, National Association, as indenture trustee (together with any successor thereto, hereinafter called the "*Indenture Trustee*"), for value received, hereby promises to pay to the Registered Owner named above or registered assigns, subject to the provisions hereof and of the Indenture, (A) interest based on the Interest Accrual Period at the applicable Note Rate defined in the Indenture, on each Payment Date beginning in January 2020 (or, if such day is not a Business Day, the next succeeding Business Day), and (B) principal on each Payment Date in the manner and subject to the Priority of Payments as set forth in the Indenture; provided, however, that the Notes are subject to prepayment as set forth in the Indenture. This note (this "*Class A Note*") is one of a duly authorized series of Class A Notes of the Issuer designated as its Sunrun Atlas Issuer 2019-2, LLC, 3.61% Solar Asset Backed Notes, Series 2019-2, Class A (the " *Class A Notes*"). The Indenture authorizes the issuance of $312,400,000 in Outstanding Note Balance of Class A Notes and $58,600,000 in Outstanding Note Balance of Sunrun Atlas Issuer 2019-2, LLC, 6.35% Solar Asset Backed Notes, Series 2019-2, Class B (the "*Class B Notes*" and together with the Class A Notes, the "*Notes*"). The Indenture provides that the Notes will be entitled to receive payments in reduction of the Outstanding Note Balance, in the amounts, from the sources, and at the times more specifically as set forth in the Indenture. The Notes are secured by the Trust Estate (as defined in the Indenture).

Reference is hereby made to the Indenture and all indentures supplemental thereto for a statement of the respective rights thereunder of the Issuer, the Indenture Trustee and the Holders of

the Notes and the terms upon which the Notes are to be authenticated and delivered. All terms used in this Note which are not defined herein shall have the meanings assigned to them in the Indenture.

THE OBLIGATION OF THE ISSUER TO REPAY THE NOTES IS A LIMITED, NONRECOURSE OBLIGATION SECURED ONLY BY THE TRUST ESTATE. All payments of principal of and interest on the Class A Notes shall be made only from the Trust Estate, and each Noteholder and each Note Owner hereof, by its acceptance of this Class A Note, agrees that it shall be entitled to payments solely from such Trust Estate pursuant to the terms of the Indenture. The actual Outstanding Note Balance on this Class A Note may be less than the principal balance indicated on the face hereof. The actual Outstanding Note Balance on this Class A Note at any time may be obtained from the Indenture Trustee.

With respect to payment of principal of and interest on the Class A Notes, the Indenture provides the following:

(a) Until fully paid, principal payments on the Class A Notes will be made on each Payment Date in an amount, at the time, and in the manner provided in the Indenture; provided, however, that the Notes are subject to prepayment as set forth in the Indenture. The Outstanding Note Balance of each Class A Note shall be payable no later than the Rated Final Maturity thereof unless the Outstanding Note Balance of such Class A Note becomes due and payable at an earlier date pursuant to the Indenture, and in each case such payment shall be made in an amount and in the manner provided in the Indenture.

(b) The Class A Notes shall bear interest on the Outstanding Note Balance of the Class A Notes and accrued but unpaid interest thereon, at the applicable Note Rate. The Note Interest with respect to the Class A Notes shall be payable on each Payment Date to the extent that the Collection Account then contains sufficient amounts to pay such Note Interest pursuant to Section 5.05 of the Indenture. Note Interest will accrue on the basis of a 360-day year consisting of twelve 30-day months.

All payments of interest and principal on the Class A Notes on the applicable Payment Date shall be paid to the Person in whose name such Class A Note is registered at the close of business on the Record Date for such Payment Date in the manner provided in the Indenture. All reductions in the Outstanding Note Balance of a Class A Note (or one or more Predecessor Notes) effected by full or partial payments of installments of principal shall be binding upon all past, then current, and future Holders of such Class A Note and of any Class A Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof, whether or not such payment is noted on such Class A Note.

The Rated Final Maturity of the Notes is February 1, 2055 unless the Notes are earlier prepaid or redeemed in whole or accelerated pursuant to the Indenture. The Indenture Trustee shall

pay to each Class A Noteholder of record on the preceding Record Date either (i) by wire transfer, in immediately available funds to the account of such Class A Noteholder at a bank or other entity having appropriate facilities therefor, if such Class A Noteholder shall have provided to the Indenture Trustee appropriate written instructions at least five Business Days prior to the related Payment Date (which instructions may remain in effect for subsequent Payment Dates unless revoked by the Class A Noteholder), or (ii) if not, by check mailed to such Class A Noteholder at the address of such Class A Noteholder appearing in the Note Register, the amounts to be paid to such Class A Noteholder pursuant to such Class A Noteholder's Notes; provided, that so long as the Class A Notes are registered in the name of the Securities Depository such payments shall be made to the nominee thereof in immediately available funds.

THE CLASS A NOTES SHALL BE SUBJECT TO VOLUNTARY PREPAYMENT AT THE OPTION OF THE ISSUER IN THE MANNER AND SUBJECT TO THE PROVISIONS OF THE INDENTURE. Whenever by the terms of the Indenture, the Indenture Trustee is required to prepay or redeemed the Class A Notes, and subject to and in accordance with the terms of Article VI of the Indenture, the Indenture Trustee shall give notice of the prepayment in the manner prescribed by the Indenture.

Subject to certain restrictions contained in the Indenture, (i) the Class A Notes are issuable in the minimum denomination of $100,000 and in integral multiples of $1,000 in excess thereof (*provided*, that one Class A Note may be issued in an additional amount equal to any remaining portion of the Initial Outstanding Note Balance) and (ii) the Class A Notes may be exchanged for a like aggregate principal amount of Class A Notes of authorized denominations of the same maturity.

The final payment on any Definitive Note shall be made only upon presentation and surrender of the Note at the Corporate Trust Office of the Indenture Trustee.

The Class A Noteholders shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

The Class A Notes may be exchanged, and their transfer may be registered, by the Noteholders in person or by their attorneys duly authorized in writing at the Corporate Trust Office of the Indenture Trustee only in the manner, subject to the limitations provided in the Indenture, and upon surrender and cancellation of the Class A Notes. Upon exchange or registration of such transfer, a new registered Class A Note or Notes evidencing the same outstanding principal amount will be executed in exchange therefor.

All amounts collected as payments on the Trust Estate or otherwise shall be applied in the order of priority specified in the Indenture.

Each Person who has or who acquires any Ownership Interest in a Class A Note shall be deemed by the acceptance or acquisition of such Ownership Interest to have agreed to be bound by the provisions of the Indenture. A Noteholder may not sell, offer for sale, assign, pledge, hypothecate or otherwise transfer or encumber all or any part of its interest in the Class A Notes except pursuant to an effective registration statement covering such transaction under the Securities Act of 1933, as amended, and effective qualification or registration under all applicable State securities laws and regulations or under an exemption from registration under said Securities Act and said State securities laws and regulations.

[*Add the following for Rule 144A Global Notes*:

Interests in this Class A Note may be exchanged for an interest in the corresponding Regulation S Temporary Global Note or Regulation S Global Note, in each case subject to the restrictions specified in the Indenture.]

[*Add the following for Regulation S Temporary Global Notes*:

Interests in this Class A Note may be exchanged for an interest in the corresponding Rule 144A Global Note, subject to the restrictions specified in the Indenture.

On or after the 40th day after the later of the Closing Date and the commencement of the offering of the Notes, interests in this Regulation S Temporary Global Note may be exchanged (free of charge) for interests in a Regulation S Permanent Global Note. The Regulation S Permanent Global Note shall be so issued and delivered in exchange for only that portion of this Regulation S Temporary Global Note in respect of which there shall have been presented to DTC by Euroclear or Clearstream a certification to the effect that it has received from or in respect of a person entitled to an interest (as shown by its records) a certification that the beneficial interests in such Regulation S Temporary Global Note are owned by persons who are not U.S. persons (as defined in Regulation S).]

[*Add the following for Regulation S Permanent Global Notes*:

Interests in this Class A Note may be exchanged for an interest in the corresponding Rule 144A Global Note, subject to the restrictions specified in the Indenture.]

In addition, each Person who has or who acquires any Ownership Interest in a Class A Note shall be deemed by the acceptance or acquisition of such Ownership Interest to have agreed to be bound by the provisions of Section 12.18 of the Indenture. Prior to the date that is one year and one day after the payment in full of all amounts payable with respect to the Class A Notes, each Person who has or acquires an Ownership Interest in a Class A Note agrees that such Person will not institute against the Issuer, or join any other Person in instituting against the Issuer, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other

proceedings under the laws of the United States or any State of the United States. This covenant shall survive the termination of the Indenture.

Before the due presentment for registration of transfer of this Class A Note, the Issuer, the Indenture Trustee and any agent of the Issuer or the Indenture Trustee may treat the person in whose name this Class A Note is registered (i) on any Record Date for purposes of making payments, and (ii) on any other date for any other purpose, as the owner hereof, whether or not this Class A Note be overdue, and neither the Issuer, the Indenture Trustee nor any such agent shall be affected by notice to the contrary.

The Indenture permits the amendment thereof for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, the Indenture or of modifying in any manner the rights of the Noteholders under the Indenture at any time by the Issuer and the Indenture Trustee (and, in some cases, only with the consent of the Noteholder affected thereby) and compliance with certain other conditions. Any such consent by the Holder, at the time of the giving thereof, of this Class A Note (or any one or more Predecessor Notes) shall be conclusive and binding upon such Holder and upon all future Holders of this Class A Note and of any Class A Note issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof whether or not notation of such consent or waiver is made upon this Class A Note.

The Class A Notes and all obligations with respect thereto, including obligations under the Indenture, will be limited recourse obligations of the Issuer payable solely from the Trust Estate. Neither the Issuer, the Depositor, the Transaction Manager, the Transaction Transition Manager, the Custodian, the Note Registrar, the Indenture Trustee in its individual capacity or in its capacity as Indenture Trustee, nor any of their respective Affiliates, agents, partners, beneficiaries, officers, directors, stockholders, stockholders of partners, employees or successors or assigns, shall be personally liable for any amounts payable, or performance due, under the Notes or the Indenture. Without limiting the foregoing, each Holder of any Class A Note by its acceptance thereof, and the Indenture Trustee, shall be deemed to have agreed (i) that it shall look only to the Trust Estate to satisfy the Issuer's obligations under or with respect to a Class A Note or the Indenture, including but not limited to liabilities under Article V of the Indenture and liabilities arising (whether at common law or equity) from breaches by the Issuer of any obligations, covenants and agreements herein or, to the extent enforceable, for any violation by the Issuer of applicable State or federal law or regulation, *provided* that, the Issuer shall not be relieved of liability hereunder with respect to any misrepresentation in the Indenture or any Transaction Document, or fraud, of the Issuer, and (ii) to waive any rights it may have to obtain a deficiency or other monetary judgment against either the Issuer or any of its principals, directors, officers, beneficial owners, employees or agents (whether disclosed or undisclosed) or their respective assets (other than the Trust Estate). The foregoing provisions of this paragraph shall not (i) prevent recourse to the Trust Estate or any Person (other than the Issuer) for the sums due or to become due under any security, instrument or agreement

which is part of the Trust Estate, (ii) constitute a waiver, release or discharge of any indebtedness or obligation evidenced by the Class A Notes or secured by the Indenture, but the same shall continue until paid or discharged, or (iii) prevent the Indenture Trustee from exercising its rights with respect to the Grant, pursuant to the Indenture, of the Issuer's rights under the Transaction Documents. It is further understood that the foregoing provisions of this paragraph shall not limit the right of any Person to name the Indenture Trustee in its capacity as Indenture Trustee under the Indenture or the Issuer as a party defendant in any action or suit or in the exercise of any remedy under the Notes or the Indenture, so long as no judgment in the nature of a deficiency judgment or seeking personal liability shall be asked for or (if obtained) enforced. It is expressly understood that all such liability is hereby expressly waived and released to the extent provided herein as a condition of, and as a consideration for, the execution of the Indenture and the issuance of the Notes.

The remedies of the Holder of this Class A Note as provided herein, in the Indenture or in the other Transaction Documents, shall be cumulative and concurrent and may be pursued solely against the assets of the Trust Estate. No failure on the part of the Noteholder in exercising any right or remedy hereunder shall operate as a waiver or release thereof, nor shall any single or partial exercise of any such right or remedy preclude any other further exercise thereof or the exercise of any other right or remedy hereunder.

The Class A Notes are issuable only in registered form in denominations as provided in the Indenture and subject to certain limitations therein set forth. At the option of the Class A Noteholder, Class A Notes may be exchanged for Class A Notes of like terms, in any authorized denominations and of like aggregate principal amount, upon surrender of the Notes to be exchanged at the Corporate Trust Office of the Indenture Trustee, subject to the terms and conditions of the Indenture.

Reference is hereby made to the Indenture, a copy of which is on file with the Indenture Trustee, for the provisions, among others, with respect to (i) the nature and extent of the rights, duties and obligations of the Indenture Trustee, the Issuer and the Class A Noteholders; (ii) the terms upon which the Class A Notes are executed and delivered; (iii) the collection and disposition of payments or proceeds in respect of the Conveyed Property; (iv) a description of the Trust Estate; (v) the modification or amendment of the Indenture; (vi) other matters; and (vii) the definition of capitalized terms used in this Class A Note that are not defined herein; to all of which the Class A Noteholders and Note Owners assent by the acceptance of the Class A Notes.

THIS CLASS A NOTE IS ISSUED PURSUANT TO THE INDENTURE AND IT AND THE INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS (INCLUDING, WITHOUT LIMITATION, §5-1401 AND §5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK,

BUT OTHERWISE WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAWS).

REFERENCE IS HEREBY MADE TO THE PROVISIONS OF THE INDENTURE AND SUCH PROVISIONS ARE HEREBY INCORPORATED BY REFERENCE AS IF FULLY SET FORTH HEREIN.

Unless the certificate of authentication hereon has been executed by the Indenture Trustee by manual signature, this Class A Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed as of the date set forth below.

SUNRUN ATLAS ISSUER 2019-2, LLC, as Issuer

By: Sunrun Atlas Depositor 2019-2, LLC
Its: Sole Member

By: Sunrun Atlas Investor 2019-2, LLC
Its: Sole Member

By: Sunrun Atlas Holdco 2019-2, LLC
Its: Sole Member

By: Sunrun Inc.
Its: Sole Member

By _____
Name:
Title:

INDENTURE TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Class A Notes referred to in the within-mentioned Indenture.

Dated:

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as
Indenture Trustee

By _____
Name: _____
Title: _____

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(PLEASE INSERT SOCIAL SECURITY OR
TAXPAYER IDENTIFICATION NUMBER
OF ASSIGNEE)

_____
_____

_____
(Please Print or Typewrite Name and Address of Assignee)

_____
the within Note, and all rights thereunder, and hereby does irrevocably constitute and appoint

_____
Attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Date:_____

Signature Guaranteed:

_____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever. The signature should be guaranteed by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Indenture Trustee.

EXHIBIT A-2

FORM OF CLASS B NOTE

Note Number: [__]

UNLESS THIS GLOBAL NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (*"DTC"*), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY GLOBAL NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC) ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO HEREIN.

THIS GLOBAL NOTE (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND NEITHER THIS GLOBAL NOTE NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS GLOBAL NOTE OR ANY INTEREST HEREIN IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE OR ANY INTEREST HEREIN MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THE HOLDER OF THIS GLOBAL NOTE OR ANY INTEREST HEREIN AGREES FOR THE BENEFIT OF THE ISSUER THAT (A) THIS NOTE AND ANY INTEREST HEREIN MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN DENOMINATIONS LOWER THAN $750,000 AND IN INTEGRAL MULTIPLES OF $1,000 IN EXCESS THEREOF, AND ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S, OR (III) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE AND EVIDENCED BY AN OPINION OF COUNSEL

ACCEPTABLE TO THE ISSUER AND THE INDENTURE TRUSTEE), IN EACH OF CASES (I) THROUGH (III) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS GLOBAL NOTE OR ANY INTEREST HEREIN FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE. NOTWITHSTANDING THE FOREGOING RESTRICTION, ANY NOTE THAT HAS BEEN PROPERLY ISSUED IN AN AMOUNT NO LESS THAN $750,000 MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN DENOMINATIONS LESS THAN $750,000 IF SUCH LESSER DENOMINATION IS SOLELY A RESULT OF A REDUCTION IN PRINCIPAL DUE TO PAYMENTS MADE IN ACCORDANCE WITH THIS INDENTURE.

[*FOR REGULATION S TEMPORARY GLOBAL NOTE, ADD THE FOLLOWING:*

THIS GLOBAL NOTE IS A TEMPORARY GLOBAL NOTE FOR PURPOSES OF REGULATION S UNDER THE SECURITIES ACT WHICH IS EXCHANGEABLE FOR A REGULATION S PERMANENT GLOBAL NOTE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH HEREIN AND IN THE INDENTURE REFERRED TO HEREIN.]

THE PURCHASER UNDERSTANDS THAT THE ISSUER MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN THE NOTES FROM THE SECURITIES DEPOSITORY.

SECTIONS 2.07 AND 2.08 OF THE INDENTURE CONTAIN FURTHER RESTRICTIONS ON THE TRANSFER AND RESALE OF THIS NOTE. EACH TRANSFEREE OF THIS NOTE, BY ACCEPTANCE HEREOF, IS DEEMED TO HAVE ACCEPTED THIS NOTE SUBJECT TO THE FOREGOING RESTRICTIONS ON TRANSFERABILITY.

EACH NOTEHOLDER OR NOTE OWNER, BY ITS ACCEPTANCE OF THIS NOTE (OR INTEREST THEREIN), COVENANTS AND AGREES THAT SUCH NOTEHOLDER OR NOTE OWNER, AS THE CASE MAY BE, SHALL NOT, PRIOR TO THE DATE THAT IS ONE YEAR AND ONE DAY AFTER THE TERMINATION OF THE INDENTURE, ACQUIESCE, PETITION OR OTHERWISE INVOKE OR CAUSE THE ISSUER TO INVOKE THE PROCESS OF ANY COURT OR GOVERNMENTAL AUTHORITY FOR THE PURPOSE OF COMMENCING OR SUSTAINING A CASE AGAINST THE ISSUER UNDER ANY FEDERAL OR STATE BANKRUPTCY, INSOLVENCY, REORGANIZATION OR SIMILAR LAW OR APPOINTING A RECEIVER, LIQUIDATOR, ASSIGNEE, INDENTURE TRUSTEE, CUSTODIAN, SEQUESTRATOR OR OTHER SIMILAR OFFICIAL OF THE ISSUER OR ANY SUBSTANTIAL PART OF ITS PROPERTY, OR ORDERING THE WINDING UP OR LIQUIDATION OF THE AFFAIRS OF THE ISSUER. THE PRINCIPAL OF THIS NOTE IS PAYABLE IN INSTALLMENTS AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL AMOUNT OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS

SECURITY MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE INDENTURE TRUSTEE.

THE RIGHT TO PAYMENT OF PRINCIPAL AND INTEREST OF THIS NOTE IS SUBJECT TO THE RIGHT OF PAYMENT OF PRINCIPAL AND INTEREST OF THE CLASS A NOTES AS MORE FULLY DESCRIBED IN THE INDENTURE REFERRED TO HEREIN.

SUNRUN ATLAS ISSUER 2019-2, LLC
SOLAR ASSET BACKED NOTES, SERIES 2019-2
CLASS B NOTE

GLOBAL NOTE

Original Issue date	Rated Final Maturity	Issue Price
October 28, 2019	February 1, 2055	99.996900%

REGISTERED OWNER: CEDE & CO.

INITIAL PRINCIPAL BALANCE: $58,600,000

CUSIP No. [86772F AB7] [U8678A AB4]

ISIN No. [US86772FAB76] [USU8678AAB45]

THIS CERTIFIES THAT Sunrun Atlas Issuer 2019-2, LLC, a Delaware limited liability company (hereinafter called the " *Issuer*"), which term includes any successor entity under the Indenture, dated as of October 28, 2019 (the "*Indenture*"), between the Issuer and Wells Fargo Bank, National Association, as indenture trustee (together with any successor thereto, hereinafter called the "*Indenture Trustee*"), for value received, hereby promises to pay to the Registered Owner named above or registered assigns, subject to the provisions hereof and of the Indenture, (A) interest based on the Interest Accrual Period at the applicable Note Rate defined in the Indenture, on each Payment Date beginning in January 2020 (or, if such day is not a Business Day, the next succeeding Business Day), and (B) principal on each Payment Date after the Outstanding Note Balance of the Class A Notes has been reduced to zero in the manner and subject to the Priority of Payments as set forth in the Indenture; *provided*, *however*, that the Notes are subject to prepayment as set forth in the Indenture. This note (this "*Class B Note*") is one of a duly authorized series of Class B Notes of the Issuer designated as its Sunrun Atlas Issuer 2019-2, LLC, 6.35% Solar Asset Backed Notes, Series 2019-2, Class B (the "*Class B Notes*"). The Indenture authorizes the issuance of $58,600,000 in Outstanding Note Balance of Class B Notes and $312,400,000 in Outstanding Note Balance of Sunrun Atlas Issuer 2019-2, LLC, 3.61% Solar Asset Backed Notes, Series 2019-2, Class A (the "*Class A Notes*" and together with the Class B Notes, the "*Notes*"). The Indenture provides that the Notes will be entitled to receive payments in reduction of the Outstanding Note Balance, in the amounts, from the sources, and at the times more specifically as set forth in the Indenture. The Notes are secured by the Trust Estate (as defined in the Indenture).

Reference is hereby made to the Indenture and all indentures supplemental thereto for a statement of the respective rights thereunder of the Issuer, the Indenture Trustee and the Holders of the Notes and the terms upon which the Notes are to be authenticated and delivered. All terms used in this Note which are not defined herein shall have the meanings assigned to them in the Indenture.

THE OBLIGATION OF THE ISSUER TO REPAY THE NOTES IS A LIMITED, NONRECOURSE OBLIGATION SECURED ONLY BY THE TRUST ESTATE. All payments of principal of and interest on the Class B Notes shall be made only from the Trust Estate, and each

Noteholder and Note Owner, by its acceptance of this Class B Note, agrees that it shall be entitled to payments solely from such Trust Estate pursuant to the terms of the Indenture. The actual Outstanding Note Balance on this Class B Note may be less than the principal balance indicated on the face hereof. The actual Outstanding Note Balance on this Class B Note at any time may be obtained from the Indenture Trustee.

With respect to payment of principal of and interest on the Class B Notes, the Indenture provides the following:

(a) Until fully paid, principal payments on the Class B Notes will be made on each Payment Date after the Outstanding Note Balance of the Class A Notes has been reduced to zero in an amount, at the time, and in the manner provided in the Indenture provided, however, that the Notes are subject to prepayment as set forth in the Indenture. The Outstanding Note Balance of each Class B Note shall be payable no later than the Rated Final Maturity thereof unless the Outstanding Note Balance of such Class B Note becomes due and payable at an earlier date pursuant to the Indenture, and in each case such payment shall be made in an amount and in the manner provided in the Indenture.

(b) The Class B Notes shall bear interest on the Outstanding Note Balance of the Class B Notes and accrued but unpaid interest thereon, at the applicable Note Rate. The Note Interest with respect to the Class B Notes shall be payable on each Payment Date to the extent that the Collection Account then contains sufficient amounts to pay such Note Interest pursuant to Section 5.05 of the Indenture. Note Interest will accrue on the basis of a 360-day year consisting of twelve 30-day months.

All payments of interest and principal on the Class B Notes on the applicable Payment Date shall be paid to the Person in whose name such Class B Note is registered at the close of business on the Record Date for such Payment Date in the manner provided in the Indenture. All reductions in the Outstanding Note Balance of a Class B Note (or one or more Predecessor Notes) effected by full or partial payments of installments of principal shall be binding upon all past, then current, and future Holders of such Class B Note and of any Class B Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof, whether or not such payment is noted on such Class B Note.

The Rated Final Maturity of the Notes is February 1, 2055 unless the Notes are earlier prepaid or redeemed in whole or accelerated pursuant to the Indenture. The Indenture Trustee shall pay to each Class B Noteholder of record on the preceding Record Date either (i) by wire transfer, in immediately available funds to the account of such Class B Noteholder at a bank or other entity having appropriate facilities therefor, if such Class B Noteholder shall have provided to the Indenture Trustee appropriate written instructions at least five Business Days prior to the related Payment Date (which instructions may remain in effect for subsequent Payment Dates unless revoked by the Class B Noteholder), or (ii) if not, by check mailed to such Class B Noteholder at the address of such Class B Noteholder appearing in the Note Register, the amounts to be paid to such Class B Noteholder pursuant to such Class B Noteholder's Notes; *provided*, that so long as the Class B

Notes are registered in the name of the Securities Depository such payments shall be made to the nominee thereof in immediately available funds.

THE CLASS B NOTES SHALL BE SUBJECT TO VOLUNTARY PREPAYMENT AT THE OPTION OF THE ISSUER IN THE MANNER AND SUBJECT TO THE PROVISIONS OF THE INDENTURE. Whenever by the terms of the Indenture, the Indenture Trustee is required to prepay or redeem the Class B Notes, and subject to and in accordance with the terms of Article VI of the Indenture, the Indenture Trustee shall give notice of the prepayment in the manner prescribed by the Indenture.

Subject to certain restrictions contained in the Indenture, (i) the Class B Notes are issuable in the minimum denomination of $750,000 and in integral multiples of $1,000 in excess thereof (*provided,* that one Class B Note may be issued in an additional amount equal to any remaining portion of the Initial Outstanding Note Balance) and (ii) the Class B Notes may be exchanged for a like aggregate principal amount of Class B Notes of authorized denominations of the same maturity.

The final payment on any Definitive Note shall be made only upon presentation and surrender of the Note at the Corporate Trust Office of the Indenture Trustee.

The Class B Noteholders shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

The Class B Notes may be exchanged, and their transfer may be registered, by the Noteholders in person or by their attorneys duly authorized in writing at the Corporate Trust Office of the Indenture Trustee only in the manner, subject to the limitations provided in the Indenture, and upon surrender and cancellation of the Class B Notes. Upon exchange or registration of such transfer, a new registered Class B Note or Notes evidencing the same outstanding principal amount will be executed in exchange therefor.

All amounts collected as payments on the Trust Estate or otherwise shall be applied in the order of priority specified in the Indenture.

Each Person who has or who acquires any Ownership Interest in a Class B Note shall be deemed by the acceptance or acquisition of such Ownership Interest to have agreed to be bound by the provisions of the Indenture. A Noteholder may not sell, offer for sale, assign, pledge, hypothecate or otherwise transfer or encumber all or any part of its interest in the Class B Notes except pursuant to an effective registration statement covering such transaction under the Securities Act of 1933, as amended, and effective qualification or registration under all applicable State securities laws and regulations or under an exemption from registration under said Securities Act and said State securities laws and regulations.

[*Add the following for Rule 144A Global Notes*:

Interests in this Class B Note may be exchanged for an interest in the corresponding Regulation S Temporary Global Note or Regulation S Permanent Global Note, in each case subject to the restrictions specified in the Indenture.]

[*Add the following for Regulation S Temporary Global Notes*:

Interests in this Class B Note may be exchanged for an interest in the corresponding Rule 144A Global Note, subject to the restrictions specified in the Indenture.

On or after the 40th day after the later of the Closing Date and the commencement of the offering of the Notes, interests in this Regulation S Temporary Global Note may be exchanged (free of charge) for interests in a Regulation S Permanent Global Note. The Regulation S Permanent Global Note shall be so issued and delivered in exchange for only that portion of this Regulation S Temporary Global Note in respect of which there shall have been presented to DTC by Euroclear or Clearstream a certification to the effect that it has received from or in respect of a person entitled to an interest (as shown by its records) a certification that the beneficial interests in such Regulation S Temporary Global Note are owned by persons who are not U.S. persons (as defined in Regulation S).]

[*Add the following for Regulation S Permanent Global Notes*:

Interests in this Class B Note may be exchanged for an interest in the corresponding Rule 144A Global Note, subject to the restrictions specified in the Indenture.]

In addition, each Person who has or who acquires any Ownership Interest in a Class B Note shall be deemed by the acceptance or acquisition of such Ownership Interest to have agreed to be bound by the provisions of Section 12.18 of the Indenture. Prior to the date that is one year and one day after the payment in full of all amounts payable with respect to the Class B Notes, each Person who has or acquires an Ownership Interest in a Class B Note agrees that such Person will not institute against the Issuer, or join any other Person in instituting against the Issuer, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other proceedings under the laws of the United States or any State of the United States. This covenant shall survive the termination of the Indenture.

Before the due presentment for registration of transfer of this Class B Note, the Issuer, the Indenture Trustee and any agent of the Issuer or the Indenture Trustee may treat the person in whose name this Class B Note is registered (i) on any Record Date for purposes of making payments, and (ii) on any other date for any other purpose, as the owner hereof, whether or not this Class B Note be overdue, and neither the Issuer, the Indenture Trustee nor any such agent shall be affected by notice to the contrary.

The Indenture permits the amendment thereof for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, the Indenture or of modifying in any manner the rights of the Noteholders under the Indenture at any time by the Issuer and the Indenture Trustee (and, in some cases, only with the consent of the Noteholder affected thereby) and compliance with certain other conditions. Any such consent by the Holder, at the time of the

giving thereof, of this Class B Note (or any one or more Predecessor Notes) shall be conclusive and binding upon such Holder and upon all future Holders of this Class B Note and of any Class B Note issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof whether or not notation of such consent or waiver is made upon this Class B Note.

The Class B Notes and all obligations with respect thereto, including obligations under the Indenture, will be limited recourse obligations of the Issuer payable solely from the Trust Estate. Neither the Issuer, the Depositor, the Transaction Manager, the Transaction Transition Manager, the Custodian, the Note Registrar, the Indenture Trustee in its individual capacity or in its capacity as Indenture Trustee, nor any of their respective Affiliates, agents, partners, beneficiaries, officers, directors, stockholders, stockholders of partners, employees or successors or assigns, shall be personally liable for any amounts payable, or performance due, under the Notes or the Indenture. Without limiting the foregoing, each Noteholder and each Note Owner of any Class B Note by its acceptance thereof, and the Indenture Trustee, shall be deemed to have agreed (i) that it shall look only to the Trust Estate to satisfy the Issuer's obligations under or with respect to a Class B Note or the Indenture, including but not limited to liabilities under Article V of the Indenture and liabilities arising (whether at common law or equity) from breaches by the Issuer of any obligations, covenants and agreements herein or, to the extent enforceable, for any violation by the Issuer of applicable State or federal law or regulation, *provided* that, the Issuer shall not be relieved of liability hereunder with respect to any misrepresentation in the Indenture or any Transaction Document, or fraud, of the Issuer, and (ii) to waive any rights it may have to obtain a deficiency or other monetary judgment against either the Issuer or any of its principals, directors, officers, beneficial owners, employees or agents (whether disclosed or undisclosed) or their respective assets (other than the Trust Estate). The foregoing provisions of this paragraph shall not (i) prevent recourse to the Trust Estate or any Person (other than the Issuer) for the sums due or to become due under any security, instrument or agreement which is part of the Trust Estate, (ii) constitute a waiver, release or discharge of any indebtedness or obligation evidenced by the Class B Notes or secured by the Indenture, but the same shall continue until paid or discharged, or (iii) prevent the Indenture Trustee from exercising its rights with respect to the Grant, pursuant to the Indenture, of the Issuer's rights under the Transaction Documents. It is further understood that the foregoing provisions of this paragraph shall not limit the right of any Person to name the Indenture Trustee in its capacity as Indenture Trustee under the Indenture or the Issuer as a party defendant in any action or suit or in the exercise of any remedy under the Notes or the Indenture, so long as no judgment in the nature of a deficiency judgment or seeking personal liability shall be asked for or (if obtained) enforced. It is expressly understood that all such liability is hereby expressly waived and released to the extent provided herein as a condition of, and as a consideration for, the execution of the Indenture and the issuance of the Notes.

The remedies of the Holder of this Class B Note as provided herein, in the Indenture or in the other Transaction Documents, shall be cumulative and concurrent and may be pursued solely against the assets of the Trust Estate. No failure on the part of the Noteholder in exercising any right or remedy hereunder shall operate as a waiver or release thereof, nor shall any single or partial exercise of any such right or remedy preclude any other further exercise thereof or the exercise of any other right or remedy hereunder.

The Class B Notes are issuable only in registered form in denominations as provided in the Indenture and subject to certain limitations therein set forth. At the option of the Class B Noteholder, Class B Notes may be exchanged for Class B Notes of like terms, in any authorized denominations and of like aggregate principal amount, upon surrender of the Notes to be exchanged at the Corporate Trust Office of the Indenture Trustee, subject to the terms and conditions of the Indenture.

Reference is hereby made to the Indenture, a copy of which is on file with the Indenture Trustee, for the provisions, among others, with respect to (i) the nature and extent of the rights, duties and obligations of the Indenture Trustee, the Issuer and the Class B Noteholders; (ii) the terms upon which the Class B Notes are executed and delivered; (iii) the collection and disposition of payments or proceeds in respect of the Conveyed Property; (iv) a description of the Trust Estate; (v) the modification or amendment of the Indenture; (vi) other matters; and (vii) the definition of capitalized terms used in this Class B Note that are not defined herein; to all of which the Class B Noteholders and Note Owners assent by the acceptance of the Class B Notes.

THIS CLASS B NOTE IS ISSUED PURSUANT TO THE INDENTURE AND IT AND THE INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK AND THE OBLIGATIONS, RIGHTS AND REMEDIES OF THE PARTIES HEREUNDER SHALL BE DETERMINED IN ACCORDANCE WITH SUCH LAWS (INCLUDING, WITHOUT LIMITATION, §5-1401 AND §5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK, BUT OTHERWISE WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAWS).

REFERENCE IS HEREBY MADE TO THE PROVISIONS OF THE INDENTURE AND SUCH PROVISIONS ARE HEREBY INCORPORATED BY REFERENCE AS IF FULLY SET FORTH HEREIN.

Unless the certificate of authentication hereon has been executed by the Indenture Trustee by manual signature, this Class B Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Issuer has caused this instrument to be duly executed as of the date set forth below.

SUNRUN ATLAS ISSUER 2019-2, LLC, as Issuer

By: Sunrun Atlas Depositor 2019-2, LLC
Its: Sole Member

By: Sunrun Atlas Investor 2019-2, LLC
Its: Sole Member

By: Sunrun Atlas Holdco 2019-2, LLC
Its: Sole Member

By: Sunrun Inc.
Its: Sole Member

By _____

Name:

Title:

INDENTURE TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Class B Notes referred to in the within-mentioned Indenture.

Dated:

WELLS FARGO BANK NATIONAL ASSOCIATION,
as
Indenture Trustee

By _____
Name: _____
Title: _____

[FORM OF ASSIGNMENT]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto

(PLEASE INSERT SOCIAL SECURITY OR
TAXPAYER IDENTIFICATION NUMBER
OF ASSIGNEE)

_____
_____

_____
(Please Print or Typewrite Name and Address of Assignee)

_____
the within Note, and all rights thereunder, and hereby does irrevocably constitute and appoint

_____
Attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Date:_____

Signature Guaranteed:

_____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever. The signature should be guaranteed by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Indenture Trustee.

EXHIBIT B-1

FORM OF TRANSFER CERTIFICATE FOR EXCHANGE OR TRANSFER
FROM RULE 144A GLOBAL NOTE
TO REGULATION S GLOBAL NOTE

[DATE]

Wells Fargo Bank, National Association
600 S. 4th Street, MAC N9300-061
Minneapolis, MN 55479
Attn: Corporate Trust Services – Asset Backed Administration

Re: Sunrun Atlas Issuer 2019-2, LLC

Ladies and Gentlemen:

Reference is hereby made to the Indenture, dated as of October 28, 2019 (the "*Indenture*"), by and among Sunrun Atlas Issuer 2019-2, LLC (the "*Issuer*") and Wells Fargo Bank, National Association, as indenture trustee (in such capacity, the "*Indenture Trustee*"). Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to US $[__][__] aggregate Outstanding Note Balance of Class [A][B] Notes (the "*Notes*") which in the form of the Rule 144A Global Note (CUSIP No. [_____]) in the name of [insert name of transferor] (the "*Transferor*"). The Transferor has requested a transfer of such beneficial interest for an interest in the Regulation S Global Note (CUSIP No. _____) to be held with [Euroclear] [Clearstream]* (Common Code No. _____) through the Securities Depository.

In connection with such request and in respect of such Notes, the Transferor does hereby certify that such transfer has been effected in accordance with the transfer restrictions set forth in the Indenture and [(i) with respect to transfers made]** pursuant to and in accordance with Regulation S under the Securities Act of 1933, as amended (the *"Securities Act"*), and accordingly the Transferor does hereby certify that:

(1) the offer of the Notes was not made to a person in the United States,

(2) [at the time the buy order was originated, the transferee was outside the United States or the Transferor and any person acting on its behalf reasonably believed that the transferee was outside the United States] [the transaction was executed in, on or through the facilities of a designated

offshore securities market and neither the transferor nor any person acting on its behalf knows that the transaction was pre-arranged with a buyer in the United States], ***

(3) [the transferee is not a U.S. Person within the meaning of Rule 902(k) of Regulation S nor a Person acting for the account or benefit of a U.S. Person,]****

(4) no directed selling efforts have been made in contravention of the requirements of Rule 903 or Rule 904 of Regulation S, as applicable,

(5) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act, and

(6) upon completion of the transaction, the beneficial interest being transferred as described above will be held with the Securities Depository through [Euroclear] [Clearstream]. *****

[or (ii) with respect to transfers made in reliance on Rule 144 under the Securities Act, the Transferor does hereby certify that the Notes being transferred are eligible for resale by the Transferor pursuant to Rule 144(b)(1) under the Securities Act.]******

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer, the Indenture Trustee and the Transaction Manager.

[Insert Name of Transferor]

By:_____
Name:
Title:
Dated:

EXHIBIT B-2

FORM OF TRANSFER CERTIFICATE FOR EXCHANGE OR TRANSFER
FROM REGULATION S GLOBAL NOTE
TO RULE 144A GLOBAL NOTE

[DATE]

Wells Fargo Bank, National Association
600 S. 4th Street, MAC N9300-061
Minneapolis, MN 55479
Attn: Corporate Trust Services – Asset Backed Administration

Re: Sunrun Atlas Issuer 2019-2, LLC

Ladies and Gentlemen:

Reference is hereby made to the Indenture, dated as of October 28, 2019 (the "*Indenture*"), by and among Sunrun Atlas Issuer 2019-2, LLC (the "*Issuer*") and Wells Fargo Bank, National Association, as indenture trustee (in such capacity, the "*Indenture Trustee*"). Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to US $[__][__] aggregate Outstanding Note Balance of Class [A][B] Notes (the "*Notes*") which are held in the form of the Regulation S Global Note (CUSIP No. [_____]) with [Euroclear] [Clearstream]* (Common Code No. _____) through the Securities Depository in the name of [insert name of transferor] (the *"Transferor").* The Transferor has requested a transfer of such beneficial interest in the Notes for an interest in the Regulation 144A Global Note (CUSIP No. _____).

In connection with such request, and in respect of such Notes, the Transferor does hereby certify that such Notes are being transferred in accordance with (i) the transfer restrictions set forth in the Indenture, and (ii) (A) Rule 144A under the Securities Act to a transferee that the Transferor reasonably believes is purchasing the Notes for its own account with respect to which the transferee exercises sole investment discretion and the transferee and any such account is a "qualified institutional buyer" (*"QIB"*) within the meaning of Rule 144A, in each case in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other applicable jurisdiction or (B) to a QIB pursuant to another applicable exemption from the registration requirements under the Securities Act; provided that an Opinion of Counsel confirming the applicability of the exemption claimed shall have been delivered to the Issuer and the Indenture Trustee in a form reasonably acceptable to them.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer, the Indenture Trustee and the Transaction Manager.

[Insert Name of Transferor]

By:_____
Name:
Title:
Dated:

EXHIBIT B-3

FORM OF TRANSFER CERTIFICATE FOR TRANSFER
FROM DEFINITIVE NOTE
TO DEFINITIVE NOTE

[DATE]

Wells Fargo Bank, National Association
600 S. 4th Street, MAC N9300-061
Minneapolis, MN 55479
Attn: Corporate Trust Services – Asset Backed Administration

Re: Sunrun Atlas Issuer 2019-2, LLC

Ladies and Gentlemen:

Reference is hereby made to the Indenture, dated as of October 28, 2019 (the "*Indenture*"), by and among Sunrun Atlas Issuer 2019-2, LLC (the "*Issuer*") and Wells Fargo Bank, National Association, as indenture trustee (in such capacity, the "*Indenture Trustee*"). Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to US $[__][__] aggregate Outstanding Note Balance of Class [A][B] Notes (the "*Notes*") which are held as Definitive Notes (CUSIP No. [_____]) in the name of [insert name of transferor] (the "*Transferor*"). The Transferor has requested a transfer of such beneficial interest in the Notes to [insert name of transferee] (the "*Transferee*").

In connection with such request, and in respect of such Notes, the Transferor does hereby certify that such Notes are being transferred in accordance with (i) the transfer restrictions set forth in the Indenture, and (ii) Rule 144A under the Securities Act to a transferee that the Transferor reasonably believes is purchasing the Notes for its own account with respect to which the transferee exercises sole investment discretion and the transferee and any such account is a "qualified institutional buyer" ("*QIB*") within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any state of the United States or any other applicable jurisdiction, or (iii) pursuant to another applicable exemption from the registration requirements under the Securities Act; provided that an Opinion of Counsel confirming the applicability of the exemption claimed shall have been delivered to the Issuer and the Indenture Trustee in a form reasonably acceptable to them.

[*If transfer is pursuant to Regulation S, add the following:*

The Transferor hereby certifies that:

(1) the offer of the Notes was not made to a person in the United States,

(2) [at the time the buy order was originated, the transferee was outside the United States or the Transferor and any person acting on its behalf reasonably believed that the transferee was outside the United States] [the transaction was executed in, on or through the facilities of a designated offshore securities market and neither the transferor nor any person acting on its behalf knows that the transaction was pre-arranged with a buyer in the United States]*,

(3) the transferee is not a U.S. Person within the meaning of Rule 902(k) of Regulation S nor a Person acting for the account or benefit of a U.S. Person,

(4) no directed selling efforts have been made in contravention of the requirements of Rule 903 or Rule 904 of Regulation S, as applicable,

(5) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act.]

[signature page follows]

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer, the Indenture Trustee and the Transaction Manager.

[Insert Name of Transferor]

By:_____
Name:
Title:
Dated:

EXHIBIT C

SUNRUN ATLAS ISSUER 2019-2, LLC

NOTICE OF VOLUNTARY PREPAYMENT

[DATE]

Wells Fargo Bank, National Association
600 S. 4th Street, MAC N9300-061
Minneapolis, MN 55479
Attn: Corporate Trust Services – Asset Backed Administration

Sunrun Inc.
225 Bush Street
San Francisco, CA 94104
Attn: [_____]

Ladies and Gentlemen:

Pursuant to Section 6.01 of the Indenture dated as of October 28, 2019 (the "*Indenture*"), between Sunrun Atlas Issuer 2019-2, LLC (the "*Issuer*") and Wells Fargo Bank, National Association (the "*Indenture Trustee*"), the Indenture Trustee is hereby directed to prepay in [whole][part] the Issuer's Solar Asset Backed Notes, Series 2019-2 on [_____ __, 20__] (the "*Voluntary Prepayment Date*").

On or prior to the Voluntary Prepayment Date, the Issuer shall deposit into the Collection Account (i) the outstanding principal balance of the Notes to be prepaid, (ii) all accrued and unpaid interest thereon (including any Deferred Interest or Post-ARD Additional Note Interest), (iii) all amounts owed to the Indenture Trustee, the Transaction Manager, the Transaction Transition Manager, the Custodian and any other parties to the Transaction Documents, and (iv) with respect to the Class A Notes, the Make Whole Amount, if applicable (the "*Prepayment Amount*").

On the Voluntary Prepayment Date, *provided* that the Indenture Trustee has received the Prepayment Amount, in the case of any Voluntary Prepayment in whole, no later than 11:00 a.m. Eastern time on such Voluntary Prepayment Date, or in the case of any Voluntary Prepayment in part, no later than 12:00 p.m. Eastern time on the Business Day prior to such specified Voluntary Prepayment Date, the Indenture Trustee is directed to [(x)] withdraw the Prepayment Amount from the Collection Account and disburse such amounts in accordance with clauses [(i) through (v)] of the Priority of Payments and then to the Noteholders, the Make Whole Amount, if applicable, and then [to pay down the Notes on a pro rata basis] [first to pay down the Class A Notes until the Outstanding Note Balance of the Class A Notes has been reduced to zero, and then to pay down the

Class B Notes until the Outstanding Note Balance of the Class B Notes has been reduced to zero] [pay down the Class B Notes] [and (y) , release any remaining assets in the Trust Estate to, or at the direction of, the Issuer].

You are hereby instructed to provide all notices of prepayment required by Section 6.03 of the Indenture. All terms used but not defined herein have the meanings assigned to such terms in the Indenture.

[signature page follows]

IN WITNESS WHEREOF, the undersigned has executed this Notice of Voluntary Prepayment on the ___ day of _____, _____.

SUNRUN ATLAS ISSUER 2019-2, LLC, as Issuer

By _____
Name: _____
Title: _____

ANNEX A

STANDARD DEFINITIONS

[See attached]

ANNEX A

[***] = Certain information contained in this document, marked by brackets, has been omitted because it is both not material and would be competitively harmful if publicly disclosed.

Exhibit 10.42

AMENDMENT NO. 7 TO THE CREDIT AGREEMENT

THIS AMENDMENT NO. 7 TO THE CREDIT AGREEMENT, dated as of November 12, 2019 (this "Amendment"), is entered into by and among SUNRUN INC., a Delaware corporation ("Sunrun"), AEE SOLAR, INC., a California corporation ("AEE Solar"), SUNRUN SOUTH LLC, a Delaware limited liability company ("Sunrun South"), and SUNRUN INSTALLATION SERVICES INC., a Delaware corporation ("Sunrun Installation Services" and, together with Sunrun, AEE Solar and Sunrun South, each, a "Borrower" and, collectively, the "Borrowers"), CLEAN ENERGY EXPERTS, LLC, a California limited liability company ("CEE" and, together with the Borrowers, each, a "Loan Party" and, collectively, the "Loan Parties"), each of the Persons identified as a "Lender" on the signature pages hereto (each, a "Lender"), SILICON VALLEY BANK, as the Collateral Agent (the "Collateral Agent") and L/C Issuer, and KEYBANK NATIONAL ASSOCIATION, as the Administrative Agent (the "Administrative Agent").

RECITALS

WHEREAS, the Borrowers entered into the Credit Agreement, dated as of April 1, 2015 (as amended from time to time, the "Credit Agreement"), by and among the Borrowers, CEE, as a Guarantor, the Lenders party thereto, Credit Suisse, AG, Cayman Islands Branch, as the Administrative Agent and Silicon Valley Bank, as the Collateral Agent;

WHEREAS, pursuant to that certain Resignation and Appointment of Administrative Agent, dated as of the date hereof, by and among Credit Suisse, AG, Cayman Islands Branch, as the resigning administrative agent, KeyBank National Association, as the successor administrative agent, the Borrowers, the Lenders party thereto and Silicon Valley Bank, as Collateral Agent and as the L/C Issuer, KeyBank National Association was appointed as Administrative Agent and accepted such appointment;

WHEREAS, the parties hereto desire to amend and restate the Credit Agreement on the terms set forth in this Amendment; and

WHEREAS, pursuant to Section 11.01 of the Credit Agreement, no amendment to the Credit Agreement is effective unless executed by the Borrowers or the applicable Loan Party, as the case may be, and at least two (2) Lenders having Total Credit Exposures representing more than 50% of the Total Credit Exposures of all Lenders and acknowledged by the Administrative Agent;

WHEREAS, pursuant to Section 11.01 of the Credit Agreement, certain of the amendments in this Amendment require the written consent of each Lender;

WHEREAS, the Lenders party to this Amendment (the "Unanimous Lenders") have Total Credit Exposures representing 100% of the Total Credit Exposures of all Lenders under the Credit Agreement;

WHEREAS, this Amendment is not otherwise prohibited by Section 11.01 of the Credit Agreement;

WHEREAS, each of the Administrative Agent, the Collateral Agent and the L/C Issuer by execution of this Amendment is providing its acknowledgement required under Section 11.01 of the Credit Agreement;

NOW, THEREFORE, in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE 1
DEFINITIONS

1.01 Definitions. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Credit Agreement.

1.02 Rules of Interpretation. The rules of interpretation set forth in Section 1.02 of the Credit Agreement shall apply to this Amendment.

ARTICLE 2
AMENDMENTS; ACKNOWLEDGMENTS

2.01 Amendment and Restatement of Credit Agreement. On the Amendment Effective Date, the Credit Agreement as in effect immediately prior to the Amendment Effective Date shall be amended and restated in its entirety to be in the form set forth in Annex 1 attached to this Amendment.

2.02 Payment of Interest and Fees. The parties hereto acknowledge that the Borrowers have paid accrued interest on outstanding Revolving Loans, Commitment Fees and Letter of Credit Fees accrued to the date of this Amendment. Notwithstanding anything to the contrary contained in the Credit Agreement, as amended and restated by this Amendment, interest on outstanding Revolving Loans, Commitment Fees and Letter of Credit Fees payable after the Amendment Effective Date shall be calculated from the date of this Amendment and Interest Periods under the Credit Agreement that extend beyone the date of this Amendment shall remain in effect under the Credit Agreement, as amended and restated by this Amendment.

2.03 Amendments to UCC-1 Financing Statements. The parties to this Amendment agree that on the Amendment Effective Date (i) the description of collateral attached to each existing UCC-1 financing statement previously filed in connection with the Security Agreement shall be amended and restated in its entirety as set forth in the respective UCC-3 financing statement amendment attached as Annex 2, Annex 3, Annex 4, Annex 5 or Annex 6, as the case may be, to this Amendment, and (ii) the Collateral Agent or its representative or designee is authorized to file each such UCC-3 financing statement amendment in the applicable filing office.

2.04 Existing Letters of Credit. Each Letter of Credit issued by the L/C Issuer and listed on Annex 7 to this Amendment shall be deemed to be a Letter of Credit issued under the Credit Agreement, as amended and restated by this Amendment, for all purposes of the Loan Documents.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

Each Loan Party represents and warrants to each of the Lenders, the Collateral Agent and the Administrative Agent, on the date hereof, that the following statements are true and correct:

3.01 Existence. Such Loan Party is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization.

3.02 Power and Authority. Such Loan Party has the requisite power and authority to execute and deliver this Amendment.

3.03 Due Authorization. The execution, delivery and performance of this Amendment have been duly authorized by all necessary corporate or limited liability company action on the part of such Loan Party. The applicable resolutions of such Loan Party authorize the execution, delivery and performance of this Amendment by such Loan Party and are in full force and effect without modification or amendment.

3.04 Binding Obligation. This Amendment has been duly executed and delivered by such Loan Party, and this Amendment and the Credit Agreement, as amended and restated by this Amendment, constitute the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with the terms of this Amendment and the Credit Agreement, subject to applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether such enforceability is considered in a proceeding in equity or at law.

3.05 No Default or Event of Default. As of the date hereof, no event has occurred and is continuing or would result from the consummation of the amendments contemplated by this Amendment that would constitute a Default or an Event of Default.

3.06 Representations and Warranties. The representations and warranties of the Borrowers and each other Loan Party contained in the Credit Agreement or any other Loan Document, are (i) with respect to representations and warranties that contain a materiality qualification, true and correct in all respects, and (ii) with respect to representations and warranties that do not contain a materiality qualification, true and correct in all material respects, in each case, on and as of the date hereof (or if such representations and warranties expressly relate to an earlier date, as of such earlier date), and the representations and warranties contained in Sections 5.05(a) and (b) of the Credit Agreement are deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a) and (b) of the Credit Agreement, respectively.

3.07 No Borrowing Base Deficiency or NYGB Borrowing Base Deficiency. No Borrowing Base Deficiency or NYGB Borrowing Base Deficiency exists as of the date hereof.

3.08 Material Adverse Effect. No Material Adverse Effect has occurred or is continuing since the date of the last audited financial statements furnished pursuant to Section 6.01(a) of the Credit Agreement.

3.09 Beneficial Ownership. The information included in the Beneficial Ownership Certificate is true and correct in all respects.

ARTICLE 4
CONDITIONS PRECEDENT

4.01 Conditions Precedent to Effectiveness. The amendments contained in Article 2 of this Amendment shall not be effective until the date (such date, the "Amendment Effective Date") that the following conditions precedent have been satisfied or waived by the Required Lenders:

(a) The Administrative Agent shall have received copies of this Amendment executed by the Loan Parties, the Lenders, the Collateral Agent, the L/C Issuer and the Administrative Agent.

(b) The Administrative Agent shall have received from the Loan Parties in immediately available funds (i) an extension fee for each Lender (other than Deutsche Bank, AG, New York Branch) in the amount of **[***]**% of the Commitment of such Lender and (ii) the fees specified to be paid to Deutsche Bank AG, New York Branch, in the fee letter dated on or about the date hereof between the Borrowers and Deutsche Bank AG, New York Branch.

(c) The Administrative Agent shall have received from the Loan Parties in immediately available funds the fee specified to be paid to Deutsche Bank AG, New York Branch, in the fee letter dated the date hereof between the Borrowers and Deutsche Bank AG, New York Branch.

(d) The Borrowers shall have paid all fees, costs and expenses of the Administrative Agent and the Lenders incurred in connection with the execution and delivery of this Amendment (including fees and out-of-pocket expenses of the counsel and other advisors or consultants retained by the Administrative Agent).

(e) The Administrative Agent shall have received a certificate of a Responsible Officer of each Loan Party dated the Amendment Effective Date, in form and substance acceptable to the Administrative Agent, attaching and certifying as true, correct and complete: (i) the Organization Documents of each Loan Party (which, to the extent filed with a Governmental Authority, shall be certified as of a recent date by such Governmental Authority), (ii) the resolutions or other authorizations of the governing body of each Loan Party certified as being in full force and effect on the Amendment Effective Date, authorizing the execution, delivery and performance of this Amendment and any instruments or agreements required hereunder, (iii) a certificate of good standing, existence or its equivalent of each Loan Party certified as of a recent date by the appropriate Governmental Authority and (iv) the incumbency (including specimen signatures) of the Responsible Officers of each Loan Party.

(f) The Administrative Agent shall have received an opinion or opinions of counsel for the Loan Parties, dated the Amendment Effective Date and addressed to the Administrative Agent and the Lenders, in form and substance acceptable to the Administrative Agent.

(g) The Administrative Agent shall have received at least three Business Days prior to the Amendment Effective Date from any Borrower that qualifies as a "legal entity customer" under the Beneficial Ownership Regulation a Beneficial Ownership Certification in relation to such Borrower.

ARTICLE 5
GENERAL PROVISIONS

5.01 Notices. All notices and other communications given or made pursuant hereto shall be made as provided in the Credit Agreement.

5.02 Severability. In case any one or more of the provisions contained in this Amendment should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and the parties hereto shall enter into good faith negotiations to replace the invalid, illegal or unenforceable provision.

5.03 Headings. Section headings have been inserted in this Amendment as a matter of convenience for reference only and it is agreed that such paragraph headings are not a part of this Amendment and shall not be used in the interpretation of any provision of this Amendment.

5.04 Governing Law. This Amendment shall be governed by and construed in accordance with the law of the State of New York.

5.05 Counterparts. This Amendment may be signed in any number of counterparts and each counterpart shall represent a fully executed original as if signed by all of the parties listed below.

5.06 Ratification. Except as amended hereby, the Credit Agreement and the other Loan Documents remain in full force and effect.

5.07 Amended Terms. On and after the Amendment Effective Date, all references to the Credit Agreement in each of the Loan Documents shall hereafter mean the Credit Agreement in the form set forth in Annex 1 attached to this Amendment. The execution, delivery and performance of this Amendment shall not constitute a waiver of any provision of, or operate as a waiver of any right, power or remedy of the Lenders, the Administrative Agent, the Collateral Agent or an Arranger under the Credit Agreement or any other Loan Document. Nothing contained in this Amendment shall be construed as a substitution or novation of the obligations (including the Obligations) of the Loan Parties outstanding under the Credit Agreement or instruments securing or evidencing any of the Obligations, which shall continue and remain in full force and effect, except to the extent that the terms thereof are modified by this Amendment. Nothing expressed or implied in this Amendment shall be construed as a release or other discharge of the Loan Parties from any of their obligations or liabilities under the Credit Agreement or any other Loan Document.

5.08 Loan Document. This Amendment shall constitute a Loan Document under the terms of the Credit Agreement.

5.09 Costs and Expenses; Indemnification; Reimbursement. The parties hereto agree that this Amendment is subject to the costs and expenses, indemnification, reimbursement and related provisions set forth in Section 11.04 of the Credit Agreement.

5.10 Submission to Jurisdiction; Waiver of Venue; Service of Process; Waiver of Jury Trial . The submission to jurisdiction, waiver of venue, service of process and waiver of jury trial provisions set forth in Sections 11.14(b), (c) and (d) and 11.15 of the Credit Agreement, respectively, are hereby incorporated by reference, *mutatis mutandis*.

5.11 Reaffirmation of Guarantees and Security Interests. Each Loan Party hereby (a) affirms and confirms its guarantees, pledges, grants and other undertakings under the Credit Agreement, the Security Agreement and the other Loan Documents to which it is a party, and (b) agrees that all guarantees, pledges, grants and other undertakings thereunder shall continue to be in full force and effect and shall accrue to the benefit of the Secured Parties, including the Lenders.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first set forth above.

BORROWERS:

SUNRUN INC.,
a Delaware corporation

By: /s/ Robert Komin, Jr.
Name: Robert Komin, Jr.
Title: Chief Financial Officer

AEE SOLAR, INC.,
a California corporation

By: /s/ Robert Komin, Jr.
Name: Robert Komin, Jr.
Title: Chief Financial Officer

SUNRUN SOUTH LLC,
a Delaware limited liability company

By: /s/ Robert Komin, Jr.
Name: Robert Komin, Jr.
Title: Chief Financial Officer

SUNRUN INSTALLATION SERVICES INC.,
a Delaware corporation

By: /s/ Jeanna Steele
Name: Jeanna Steele
Title: Secretary

GUARANTOR:

CLEAN ENERGY EXPERTS, LLC,
a California limited liability company

By: /s/ Lynn Jurich
Name: Lynn Jurich
Title: President

KEYBANK NATIONAL ASSOCIATION,
as Administrative Agent and a Lender

By: /s/ Richard Gerling
Name: Richard Gerling
Title: Senior Vice President

SILICON VALLEY BANK,
as the Collateral Agent, L/C Issuer and a Lender

By: /s/ Jackson Morrow

Name: Jackson Morrow

Title: Vice President

MORGAN STANLEY SENIOR FUNDING, INC.,
as a Lender

By: /s/ Michael King

Name: Michael King

Title: Vice President

ROYAL BANK OF CANADA,
as a Lender

By: /s/ Frank Lambrinos

Name: Frank Lambrinos

Title: Authorized Signatory

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH,
as a Lender

By: /s/ Mikhail Faybusovich

Name: Mikhail Faybusovich

Title: Authorized Signatory

By: /s/ Komal Shah

Name: Komal Shah

Title: Authorized Signatory

NY GREEN BANK,
a division of the New York State Energy Research & Development Authority,
as a Lender

By: /s/ Alfred Griffin
Name: Alfred Griffin
Title: President

DEUTSCHE BANK AG, NEW YORK BRANCH,
as a Lender

By: /s/ Robin Cresswell

Name: Robin Cresswell

Title: Managing Director

By: /s/ Kyle Hatzes

Name: Kyle Hatzes

Title: VP

ANNEX 1

(Form of amended and restated Credit Agreement)

[see attached]

EXECUTION VERSION

ANNEX 1

AMENDED AND RESTATED
CREDIT AGREEMENT

Dated as of November 12, 2019

among

SUNRUN INC.,

AEE SOLAR, INC.,

SUNRUN SOUTH LLC

and

SUNRUN INSTALLATION SERVICES INC.
as the Borrowers,

THE SUBSIDIARIES OF THE BORROWERS PARTY HERETO,
as the Guarantors,

KEYBANK NATIONAL ASSOCIATION,
as Administrative Agent,

SILICON VALLEY BANK,
as Collateral Agent

THE LENDERS PARTY HERETO
and

KEYBANC CAPITAL MARKETS INC.,
CREDIT SUISSE SECURITIES (USA) LLC, and
SILICON VALLEY BANK
as Joint Lead Arrangers and Joint Book Runners

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AMENDED AND RESTATED
CREDIT AGREEMENT

This **AMENDED AND RESTATED CREDIT AGREEMENT** is entered into as of November 12, 2019, by and among SUNRUN INC., a Delaware corporation ("Sunrun"), AEE SOLAR, INC., a California corporation ("AEE Solar"), SUNRUN SOUTH LLC, a Delaware limited liability company ("Sunrun South"), and SUNRUN INSTALLATION SERVICES INC., a Delaware corporation (" Sunrun Installation Services") (each, a "Borrower" and, collectively, the "Borrowers"), the Guarantors (defined herein), the Lenders (defined herein), KEYBANK NATIONAL ASSOCIATION (" KeyBank"), as the Administrative Agent, SILICON VALLEY BANK, as the Collateral Agent, and KEYBANC CAPITAL MARKETS INC., CREDIT SUISSE SECURITIES (USA) LLC, and SILICON VALLEY BANK, as Joint Lead Arrangers and Joint Book Runners.

PRELIMINARY STATEMENTS:

WHEREAS, the Borrowers have requested that the Lenders make loans and other financial accommodations to the Borrowers in an aggregate amount of up to $250,000,000.

WHEREAS, the Lenders have agreed to make such loans and other financial accommodations to the Borrowers on the terms and subject to the conditions set forth herein;

NOW THEREFORE, in consideration of the mutual conditions and agreements set forth in this Agreement, and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

Section 1.01 Defined Terms.

As used in this Agreement, the following terms shall have the respective meanings set forth below:

"Account Debtor" shall mean the party who is obligated on or under any Account.

"Accounts" shall mean all presently existing and hereafter arising accounts, contract rights, payment intangibles and all other forms of obligations owing to a Borrower, a Guarantor or an Excluded Subsidiary, as applicable, including, without limitation, (a) Customer Prepayments, (b) obligations of the State of Hawaii to make payments to a Borrower or Project Fund in lieu of granting a Hawaii Tax Credit, or (c) accounts or accounts receivable as defined under the UCC, including without limitation, with respect to any Person, any right of such Person to payment for goods sold or leased or for services rendered.

"Acquisition" means the acquisition, whether through a single transaction or a series of related transactions, of (a) majority of the Voting Stock or other controlling ownership interest in another Person (including the purchase of an option, warrant or convertible or similar type security to acquire such a controlling interest at the time it becomes exercisable by the holder thereof), whether by purchase of such equity or other ownership interest or upon the exercise of an option or warrant for, or conversion of securities into, such equity or other ownership interest, or (b) assets of another Person which constitute all or substantially all of the assets of such Person or of a division, line of business or other business unit of such Person.

"Additional Secured Obligations" means (a) all obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements and (b) all costs and expenses incurred in connection with enforcement and collection of the foregoing, including the fees, charges and disbursements of counsel, 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 and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding; provided that, Additional Secured Obligations of a Loan Party shall exclude any Excluded Swap Obligations with respect to such Loan Party.

"Adjusted Applicable Percentage" means, with respect to any Lender at any time with respect to any Revolving Borrowing or any risk participation in any L/C Credit Extension (including the obligation to make any L/C Advance in connection with such L/C Credit Extension), such Lender's Adjusted Applicable Percentage determined in accordance with the provisions of Section 2.01(c) and subject to adjustment as provided in Sections 2.14 and 2.15.

"Administrative Agent" means KeyBank National Association, in its capacity as sole administrative agent under any of the Loan Documents, or any successor administrative agent.

"Administrative Agent's Office" means the Administrative Agent's address and, as appropriate, account as set forth on Schedule 1.01(a), or such other address or account as the Administrative Agent may from time to time notify the Borrowers and the Lenders.

"Administrative Questionnaire" means an Administrative Questionnaire in substantially the form of Exhibit A or any other form approved by the Administrative Agent.

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

"Aggregate Commitments" means the Commitments of all the Lenders.

"Agreement" means this Amended and Restated Credit Agreement.

"Anti-Terrorism Laws" means any Federal laws of the United States of America relating to terrorism, money laundering, bribery, corruption or sanctions, including Executive Order 13224, FCPA, the PATRIOT Act and the regulations administered by OFAC.

"Applicable Percentage" means with respect to any Lender at any time with respect to any Revolving Borrowing or any risk participation in any L/C Credit Extension (including the obligation to make any L/C Advance in connection with such L/C Credit Extension), such Lender's Unadjusted Applicable Percentage or such Lender's Adjusted Applicable Percentage, as the case may be, determined in accordance with the provisions of Section 2.01(c) and subject to adjustment as provided in Sections 2.14 and 2.15.

"Applicable Permit" means any Permit, including any Environmental Permit or zoning, FERC, any state public utility commission, safety, siting or building Permit (a) that is material and necessary at any given time to (i) design, construct, operate, maintain, repair, own or use any Project as contemplated by the Loan Documents or the Host Customer Agreements, (ii) sell electric energy, capacity, or ancillary services, or renewable energy credits, "green tags," or other like environmental credits or benefits therefrom, or (iii) consummate any transaction contemplated by the Loan Documents or the Host Customer Agreements, or (b) that is necessary so that (i) none of the Administrative Agent, the Collateral Agent, any Lender, or any Affiliate of any of them may be deemed by any Governmental Authority to be subject to regulation under the FPA or PUHCA or under any state laws or regulations respecting the rates or the financial or organizational regulation of electric utilities solely as a result of the construction or operation of any such Project or the sale of electricity or renewable energy credits, "green tags" or other like environmental credits or benefits therefrom, or (ii) neither the Borrowers nor any of their Affiliates may be deemed by any Governmental Authority to be subject to, or not exempted from, regulation under the FPA, PUHCA (other than Section 1265 thereof or any regulation applicable to "exempt wholesale generators" or "foreign utility companies" under Section 1262(6) of PUHCA), as applicable, or state laws or regulations respecting the rates or the financial or organizational regulation of electric utilities.

"Applicable Rate" means, for (a) Revolving Loans that are Base Rate Loans, 2.25%, (b) Revolving Loans that are Eurodollar Rate Loans, 3.25%, (c) the Letter of Credit Fee, 3.25%, and (d) the Commitment Fee, 0.50%.

"Applicable Revolving Percentage" means, with respect to any Lender at any time with respect to any Revolving Borrowing or any risk participation in any L/C Credit Extension (including the obligation to make any L/C Advance in connection with such L/C Credit Extension), such Lender's Applicable Percentage.

"Appraisal" means the appraisal acquired by the Borrowers on a semi-annual basis, which (i) is from a nationally recognized third-party appraiser that (A) is qualified to appraise independent electric generating businesses and (B) (x) has been engaged in the appraisal or business valuation and consulting business for no fewer than three (3) years or (y) is otherwise acceptable to the Collateral Agent, and (ii) (A) is approved by the applicable Tax Equity Investor and (B) shows the fair market value of new residential photovoltaic systems in each of the States of the United States in which Projects are being Tranched, in each case expressed in terms of dollars per watt of installed capacity.

"Appropriate Lender" means, at any time, (a) with respect to the Facility, a Lender that has a Commitment or holds a Revolving Loan at such time, and (b) with respect to the Letter of Credit Sublimit, (i) the L/C Issuer and (ii) if any Letters of Credit have been issued pursuant to Section 2.03, the Lenders.

"Approved Fund" means any Fund 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.

"Arranger" means each of KeyBanc Capital Markets Inc., Credit Suisse Securities (USA) LLC, and Silicon Valley Bank, in its capacity as a joint lead arranger and a joint book runner, or any successor arranger and book runner.

"ARRA" means the American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, as amended.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 11.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit B or any other form (including electronic documentation generated by MarkitClear or other electronic platform) approved by the Administrative Agent.

"Attributable Indebtedness" means, on any date, (a) in respect of any Capitalized Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease or similar payments under the relevant lease or other applicable agreement or instrument that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease or other agreement or instrument were accounted for as a Capitalized Lease.

"Audited Financial Statements" means the audited Consolidated balance sheet of Sunrun and its Subsidiaries for the fiscal year ended December 31, 2014, and the related Consolidated statements of income or operations, shareholders' equity and cash flows for such fiscal year of Sunrun and its Subsidiaries, including the notes thereto.

"Availability Period" means in respect of the Facility, the period from and including the Closing Date to the earliest of (i) the Maturity Date for the Facility, (ii) the date of termination of the Commitments pursuant to Section 2.05, and (iii) the date of termination of the Commitment of each Lender to make Revolving Loans and of the obligation of the L/C Issuer to make L/C Credit Extensions pursuant to Section 8.02.

"Available Take-Out" means, as of a given date of determination, the sum of (a) the aggregate amount of each Tax Equity Investor's undrawn Tax Equity Commitment plus all drawn but unused amounts under such Tax Equity Commitment, (b) the aggregate amount of committed and undrawn Backlever Financing, in each case as set forth in the Take-Out Spreadsheet and (c) the aggregate amount of committed and undrawn financings acceptable to the Collateral Agent and the Required Lenders (and not otherwise covered by (a) or (b)); provided that any such Tax Equity Commitment

or Backlever Financing not existing as of the Closing Date shall have been approved for inclusion in the Borrowing Base pursuant to Section 2.01(b).

"Backlever Financing" means Indebtedness for borrowed money incurred by an Excluded Subsidiary where (i) such Indebtedness is made pursuant to an accounts receivable financing, a factoring facility, project financing, or other similar financing; (ii) the Projects directly or indirectly subject to such Indebtedness have been Tranched or have been contributed or sold to such Excluded Subsidiary or an Excluded Subsidiary owned directly or indirectly by such Excluded Subsidiary; (iii) none of the Loan Parties guaranties the payment of debt service for such Indebtedness; and (iv) the Person providing the financing for such Indebtedness maintains no interest in, right or title to any Available Take-Out (other than a Backlever Financing).

"Back-Log Spreadsheet" means a spreadsheet for Projects, substantially in the form attached hereto as Exhibit Q, providing for the status and amount of Project Back-Log.

"Base Rate" means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 0.50%, (b) the rate of interest in effect for such day as determined from time to time by Administrative Agent as its prime rate (the "Prime Rate") and notified to the Borrowers and (c) the Eurodollar Rate plus 1.00%. The Prime Rate is a rate set by the Administrative Agent based upon various factors including the Administrative Agent's costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such rate. Any change in the Prime Rate shall take effect at the opening of business on the day of such change. Any change in the Base Rate due to a change in the Prime Rate, the Federal Funds Rate or the Eurodollar Rate shall be effective on the effective date of such change in the Prime Rate, the Federal Funds Rate or the Eurodollar Rate, as the case may be.

"Base Rate Loan" means a Revolving Loan that bears interest based on the Base Rate.

"Benchmark Replacement" means the sum of: (a) the alternate benchmark rate (which may include the Base Rate or Term SOFR) that has been selected by the Administrative Agent and the Borrower giving due consideration to (i) any selection or recommendation of a replacement rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a rate of interest as a replacement to LIBOR for Dollar-denominated syndicated credit facilities and (b) the Benchmark Replacement Adjustment; provided that, if the Benchmark Replacement as so determined would be less than zero, the Benchmark Replacement will be deemed to be zero for the purposes of this Agreement.

"Benchmark Replacement Adjustment" means, with respect to any replacement of LIBOR with an Unadjusted Benchmark Replacement for each applicable Interest Period, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Administrative Agent and the Borrower giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of LIBOR with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (ii) 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 LIBOR with the applicable Unadjusted Benchmark Replacement for Dollar-denominated syndicated credit facilities at such time.

"Benchmark Replacement Conforming Changes" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Interest Period," timing and frequency of determining rates and making payments of interest and other administrative matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the 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 the Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement).

"Benchmark Replacement Date" means the earlier to occur of the following events with respect to LIBOR:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of LIBOR permanently or indefinitely ceases to provide LIBOR; or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to LIBOR:

(1) a public statement or publication of information by or on behalf of the administrator of LIBOR announcing that such administrator has ceased or will cease to provide LIBOR permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBOR;

(2) a public statement or publication of information by the regulatory supervisor for the administrator of LIBOR, the U.S. Federal Reserve System, an insolvency official with jurisdiction over the administrator for LIBOR or a resolution authority with jurisdiction over the administrator for LIBOR or a court or an entity with similar insolvency or resolution authority over the administrator for LIBOR, which states that the administrator of LIBOR has ceased or will cease to provide LIBOR permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide LIBOR; or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of LIBOR announcing that LIBOR is no longer representative.

"Benchmark Transition Start Date" means (a) in the case of a Benchmark Transition Event, the earlier of (i) the applicable Benchmark Replacement Date and (ii) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication) and (b) in the case of an Early Opt-in Election, the date specified by the Administrative Agent or the Required Lenders, as applicable, by notice to the Borrower, the Administrative Agent (in the case of such notice by the Required Lenders) and the Lenders.

"Benchmark Unavailability Period" means, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to LIBOR and solely to the extent that LIBOR has not been replaced with a Benchmark Replacement, the period (x) beginning at the time that such Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced LIBOR for all purposes hereunder in accordance with Section 3.03(b) and (y) ending at the time that a Benchmark Replacement has replaced LIBOR for all purposes hereunder pursuant to Section 3.03(b).

"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.

"Borrower" and "Borrowers" have the meaning specified in the introductory paragraph hereto.

"Borrower Materials" has the meaning specified in Section 6.02.

"Borrowing" means a Revolving Borrowing.

"Borrowing Base" means, as of any date of determination, the sum of the following:

(a) the least of (i) [***] of the PV System Value of Eligible Project Back-Log (net of terminated contracts, which will be calculated as reported on the monthly Borrowing Base Certificate) for Projects (less cash sale Projects accounted for in clause (e) below), (ii) [***] of Eligible Take-Out less Backlever Financing required to collateralize clause (b) and (iii) [***] of Net Retained Value; plus

(b) [***] of committed but undrawn Backlever Financing proceeds for Projects that have been sold or contributed to a Project Fund or a Tax Equity Investor (and removed from Eligible Project Back-Log in clause (a)); plus

(c) [***] of the Eligible Hawaii Tax Credit Receivables expected to be received on Projects that have achieved Milestone One, up to a maximum of [***]; plus

(d) [***] of the Eligible Customer Upfront Payment Receivables expected to be received on Projects that have achieved Milestone One; plus

(e) [***] of the estimated final sale value of direct cash sale Projects in the Project Back-Log as of a given date of determination (regardless of whether the payment is made directly by the consumer or a lender or financing party on behalf of the consumer); plus

(f) [***] of the Eligible Trade Accounts of the Borrowing Base Obligors; plus

(g) [***] of Eligible Inventory for sale to third parties held by the Borrowing Base Obligor that is AEE Solar as of a given date of determination, up to a maximum of [***];

provided that (w) the components of the formula for calculation of the Borrowing Base set forth above (including eligibility criteria) shall be determined by a field examination conducted on behalf of the Collateral Agent prior to the Closing Date with results reasonably satisfactory to the Collateral Agent, and Eligible Inventory comprising the components of clause (g) of such formula shall be subject to appraisal at the request of the Collateral Agent with results reasonably satisfactory to the Collateral Agent; (x) the components of clauses (c) and (d) of formula for calculation of the Borrowing Base set forth above shall be factually supportable and reasonably expected to be received on the applicable Projects in the good faith judgment of the Borrowers, (y) the Borrowing Base shall be determined on the basis of the most current Borrowing Base Certificate required or permitted to be submitted hereunder, and (z) if the Collateral Agent, at the direction or with the concurrence of the Required Lenders, in their good faith business judgment based on events, conditions, contingencies or risks reasonably determines that the foregoing amounts and percentages, if left unchanged, would reasonably be expected to result in a material overvaluation of the Collateral, then the Collateral Agent shall give the Borrowers written notice of suggested amendments to the Borrowing Base calculation and the justification for such changes and the Parties shall work in good faith to revise such amounts and percentages. For purposes of this provision, if the Collateral is overvalued by 5% or more, such overvaluation shall be deemed to be a material overvaluation of the Collateral.

"Borrowing Base Certificate" means a certificate substantially in the form of Exhibit P.

"Borrowing Base Deficiency" means, at any time of determination, the failure of the Borrowing Base to exceed the Total Outstandings. Such determination shall be made based on the most recently delivered Borrowing Base Certificate and Total Outstandings as reflected in the Register.

"Borrowing Base Obligors" shall mean AEE Solar and Sunrun Installation Services, and "Borrowing Base Obligor" shall mean any of them, as the context shall indicate.

"Business Day" means the hours between 9:00 a.m. and 4:00 p.m., Eastern time, Monday through Friday, other than the following days: (a) New Year's Day, Dr. Martin Luther King, Jr. Day, Washington's Birthday (celebrated on President's Day), Memorial Day, the day before Independence Day, Independence Day, Labor Day, Columbus Day, Veterans' Day, the day before and after Thanksgiving Day, Thanksgiving Day, Christmas Eve, Christmas Day and New Year's Eve, (b) any other day on which banks are required or authorized by Law to close in New York State, (c) a legal

holiday in the State of New York or California, (d) solely for purposes of any Eurodollar Rate Loan, a London Banking Day and (e) any day on which commercial banks and the U.S. Federal Reserve Bank are authorized or required to be closed in any of the foregoing states. 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.

"CAD Project" means, at any time, any Project (i) the PV System related to which has not been installed as of such time, (ii) with respect to which a Loan Party has (A) entered into a Host Customer Agreement and (B) completed a system design, in each case, at such time, (iii) with respect to which the Loan Parties have not received all necessary permits from any Governmental Authority required to be obtained prior to installation of the related PV System and (iv) that has not been Tranched as of such time.

"Capital Expenditures" means, with respect to any Person for any period, any expenditure in respect of the purchase or other acquisition of any fixed or capital asset (excluding (i) acquisitions of PV Systems made in the ordinary course of business and (ii) normal replacements and maintenance which are properly charged to current operations).

"Capitalized Leases" means all leases that have been or should be, in accordance with GAAP, recorded as capitalized leases.

"Cash Collateral Account" means a blocked, non-interest bearing deposit account of one or more of the Loan Parties at a bank acceptable to the Administrative Agent, in the name of the Collateral Agent and under the sole dominion and control of the Collateral Agent, and otherwise established in a manner satisfactory to the Collateral Agent.

"Cash Collateralize" means, to pledge and deposit with or deliver to the Collateral Agent, for the benefit of one or more of the L/C Issuers or the Lenders, as collateral for L/C Obligations, the Obligations, or obligations of the Revolving Lenders to fund participations in respect of L/C Obligations, (a) cash or deposit account balances, (b) backstop letters of credit entered into on terms, from issuers and in amounts satisfactory to the Collateral Agent and the applicable L/C Issuer, and/or (c) if the Collateral Agent and the applicable L/C Issuer shall agree, in their sole discretion, other credit support, in each case, in Dollars and pursuant to documentation in form and substance satisfactory to the Collateral Agent and such L/C Issuer. "Cash Collateral" shall have a meaning correlative to the foregoing and shall include the proceeds of such Cash Collateral and other credit support.

"Cash Consideration" means, with respect to any Acquisition, as at the date of consummation of such Acquisition, the amount of any cash and fair market value or other property including earnout payments (excluding Equity Consideration and the unpaid principal amount of any debt instrument) given as consideration in connection with such Acquisition.

"Cash Equivalents" means any of the following types of investments, to the extent owned by the Borrowers or any of their Subsidiaries free and clear of all Liens (other than Permitted Liens):

(a) readily marketable obligations issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof having maturities of not more than three hundred sixty days (360) days from the date of acquisition thereof; provided that, the full faith and credit of the United States is pledged in support thereof;

(b) time deposits with, or insured certificates of deposit or bankers' acceptances of, any commercial bank that (i) (A) is a Lender or (B) is organized under the laws of the United States, any state thereof or the District of Columbia or is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any state thereof or the District of Columbia, and is a member of the Federal Reserve System, (ii) issues (or the parent of which issues) commercial paper rated as described in clause (c) of this definition and (iii) has combined capital and surplus of at least $1,000,000,000, in each case with maturities of not more than one hundred eighty (180) days from the date of acquisition thereof;

(c) commercial paper issued by any Person organized under the laws of any state of the United States and rated at least "Prime-1" (or the then equivalent grade) by Moody's or at least "A-1" (or the then equivalent grade) by S&P, in each case with maturities of not more than one hundred eighty (180) days from the date of acquisition thereof; and

(d) Investments, classified in accordance with GAAP as current assets of the Borrowers or any of their Subsidiaries, in money market investment programs registered under the Investment Company Act, which are administered by financial institutions that have the highest rating obtainable from either Moody's or S&P, and the portfolios of which are limited solely to Investments of the character, quality and maturity described in clauses (a), (b) and (c) of this definition.

"Cash Management Agreement" means any agreement that is not prohibited by the terms hereof to provide treasury or cash management services, including deposit accounts, overnight draft, credit cards, debit cards, p-cards (including purchasing cards and commercial cards), funds transfer, automated clearinghouse, zero balance accounts, returned check concentration, controlled disbursement, lockbox, account reconciliation and reporting and trade finance services and other cash management services.

"Cash Management Bank" means any Person in its capacity as a party to a Cash Management Agreement that, (a) at the time it enters into a Cash Management Agreement with a Loan Party, is a Lender or an Affiliate of a Lender, or (b) at the time it (or its Affiliate) becomes a Lender, is a party to a Cash Management Agreement with a Loan Party, in each case in its capacity as a party to such Cash Management Agreement (even if such Person ceases to be a Lender or such Person's Affiliate ceased to be a Lender); provided, however, that for any of the foregoing to be included as a "Secured Cash Management Agreement" on any date of determination by the Administrative Agent, the applicable Cash Management Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Secured Party Designation Notice to the Administrative Agent prior to such date of determination.

"CEE" means Clean Energy Experts LLC, a California limited liability company, as existing prior to the Closing Date, which as of the Closing Date merged into LH Merger Sub 2, LLC, a California limited liability company and wholly-owned Subsidiary of Sunrun (with LH Merger Sub 2, LLC being the surviving entity and changing its name to Clean Energy Experts LLC as of April 1, 2015).

"CERCLA" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended.

"CERCLIS" means the Comprehensive Environmental Response, Compensation and Liability Information System maintained by the U.S. Environmental Protection Agency.

"CFC" means a Person that is a controlled foreign corporation under Section 957 of the Code.

"Change in Law" means the occurrence, after the Closing Date, of any of the following: (a) the adoption or taking effect of any Law, (b) any change in any Law 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 in Law," regardless of the date enacted, adopted or issued.

"Change of Control" means an event or series of events by which:

(a) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an "option right")), directly or indirectly, of 35% or more of the Equity Interests of any Borrower entitled to vote for members of the board of directors or equivalent governing body of such Borrower on a fully-diluted basis (and taking into account all such securities that such "person" or "group" has the right to acquire pursuant to any option right); or

(b) during any period of twelve (12) consecutive months, a majority of the members of the board of directors or other equivalent governing body of any Borrower ceases to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i)

above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body.

"Closing Date" means April 1, 2015.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral" means all of the "Collateral" and "Mortgaged Property" referred to in the Collateral Documents and all of the other property that is or is intended under the terms of the Collateral Documents to be subject to Liens in favor of the Collateral Agent for the benefit of the Secured Parties.

"Collateral Agent" means Silicon Valley Bank in its capacity as sole collateral agent under any of the Loan Documents, or any successor collateral agent.

"Collateral Access Agreement" shall mean a bailee agreement, landlord waiver or other collateral access agreement in form and substance satisfactory to the Collateral Agent in its sole discretion (it being acknowledged and agreed that any bailee agreement substantially in the form of Exhibit M-1 or any landlord waiver substantially in the form of Exhibit M-2 is satisfactory to the Collateral Agent), pursuant to which a mortgagee or lessor of real property on which over $1,000,000 worth of Collateral is stored or otherwise located, including the premises located at 1 Chestnut Street, Suite 222, Nashua, New Hampshire 03060 or at 1227 Striker Avenue, Suite 260, Sacramento, California 95834, containing inventory or other Collateral owned by any Borrower or Guarantor, or a warehouseman, processor or other bailee of over $1,000,000 worth of inventory or other property owned by any Borrower or Guarantor, acknowledges the Liens under the Collateral Documents and subordinates or waives any Liens held by such Person on such property, and such other agreements with respect to the Collateral as the Collateral Agent may require in its reasonable discretion, as the same may be amended, restated or otherwise modified from time to time.

"Collateral Documents" means, collectively, the Security Agreement, the Mortgages, the Collateral Access Agreements, any related Mortgaged Property Support Documents, each Joinder Agreement, each of the mortgages, collateral assignments, security agreements, pledge agreements or other similar agreements delivered to the Collateral Agent pursuant to Section 6.14, and each of the other agreements, instruments or documents that creates or purports to create a Lien in favor of the Collateral Agent for the benefit of the Secured Parties.

"Commitment" means, as to each Lender, its obligation to (a) make Revolving Loans to the Borrower pursuant to Section 2.01(b) and (b) purchase participations in L/C Obligations, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender's name on Schedule 1.01(b) under the caption "Commitment" or opposite such caption in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

"Commitment Fee" has the meaning set forth in Section 2.08(a).

"Commodity Exchange Act" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Competitor" means any Person that is primarily 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 Loan Parties 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 any Person engaged in the business of making loans in respect of, or 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 the Loan Documents; provided that (x) the Administrative Agent shall have no duties or responsibilities for monitoring or enforcing prohibitions on assignments to Competitors or have any liability with respect to or arising out of any assignment of Loans, or disclosure of confidential information, to any Competitor, (y) in no event shall any bank or other financial institution (other than any venture capital or private equity firm that owns any interest in one or more Competitors) be deemed a Competitor and (z) in no event shall any debt fund Affiliate of a Competitor (i.e. a debt fund Affiliate of a venture capital or private equity firm) be deemed a Competitor; provided, further, that in the case of (z), such debt fund Affiliate has in place procedures to prevent the distribution of confidential information that is prohibited under the Loan Documents.

"Compliance Certificate" means a certificate substantially in the form of Exhibit C.

"Connection Income Taxes" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"Consolidated" means, when used with reference to financial statements or financial statement items of any Person, such statements or items on a consolidated basis in accordance with the consolidation principles of GAAP.

"Contractual Obligation" means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. "Controlling" and "Controlled" have meanings correlative thereto.

"Convertible Debt" means any unsecured Indebtedness of any Borrower or any of its Subsidiaries which by its terms may be converted into or exchanged for Equity Interests of such Borrower or any such Subsidiary at the option of such Borrower, any such Subsidiary or the holder of such Indebtedness.

"Cost of Acquisition" means, with respect to any Acquisition, as at the date of entering into any agreement therefor, the sum of the following (without duplication): (a) Equity Consideration, (b) Cash Consideration, (c) the amount (determined by using the face amount or the amount payable at maturity, whichever is greater) of any Indebtedness incurred, assumed or acquired by any Borrower or any Subsidiary thereof in connection with such Acquisition, (d) a reasonable estimate of all additional purchase price amounts in the form of earn outs and other contingent obligations that should be recorded on the financial statements of the Borrowers and their Subsidiaries in accordance with GAAP in connection with such Acquisition, (e) a reasonable estimate of all amounts paid in respect of covenants not to compete, consulting agreements that should be recorded on the financial statements of the Borrowers and their Subsidiaries in accordance with GAAP, and other affiliated contracts in connection with such Acquisition, and (f) the aggregate fair market value of all other consideration given by any Borrower or any Subsidiary thereof in connection with such Acquisition.

"Credit Extension" means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

"Customer Lease Agreement" means a lease agreement entered into by a Borrower (which may subsequently be transferred to an Excluded Subsidiary or Tax Equity Investor) and its customer, pursuant to which such customer agrees to lease a PV System from such Borrower in the ordinary course of business.

"Customer Prepayments" shall mean those initial lump-sum prepayments owing from a customer to any Borrower or an Excluded Subsidiary pursuant to the applicable Host Customer Agreement.

"Debtor Relief Laws" means 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.

"Default" means any event or condition that constitutes an Event of Default or that, with the giving of any notice, the passage of time, or both, would be an Event of Default.

"Default Rate" means (a) with respect to any Obligation for which a rate is specified, a rate per annum equal to two percent (2.0%) in excess of the rate otherwise applicable thereto and (b) with respect to any Obligation for which a rate is not specified or available, a rate per annum equal to the Base Rate plus the Applicable Rate for Revolving Loans that are Base Rate Loans plus two percent (2%), in each case, to the fullest extent permitted by applicable Law.

"Defaulting Lender" means, subject to Section 2.14(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two (2) Business Days of the date such Loans were required to be funded hereunder unless such Lender notifies the Administrative Agent and the Borrowers 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, or (ii) pay to the

Administrative Agent, the L/C Issuer or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit) within two (2) Business Days of the date when due, (b) has notified the Borrowers, the Administrative Agent or the L/C Issuer in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three (3) Business Days after written request by the Administrative Agent or the Borrowers, to confirm in writing to the Administrative Agent and the Borrowers that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrowers), or (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, 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; provided that, 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 so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above, and the effective date of such status, shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.14(b)) as of the date established therefor by the Administrative Agent in a written notice of such determination, which shall be delivered by the Administrative Agent to the Borrowers, the L/C Issuer and each other Lender promptly following such determination.

"Deposit Account" has the meaning set forth in the UCC.

"Designated Jurisdiction" means any country or territory to the extent that such country or territory is the subject of any Sanction.

"Disposition" or "Dispose" means the sale, transfer, license, lease or other disposition (including any Sale and Leaseback Transaction) of any property (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith. For the avoidance of doubt, an Investment permitted under Section 7.03 shall not constitute a Disposition.

"Disqualified Person" means:

(a) a Person that is a "tax-exempt entity" or a "tax-exempt controlled entity" within the meaning of Section 168(h) of the Code;

(b) an entity described in Sections 46(e), 46(f) or 46(g) of the Code, in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990; or

(c) a Person that is for U.S. federal income tax purposes an entity disregarded as separate from its owner or a partnership a direct or indirect owner of a beneficial interest in which is a Person described in (a) or (b) above, unless such Person holds its interest through a taxable C Corporation (as defined in the Code) that either (i) is not a "tax-exempt controlled entity" within the meaning of Section 168(h) of the Code or (ii) is not treated as a "tax-exempt controlled entity" under Section 168(h)(6)(F) of the Code because it has made an election under Section 168(h)(6)(F)(ii) of the Code;

provided that a Person will not be treated as a Disqualified Person if it is demonstrated to the satisfaction of the Administrative Agent and the Lenders that a loss or recapture of ITC will not occur as a result of such Person owning a direct or indirect interest in the Borrowers.

"Dollar" and "$" mean lawful money of the United States.

"Early Opt-in Election" means the occurrence of:

(1) (i) a determination by the Administrative Agent or (ii) a notification by the Required Lenders to the Administrative Agent (with a copy to the Borrower) that the Required Lenders have determined that Dollar-denominated syndicated credit facilities being executed at such time, or that include language similar to that contained in Section 3.03(b), are being executed or amended, as applicable, to incorporate or adopt a new benchmark interest rate to replace LIBOR; and

(2) (i) the election by the Administrative Agent or (ii) the election by the Required Lenders to declare that an Early Opt-in Election has occurred and the provision, as applicable, by the Administrative Agent of written notice of such election to the Borrower and the Lenders or by the Required Lenders of written notice of such election to the Administrative Agent.

"Eligible Assignee" means any Person that meets the requirements to be an assignee under Section 11.06 (subject to such consents, if any, as may be required under Section 11.06(b)(iii)).

"Eligible Customer Upfront Payment Receivables" means those Accounts consisting of Customer Prepayment obligations under the Host Customer Agreements that (a) are due and owing to a Borrower, either directly or by assignment from an Excluded Subsidiary, pursuant to the Host Customer Agreement as a result of the applicable Project achieving Milestone One, (b) arise in the ordinary course of such Borrower or Excluded Subsidiary's business, (c) comply with all of the

related representations and warranties set forth in Section 5.33 of this Agreement, (d) will be paid into an account permitted by the Loan Documents or into a deposit account maintained by a Project Fund, and (e) are not subject to any Backlever Financing or other financing arrangement, except to the extent approved by the Collateral Agent. Unless otherwise agreed to by the Collateral Agent, Eligible Customer Upfront Payment Receivables shall not include Accounts with respect to an Account Debtor that have not been paid (a) within 120 days of achievement of Milestone One, if Milestone Three has not been achieved during such 120-day period, or (b) within 180 days of achievement of Milestone Three.

"Eligible Hawaii Tax Credit Receivables" means those Accounts consisting of obligations of the State of Hawaii to make payments to a Project Fund in lieu of Hawaii Tax Credits, which Accounts, with respect to a particular Project Fund, (i) arise in the ordinary course of business of such Project Fund after Milestone One has been achieved, (ii) comply with all of the related representations and warranties set forth in Section 5.32 of this Agreement, (iii) have been assigned by such Project Fund to a Borrower and (iv) are not subject to any Backlever Financing or other financing arrangement, except to the extent approved by Collateral Agent; provided that at the time of the initial Credit Extension based on a Borrowing Base Certificate that includes Eligible Hawaii Tax Credit Receivables, (a) the State of Hawaii meets the Minimum Credit Rating Requirement, (b) the Hawaii Tax Credit Program is in full force and effect and there has not occurred, and there is not reasonably likely to occur, a material change in the Hawaii Tax Credit Program that could reasonably be expected to result in the ineligibility, restriction or other impediment to any Project Fund, any other applicable Excluded Subsidiary or any Borrower (directly or indirectly from a Project Fund) receiving such payments in lieu of Hawaii Tax Credits; provided, however, that a reduction in the amount of the Hawaii Tax Credit that a Project Fund is eligible for or in the amount of the Eligible Hawaii Tax Credit Receivable that a Project Fund is entitled to shall not be deemed to be a material change in the Hawaii Tax Credit program so long as any such reduction results in a corresponding reduction in the amount of the Eligible Hawaii Tax Credit Receivable, and (c) the Borrowers have demonstrated to the Collateral Agent that the applicable Project Funds, the other applicable Excluded Subsidiaries and the Borrowers are not and could not reasonably be expected to be subject to any Hawaii Income Taxes assessed by the State of Hawaii for the period for which such payment in lieu of the Hawaii Tax Credit applies. Unless otherwise agreed to by the Collateral Agent, "Eligible Hawaii Tax Credit Receivables" shall not include Accounts with respect to an Account Debtor that have not been paid within [***] months of the last day of the calendar year in which Milestone Three was achieved; provided that an Account shall be deemed an "Eligible Hawaii Tax Credit Receivable" if (i) the applicable system of a Project Fund related to such Account has achieved Milestone Two on or prior to December 31, 2014, (ii) such system achieves Milestone Three on or prior to December 31, 2015 and (iii) such Account does not remain unpaid beyond fifteen (15) months following the calendar year ending December 31, 2015.

"Eligible Inventory" shall mean Inventory, valued at the lower of cost or market value, of any Borrowing Base Obligor which meets each of the following requirements on the date that such Inventory is included in the applicable Borrowing Base Certificate:

(a) it (i) is subject to a first priority perfected Lien in favor of the Collateral Agent and (ii) is not subject to any other Liens;

(b) it is in saleable condition;

(c) it (i) is stored and held in locations owned by a Borrowing Base Obligor or, if such locations are not so owned, the Collateral Agent is, beginning on June 30, 2015 (or such later date as agreed to by the Collateral Agent) and at any time thereafter, in possession of a Collateral Access Agreement or other similar waiver or acknowledgment agreements (but only to the extent such location has over $1,000,000 worth of Inventory or is the premises holding Inventory located at 1 Chestnut Street, Suite 222, Nashua, New Hampshire 03060 or at 1227 Striker Avenue, Suite 260, Sacramento, California 95834), pursuant to which the applicable lessor, warehouseman, processor or bailee provides satisfactory lien waivers and access rights to the Inventory and (ii) has not been identified or otherwise set aside for use by a Project in the Project Back-Log;

(d) it is not Inventory produced in violation of the Fair Labor Standards Act and subject to the "hot goods" provisions contained in Title 29 U.S.C. §215;

(e) it is located in the United States or in any territory or possession of the United States that has adopted Article 9 of the UCC;

(e) (i) it is not "in transit" to any Borrowing Base Obligor and (ii) it is not held by any Borrowing Base Obligor on consignment;

(f) it is not subject to any agreement which would restrict the Collateral Agent's ability to sell or otherwise dispose of such Inventory;

(h) it is not work-in-progress Inventory, unfinished goods, sample Inventory or spare Inventory;

(i) it is not Inventory that has been aged twelve (12) months or longer;

(j) it is not stored or held in a location for which the value of all Inventory of the Borrowing Base Obligors stored or held at such location is less than $100,000 in the aggregate; and

(k) the Collateral Agent shall not have determined in its reasonable discretion following a field inspection to be unacceptable due to age, type and/or quality.

Inventory which is at any time Eligible Inventory but which subsequently fails to meet any of the foregoing requirements shall forthwith cease to be Eligible Inventory.

"Eligible Project Back-Log" means the Project Back-Log except for the following, which shall be deemed ineligible:

(a) An incremental % of Projects for which the period of time during which the applicable customer can terminate the Host Customer Agreement has not yet expired, which incremental % shall be equal to the % which, when combined with the cancelled Projects previously excluded from the Project Backlog, would result in an overall cancellation rate

of [***] of the total value of Projects that have achieved Sunrun Sign-Off over the prior twelve (12) months;

(b) Projects which are purchased in cash by a customer (to the extent included in Project Back-Log);

(c) Projects which are subject to any Lien other than (i) Liens in favor of the Collateral Agent and (ii) Liens thereon permitted under Section 7.01;

(d) Projects in which any Person other than a Loan Party shall have any ownership interest or any other interest or title, other than (i) any such interest or title of any customer pursuant to the Host Customer Agreement related thereto and (ii) Liens thereon permitted under Section 7.01;

(e) Projects that are not Tax Credit Eligible Projects;

(f) Projects the PV Systems related to which use solar photovoltaic panels or inverters that were obtained from, or are a product of, a manufacturer that has not been approved by any Tax Equity Investor or provider of Backlever Financing;

(g) Projects located in a state or locality that has not been approved by any Tax Equity Investor or provider of Backlever Financing;

(h) Projects for which any manufacturer's warranty related to the photovoltaic panels and inverters related thereto is not in full force or effect or cannot be enforced by a Loan Party;

(i) Inactive Projects;

(j) to the extent applicable, Projects specifically identified to be Tranched in order to cure the True-Up Liability; and

(k) a Project which has been identified for Tranching using Available Take-Out which is not Eligible Take-Out.

"Eligible Take-Out" means the Available Take-Out except for the following, which shall be deemed ineligible:

(a) Available Take-Out provided by any Person (i) that has provided written notice that it disputes its obligation to fund such Available Take-Out, (ii) that generally made statements that it is unable to satisfy its funding obligations, or (iii) for which any Person may have any valid and asserted claim, demand, or liability whether by action, suit, counterclaim or otherwise against such Available Take-Out;

(b) the Person providing such Available Take-Out is the subject of any action or proceeding of a type described in Section 8.01(f);

(c) Available Take-Out provided by a Person who has the right of offset with respect to any amounts owed to such Person by any Borrower or its Subsidiaries; provided, that ineligibility shall be limited to the amount of such set-off; and

(d) Any Available Take-Out with respect to which a Loan Party or any Subsidiary has given or received formal written notice that a default or event of default has occurred and is continuing under the documents governing the applicable Tax Equity Commitments or Backlever Financing, or has knowledge of the occurrence and continuation of such default or event of default but has not given such formal written notice; provided that this clause (d) shall not apply to the extent that (x) any default that has not become an event of default thereunder has been cured within the applicable cure period thereunder and (y) no Material Adverse Effect has resulted from such default; and provided, further, that this clause (d) shall be operative solely to the extent that the Tax Equity Investor or the provider of Backlever Financing would, as a result of the continuation of such default or event of default, have the right to cease funding (unless such right to cease funding has been waived).

"Eligible Trade Accounts" shall mean an Account as to which the following is true and accurate as of the date that such Account is included in the applicable Borrowing Base Certificate:

(a) such Account arose in the ordinary course of the business of a Borrowing Base Obligor out of either (i) a bona fide sale of Inventory by such Borrowing Base Obligor, and in such case such Inventory has in fact been shipped to the applicable Account Debtor or the Inventory has otherwise been accepted by the applicable Account Debtor, or (ii) services performed by such Borrowing Base Obligor under an enforceable contract (written or oral), and in such case such services have in fact been performed for the applicable Account Debtor and accepted by such Account Debtor;

(b) such Account represents a legally valid and enforceable claim which is due and owing to a Borrowing Base Obligor by the applicable Account Debtor and for such amount as is represented by the Borrowers to the Collateral Agent in the applicable Borrowing Base Certificate;

(c) such Account is evidenced by an invoice dated not later than three (3) Business Days after the date of the delivery or shipment of the related Inventory giving rise to such Account, not more than sixty (60) days have passed since the due date corresponding to such Account and not more than one hundred twenty (120) days have passed since the invoice date corresponding to such Account;

(d) the unpaid balance of such Account (or portion thereof) that is included in the applicable Borrowing Base Certificate is not subject to any defense or counterclaim that has been asserted by the applicable Account Debtor, or any setoff, contra account, credit, allowance or adjustment by the Account Debtor because of returned, inferior or damaged Inventory or services, or for any other reason, except for customary discounts allowed by the applicable Borrowing Base Obligor in the ordinary course of business for prompt payment, and, to the extent there is any agreement between the applicable Borrowing Base Obligor, the related Account Debtor and any other Person, for any rebate, discount,

concession or release of liability in respect of such Account, in whole or in part, the amount of such rebate, discount, concession or release of liability shall be excluded from the Borrowing Base;

(e) the applicable Borrowing Base Obligor has granted to the Collateral Agent pursuant to or in accordance with the Collateral Documents (except to the extent not required to do so thereunder) a first priority perfected security interest in such Account prior in right to all other Persons and such Account has not been sold, transferred or otherwise assigned or encumbered by such Borrowing Base Obligor, as applicable, to or in favor of any Person other than pursuant to or in accordance with the Collateral Documents or this Agreement;

(f) such Account is not owing by any Account Debtor who, as of the date of determination, has failed to pay twenty-five percent (25%) or more of the aggregate amount of its Accounts owing to any Borrowing Base Obligor within sixty (60) days since the due date corresponding to such Accounts and within one hundred twenty (120) days since the original invoice date corresponding to such Accounts;

(g) it is not an Account owing by any Account Debtor which when aggregated with all other Accounts owing by such Account Debtor would cause the Borrowing Base Obligors' Accounts owing from such Account Debtor to exceed an amount equal to twenty five percent (25%) of the Borrowing Base Obligors' aggregate Eligible Trade Accounts owing from all Account Debtors (the " Concentration Limit"); provided that to the extent that the aggregate outstanding amount of otherwise eligible Accounts due from any Account Debtor exceeds the Concentration Limit, only the amount of such excess shall be ineligible;

(h) such Account is not represented by any note, trade acceptance, draft or other negotiable instrument or by any chattel paper, except to the extent any such note, trade acceptance, draft, other negotiable instrument or chattel paper has been endorsed and delivered by any Borrowing Base Obligor pursuant to or in accordance with the Collateral Documents or this Agreement and/or otherwise in a manner satisfactory to the Collateral Agent on or prior to such Account's inclusion in any applicable Borrowing Base Certificate;

(i) the Borrowing Base Obligors have not received, with respect to such Account, any notice of the dissolution, liquidation, termination of existence, insolvency, business failure, appointment of a receiver for any part of the property of, assignment for the benefit of creditors by, or the filing of a petition in bankruptcy or the commencement of any proceeding under any bankruptcy or insolvency laws by or against, such Account Debtor;

(j) it is not an account billed in advance, payable on delivery, for consigned goods, for guaranteed sales, for unbilled sales, payable at a future date, bonded or insured by a surety company or subject to a retainage or holdback by the Account Debtor;

(k) the Account Debtor on such Account is not:

(i) an Affiliate of any Loan Party;

(ii) the United States of America, or any department, agency, or instrumentality thereof (unless the applicable Borrowing Base Obligor has assigned its right to payment of such Account to the Agent in a manner satisfactory to the Agent so as to comply with the provisions of the Federal Assignment of Claims Act);

(iii) a citizen or resident of any jurisdiction other than one of the United States or Canada, unless such Account is secured by a letter of credit issued by a bank acceptable to the Agent which letter of credit shall be in form and substance acceptable to the Collateral Agent; or

(iv) an Account Debtor whose Accounts the Collateral Agent, acting in its reasonable credit judgment, has deemed not to constitute Eligible Trade Accounts because the collectability of such Accounts is or is reasonably expected to be impaired;

(l) such Account is not an Account in respect of which Credit Extensions are available under any other component of the Borrowing Base.

Any Account, which is at any time an Eligible Trade Account but which subsequently fails to meet any of the foregoing requirements, shall forthwith cease to be an Eligible Trade Account.

"Environmental Laws" means any and all Laws (including common laws) pertaining to protected animal and plant species, navigation, human health, safety or the environment, or to the presence, treatment, transport, storage, use, management, disposal or Release of any Hazardous Materials or to property damage or personal injury as a result of Hazardous Materials, including, without limitation, the Clean Air Act, as amended, CERCLA, the Federal Water Pollution Control Act, as amended, the Resource Conservation and Recovery Act of 1976, as amended ("RCRA"), the Safe Drinking Water Act, as amended, the Toxic Substances Control Act, as amended, the Superfund Amendments and Reauthorization Act of 1986, as amended, Section 10 of the Rivers and Harbors Act of 1899, as amended, the Endangered Species Act, as amended, the Migratory Bird Treaty Act, as amended, and any other federal, state, regional or local environmental conservation, environmental protection, health or safety Laws as each may from time to time be amended or supplemented.

"Environmental Liability" means any costs, losses or liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of any Borrower, any other Loan Party or any of their respective Subsidiaries directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, or treatment of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials or (e) any contract, agreement or other consensual arrangement pursuant to which costs or liability is assumed or imposed with respect to any of the foregoing.

"Environmental Permit" means any permit, approval, consent, identification number, license, exemption, authorization or other form of permission required to be issued or obtained under any Environmental Law.

"Equity Consideration" means, with respect to any Acquisition, as at the date of consummation of such Acquisition, the ratio, stated as a percentage, of (i) the Equity Interests of any Borrower or any Subsidiary thereof to be transferred in connection with such Acquisition, to (ii) the total Equity Interests of such Borrower, plus the Equity Interests of such Borrower or any Subsidiary thereof to be transferred in connection with such Acquisition. For purposes of determining the Equity Consideration for any transaction, the Equity Interests of a Borrower shall be valued in accordance with GAAP.

"Equity Interests" means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"ERISA Affiliate" means any Person, trade or business (whether or not incorporated) under common control with any Borrower within the meaning of Section 414(b), (c), (m) or (o) of the Code or Section 4001(b) of ERISA.

"ERISA Event" means (a) a Reportable Event with respect to a Pension Plan; (b) the withdrawal of any Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which such entity was a "substantial employer" as defined in Section 4001(a)(2) of ERISA or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by any Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Pension Plan amendment as a termination under Section 4041 or 4041A of ERISA; (e) the institution by the PBGC of proceedings to terminate a Pension Plan; (f) any event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (g) the determination that any Pension Plan is considered an at-risk plan or a plan in endangered or critical status within the meaning of Sections 430, 431 and 432 of the Code or Sections 303, 304 and 305 of ERISA; or (h) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon any Borrower or any ERISA Affiliate.

"Eurodollar Rate" means, subject to Section 3.03(b):

(a) for any Interest Period with respect to a Eurodollar Rate Loan, the rate per annum equal to the London Interbank Offered Rate ("LIBOR"), or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) (in such case, the "LIBOR Rate") at or about 11:00 a.m., London time, two (2) Business Days prior to the commencement of such Interest Period, for Dollar deposits (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period; and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to the LIBOR Rate, at or about 11:00 a.m., London time, two (2) Business Days prior to such date for Dollar deposits with a term of one (1) month commencing that day;

in each case, times the Statutory Reserves; provided that, to the extent a comparable or successor rate is approved by the Administrative Agent in connection herewith, the approved rate shall be applied in a manner consistent with market practice; provided, further, that to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent; and provided, further, that the Eurodollar Rate shall at no time be less than 0.00%.

"Eurodollar Rate Loan" means a Revolving Loan that bears interest at a rate based on clause (a) of the definition of "Eurodollar Rate."

"Event of Default" has the meaning specified in Section 8.01.

"Exchange Act" means the Securities Exchange Act of 1934, including all amendments thereto and regulations promulgated thereunder.

"Excluded Property" means, with respect to any Loan Party, (a) any owned or leased real property which is located outside of the United States, (b) any Intellectual Property, (c) the Equity Interests of or in any Excluded Subsidiary and (d) any SREC Excluded Property.

"Excluded Subsidiaries" means:

(i) those direct or indirect subsidiaries of Sunrun (a) in which Sunrun owns Equity Interests of less than fifty-one percent (51%), (b) that, or that are formed to, own, lease or finance no assets other than specific Projects and related assets that are financed as a pool in a manner that is non-recourse to any of the Loan Parties (other than such recourse as is permitted pursuant to Section 7.02(i)), (c) the direct or indirect parents of Excluded Subsidiaries of the type described in the foregoing clause (b) that, or that are formed to, own no assets other than (x) Equity Interests in, and intercompany loans of, Excluded Subsidiaries of the type described in the foregoing clause (b) or their direct or indirect parents, cash and cash equivalents and contractual rights related to a Non-Recourse Financing of any Excluded Subsidiary in the same chain of ownership, or (y) Indebtedness of any other Excluded Subsidiaries of the type described in the foregoing clause (b) or this clause

(c), it being understood that Sunrun may contribute, transfer, assign or otherwise convey Projects and related assets to any Excluded Subsidiary of the type described in the foregoing clause (b) through an Excluded Subsidiary of the type described in this clause (c), or (d) created for or encumbered by SREC Transactions, and, in the case of those Subsidiaries described in clause (b), financing or equity contribution proceeds are included in the calculation of Available Take-Out only to the extent of any remaining Tax Equity Commitments or committed and undrawn Backlever Financing;

(ii) any existing or future acquired or formed Immaterial Subsidiary; or

(iii) any Safe Harbor Subsidiary.

"Excluded Swap Obligation" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Loan Party Guarantee of such Guarantor of, or the grant by such Guarantor of a Lien to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act (or the application or official interpretation thereof) by virtue of such Guarantor's failure for any reason to constitute an "eligible contract participant" as defined in the Commodity Exchange Act (determined after giving effect to Section 10.11 and any other keepwell, support or other agreement for the benefit of such Guarantor and any and all guarantees of such Guarantor's Swap Obligations by other Loan Parties) at the time the Loan Party Guarantee of such Guarantor, or grant by such Guarantor of a Lien, becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a Master Agreement governing more than one Swap Contract, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to Swap Contracts for which such Loan Party Guarantee or Lien is or becomes excluded in accordance with the first sentence of this definition.

"Excluded Taxes" means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a 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 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 on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by any Borrower under Section 11.13) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Sections 3.01(a)(ii), or 3.01(a)(iii) or (c), 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 3.01(e); and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

"Existing Credit Agreement" means that certain Amended and Restated Credit Agreement, dated as of December 31, 2014, by and among the Borrowers, Comerica Bank, as administrative

agent, sole lead arranger and sole book runner, Silicon Valley Bank, as documentation agent, and various lenders party thereto, as further amended, restated or otherwise modified from time to time.

"Existing Letters of Credit" means each letter of credit set forth on Schedule 1.01(d) that was previously issued for the account of any Borrower by Comerica Bank under the Existing Credit Agreement that is outstanding on the Closing Date.

"Facility" means, at any time, the aggregate amount of the Lenders' Commitments at such time.

"Facility Termination Date" means the date as of which all of the following shall have occurred: (a) the Aggregate Commitments have terminated, (b) all Obligations have been paid in full (other than contingent indemnification obligations), and (c) all Letters of Credit have terminated or expired (other than Letters of Credit as to which other arrangements with respect thereto satisfactory to the Administrative Agent and the L/C Issuer shall have been made).

"FASB ASC" means the Accounting Standards Codification of the Financial Accounting Standards Board.

"FATCA" means 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) and any current or future regulations or official interpretations thereof and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

"FCPA" means Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations promulgated thereunder.

"Federal Funds Rate" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent.

"Federal Reserve Bank of New York's Website" means the website of the Federal Reserve Bank of New York at http://www.newyorkfed.org, or any successor source.

"Fee Letter" means the Administrative Agent Fee Letter, dated November 12, 2019, by and among Sunrun, the other Borrowers and the Administrative Agent.

"FERC" means the Federal Energy Regulatory Commission and its successors.

"Flood Hazard Property" means any Mortgaged Property that is in an area designated by the Federal Emergency Management Agency as having special flood or mudslide hazards.

"Foreign Lender" means (a) if any Borrower is a U.S. Person, a Lender that is not a U.S. Person, and (b) if any Borrower is not a U.S. Person, a Lender that is resident or organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

"FPA" means the Federal Power Act, as amended, and FERC's regulations promulgated thereunder.

"FRB" means the Board of Governors of the Federal Reserve System of the United States.

"Fronting Exposure" means, with respect to the L/C Issuer, at any time there is a Lender that is a Defaulting Lender, the aggregate amount of such Defaulting Lender's respective Applicable Percentage of each outstanding L/C Obligation other than L/C Obligations as to which such Defaulting Lender's participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

"Fund" means any Person (other than a natural Person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its activities.

"Funding Indemnity Letter" means a funding indemnity letter, substantially in the form of Exhibit L.

"GAAP" means generally accepted accounting principles in the United States set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the accounting profession) including, without limitation, the FASB ASC, that are applicable to the circumstances as of the date of determination, consistently applied and subject to Section 1.03.

"Governmental Authority" means the government of the United States or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank), including FERC and any designated regional reliability entity, a state public utilities commission or state public service commission or similar agency, or a designated regional transmission organization, independent system operator or balancing authority.

"Guarantee" means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness of the kind described in clauses (a) through (g) of the definition thereof or other obligation payable or performable by another Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance

or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part), or (b) any Lien on any assets of such Person securing any Indebtedness of the kind described in clauses (a) through (g) of the definition thereof or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed or expressly undertaken by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term "Guarantee" as a verb has a corresponding meaning.

"Guaranteed Obligations" has the meaning set forth in Section 10.01.

"Guarantors" means, collectively, (a) CEE, (b) all other existing or future acquired or formed Subsidiaries of Sunrun (other than Excluded Subsidiaries) as are or may from time to time become parties to this Agreement pursuant to Section 6.13, and (c) with respect to Additional Secured Obligations owing by any Loan Party (other than the Borrowers) and any Swap Obligation of a Specified Loan Party (determined before giving effect to Sections 10.01 and 10.11) under the Loan Party Guarantee, the Borrowers.

"Hawaii Income Taxes" shall mean (a) any income (or similar) tax, that is, has been or may in the future be imposed, assessed or collected by or under the authority of the State of Hawaii (or a political subdivision thereof), and (b) each liability for the payment of any amounts of the type described in clause (a) as a result of any express or implied obligation to pay directly, indemnify or otherwise assume or succeed to the liability of any other Person.

"Hawaii Tax Credit" shall mean tax credits available to the Borrowers under Hawaii Rev Stat. § 235-12.5 (Renewable energy technologies; income tax credit).

"Hazardous Materials" means any hazardous substances, pollutants, contaminants, wastes, or materials (including petroleum (including crude oil or any fraction thereof), petroleum wastes, radioactive material, hazardous wastes, toxic substances, or asbestos or any materials containing asbestos) designated, regulated, or defined under or with respect to which any requirement or liability may be imposed pursuant to any Environmental Law.

"Hedge Bank" means any Person in its capacity as a party to a Swap Contract that, (a) at the time it enters into a Swap Contract not prohibited under Article VI or VII, is a Lender or an Affiliate of a Lender, or (b) at the time it (or its Affiliate) becomes a Lender, is a party to a Swap Contract not prohibited under Article VI or VII, in each case, in its capacity as a party to such Swap

Contract (even if such Person ceases to be a Lender or such Person's Affiliate ceased to be a Lender); provided, in the case of a Secured Hedge Agreement with a Person who is no longer a Lender (or Affiliate of a Lender), such Person shall be considered a Hedge Bank only through the stated termination date (without extension or renewal) of such Secured Hedge Agreement; and provided, further, that for any of the foregoing to be included as a "Secured Hedge Agreement" on any date of determination by the Administrative Agent, the applicable Hedge Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Secured Party Designation Notice to the Administrative Agent prior to such date of determination.

"Honor Date" has the meaning set forth in Section 2.03(c).

"Host Customer Agreements" means the Power Purchase Agreements and Customer Lease Agreements.

"Immaterial Subsidiary" means each Subsidiary of Sunrun which at no time after the Closing Date holds more than $2,500,000 of assets in accordance with GAAP for a trailing twelve (12) month period; provided, that at no time shall the aggregate assets held by all such Subsidiaries exceed $10,000,000 in accordance with GAAP for a trailing twelve (12) month period.

"Inactive Project" means any Project that (a) remains a CAD Project for more than 180 days after such Project was first included in the Eligible Project Back-Log as a CAD Project or (b) remains a Permitted Project for more than 180 days after such Project was first included in the Eligible Project Back-Log as a Permitted Project.

"Indebtedness" means, as to any Person at a particular time, without duplication, all of the following, whether or not included as indebtedness or liabilities in accordance with GAAP:

(a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;

(b) the maximum amount of all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers' acceptances, bank guaranties, surety bonds and similar instruments;

(c) net obligations of such Person under any Swap Contract;

(d) all obligations (including, without limitation, earnout obligations) of such Person to pay the deferred purchase price of property or services (other than trade accounts payable in the ordinary course of business and that do not remain unpaid for more than one-hundred twenty (120) days after the date on which such trade account was created);

(e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;

(f) all Attributable Indebtedness in respect of Capitalized Leases and Synthetic Lease Obligations of such Person and all Synthetic Debt of such Person;

(g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person or any warrant, right or option to acquire such Equity Interest, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; and

(h) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership in which such Person is a general partner, unless such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date.

"Indemnified Taxes" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Loan Party under any Loan Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

"Indemnitees" has the meaning specified in Section 11.04(b).

"Information" has the meaning specified in Section 11.07.

"Intellectual Property" has the meaning set forth in the Security Agreement.

"Intercompany Debt" has the meaning specified in Section 7.02.

"Interest Charges" means, for any period of measurement, the sum of (a) all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP, (b) all interest paid or payable with respect to discontinued operations, and (c) the portion of rent expense under Capitalized Leases that is treated as interest in accordance with GAAP which is to be paid in cash, in each case, of or by any Borrower for such period of measurement.

"Interest Coverage Ratio" means, as of any date of determination, with respect to the Borrowers, the ratio of (a) to (b), where:

(a) is the sum of, for the prior trailing twelve month period then ended (i) Operating income (measured in accordance with GAAP) plus depreciation and amortization included in COGS, plus (ii) [***]% of general and administrative costs (G&A, as measured in accordance with GAAP), plus (iii) [***]% of sales and marketing costs (S&M as measured in accordance with GAAP), plus (iv) [***]% of research and development costs (R&D as measured in accordance with GAAP); and

(b) is, for the prior trailing twelve month period then ended, the aggregate cash Interest Charges of the Borrowers and their Subsidiaries, other than Excluded Subsidiaries (which Interest Charges shall not be determined on a consolidated basis).

"Interest Payment Date" means, (a) as to any Eurodollar Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date of the Facility under which such Loan was made; provided, however, that if any Interest Period for a Eurodollar Rate Loan exceeds three (3) months, the respective dates that fall every three (3) months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan, the last Business Day of each March, June, September and December and the Maturity Date of the Facility under which such Loan was made.

"Interest Period" means, as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a Eurodollar Rate Loan and ending on the date one (1), two (2), three (3) or six (6) months thereafter, as selected by the Borrowers in its Loan Notice, or such other period that is twelve (12) months or less requested by the Borrowers and consented to by all the Appropriate Lenders; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date of the Facility under which such Loan was made.

"Inventory" shall mean any inventory as defined under the UCC.

"Inverted Lease Structure" means a tax equity investment structure in which the Borrowers contribute PV Systems and assign the affiliated Host Customer Agreements to an Excluded Subsidiary, which Excluded Subsidiary then leases such PV Systems to a Tax Equity Investor or a partnership between an Excluded Subsidiary and a Tax Equity Investor pursuant to a lease agreement.

"Investment" means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of Indebtedness of, or purchase or other acquisition of any other Indebtedness or interest in, another Person (including any partnership or joint venture equity interest in such other Person and any arrangement pursuant to which the investor guaranties Indebtedness of such other Person), or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person which constitute all or substantially all of the assets of such Person or of a division, line of business or other business

unit of such Person. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

"Investment Company Act" means the Investment Company Act of 1940, as amended.

"IRS" means the United States Internal Revenue Service.

"ISP" means, with respect to any Letter of Credit, the "International Standby Practices 1998" published by the Institute of International Banking Law & Practice, Inc. (or such later version thereof as may be in effect at the time of issuance).

"Issuer Documents" means with respect to any Letter of Credit, the Letter of Credit Application, and any other document, agreement and instrument entered into by the L/C Issuer and any Borrower (or any Subsidiary thereof) or in favor of the L/C Issuer and relating to such Letter of Credit.

"ITC" means any investment tax credit under Title 26, Section 48 of the United States Code or any successor or other similar provision, including any similar provision concerning a refundable tax credit that replaces such investment tax credit program.

"Joinder Agreement" means a joinder agreement substantially in the form of Exhibit D executed and delivered in accordance with the provisions of Sections 6.13 and 6.14.

"KeyBank" has the meaning specified in the introductory paragraph hereto.

"Laws" means, collectively, all international, foreign, federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, and binding guidance, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, and agreements with any Governmental Authority.

"L/C Advance" means, with respect to each Lender, such Lender's funding of its participation in any L/C Borrowing in accordance with its Applicable Revolving Percentage.

"L/C Borrowing" means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Revolving Borrowing.

"L/C Credit Extension" means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

"L/C Issuer" means, as the context may require, (a) Silicon Valley Bank, acting through any of its Affiliates or branches, in its capacity as the issuer of Letters of Credit hereunder, (b) Comerica Bank, acting through any of its Affiliates or branches, in its capacity as the issuer of each Existing Letter of Credit, and (c) any other Lender that may become an L/C Issuer pursuant to Section 2.03(k) or 11.06(f), with respect to Letters of Credit issued by such Lender. Each L/C Issuer may, in its

discretion, arrange for one or more Letters of Credit to be issued by Affiliates or branches of such L/C Issuer, in which case the term "L/C Issuer" shall include any such Affiliate or branch with respect to Letters of Credit issued by such Affiliate or branch.

"L/C Obligations" means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be "outstanding" in the amount so remaining available to be drawn.

"Lender" means each of the Persons identified as a "Lender" on the signature pages hereto, each other Person that becomes a "Lender" in accordance with this Agreement and their successors and assigns.

"Lending Office" means, as to any Lender, the office or offices of such Lender described as such in such Lender's Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrowers and the Administrative Agent.

"Letter of Credit" means any letter of credit issued hereunder (including any Existing Letter of Credit). A Letter of Credit may be a commercial letter of credit or a standby letter of credit.

"Letter of Credit Application" means 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 L/C Issuer.

"Letter of Credit Expiration Date" means the day that is five (5) Business Days prior to the Maturity Date then in effect for the Facility (or, if such day is not a Business Day, the next preceding Business Day).

"Letter of Credit Fee" has the meaning specified in Section 2.03(h).

"Letter of Credit Notice" means a notice of a request for an L/C Credit Extension, pursuant to Section 2.03(a), which shall be substantially in the form of Exhibit T and shall include the Letter of Credit Application for such L/C Credit Extension.

"Letter of Credit Sublimit" means an amount equal to the lesser of (a) $25,000,000 and (b) the Facility. The Letter of Credit Sublimit is part of, and not in addition to, the Facility.

"Lien" means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or otherwise), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property and any financing lease having substantially the same economic effect as any of the foregoing).

"Loan" means an extension of credit by a Lender to any Borrower under Article II in the form of a Revolving Loan.

"Loan Documents" means, collectively, (a) this Agreement, (b) the Revolving Notes, (c) the Loan Party Guarantee, (d) the Collateral Documents, (e) the Fee Letter, (f) each Issuer Document, (g) each Joinder Agreement and (h) any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.13 (but specifically excluding any Secured Hedge Agreement or any Secured Cash Management Agreement).

"Loan Notice" means a notice of (a) a Borrowing, (b) a conversion of Loans from one Type to the other, or (c) a continuation of Eurodollar Rate Loans, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit E.

"Loan Parties" means, collectively, the Borrowers and each Guarantor.

"Loan Party Guarantee" means, collectively, the Guarantee made by the Guarantors under Article X in favor of the Secured Parties, together with each other guaranty delivered pursuant to Section 6.13.

"London Banking Day" means any day on which dealings in Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

"Master Agreement" has the meaning set forth in the definition of "Swap Contract."

"Material Adverse Effect" means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent), financial condition of the Loan Parties taken as a whole; (b) a material impairment of the rights and remedies of the Administrative Agent or any Lender under any Loan Document, or of the ability of any Loan Party to perform its obligations under any Loan Document to which it is a party; (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Loan Party of any Loan Document to which it is a party; or (d) a material adverse effect on the Collateral or the Liens in favor of the Collateral Agent (for its benefit and for the benefit of the other Secured Parties) on the Collateral or the priority of such Liens, in each case of this clause (d), when taken as a whole.

"Material Contract" means, with respect to any Loan Party, each contract or agreement to which such Person would be required to disclose pursuant to reporting obligations under the Exchange Act if such person were subject to the Exchange Act, even if such Person is not currently subject to the Exchange Act.

"Maturity Date" means the date that is seven (7) years after the Closing Date; provided, however, if such date is not a Business Day, the Maturity Date shall be the next succeeding Business Day.

"Milestone One" means, with respect to any Project, the day on which each of the following has occurred (in each case as certified by the Borrowers in a Borrowing Base Certificate): (a) the occurrence of Sunrun Sign-Off, (b) delivery to the construction contractor for such Project of a duly

executed notice to proceed, and (c) if applicable, assignment to a construction site or tagged to a specific Project in a warehouse of building materials necessary to construct the Project, including evidence (to the extent available) of the same if requested by the Collateral Agent.

"Milestone Three" means, with respect to any Project, the day on which the "permission to operate" notification for such Project is executed (as certified by the Borrowers in a Borrowing Base Certificate).

"Milestone Two" means, with respect to any Project, the day on which the following has occurred (as certified by the Borrowers in a Borrowing Base Certificate): the Project has reached Substantial Completion.

"Minimum Collateral Amount" means, at any time, (a) with respect to Cash Collateral consisting of cash or deposit account balances provided to reduce or eliminate Fronting Exposure during any period when a Lender constitutes a Defaulting Lender, an amount equal to 105% of the Fronting Exposure of the L/C Issuer with respect to Letters of Credit issued and outstanding at such time, (b) with respect to Cash Collateral consisting of cash or deposit account balances provided in accordance with the provisions of Section 2.13(a)(i), (a)(ii), (a)(iii) or (a)(iv), an amount equal to 105% of the Outstanding Amount of all L/C Obligations, and (c) otherwise, an amount determined by the Collateral Agent and the L/C Issuer in their sole discretion.

"Minimum Credit Rating Requirement" means the state general bond obligation rating of at least AA from Standard and Poor's Rating Group, Aa2 from Moody's, and AA from Fitch Ratings, or such other general bond obligation rating satisfactory to the Administrative Agent in its sole discretion.

"Moody's" means Moody's Investors Service, Inc. and any successor thereto.

"Mortgage" or "Mortgages" means, individually and collectively, as the context requires, each of the fee or leasehold mortgages, deeds of trust and deeds executed by a Loan Party that purport to grant a Lien to the Collateral Agent (or a trustee for the benefit of the Collateral Agent) for the benefit of the Secured Parties in any Mortgaged Properties, in form and substance satisfactory to the Collateral Agent.

"Mortgaged Property" means any owned property of a Loan Party listed on Schedule 5.21(g)(i) and any other owned real property of a Loan Party that is or will become encumbered by a Mortgage in favor of the Collateral Agent in accordance with the terms of this Agreement.

"Mortgaged Property Support Documents" means with respect to any real property subject to a Mortgage, the deliveries and documents described on Schedule 1.01(e) attached hereto.

"Multiemployer Plan" means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five (5) plan years, has made or been obligated to make contributions.

"Multiple Employer Plan" means a Plan which has two or more contributing sponsors (including any Borrower or any ERISA Affiliate) at least two of whom are not under common control, as such a plan is described in Section 4064 of ERISA.

"Net Retained Value" means, as of a given date of determination, the present value, discounted at six percent (6%), of:

(A) all remaining (1) customer cash flows under Host Customer Agreements and (2) PBI Payments, reduced by

(B) the following:

(a) For Tax Equity Partnerships subject to HLBV accounting (i.e., Partnership Flip Structures and complex Inverted Lease Structures), estimated future cash distributions to the Tax Equity Investor;

(b) Estimated operating expenses;

(c) Estimated major maintenance expenses;

(d) For simple Inverted Lease Structures, the GAAP financing liability recorded on the most recent (i) Audited Financial Statements or (ii) quarterly unaudited financial statements of Sunrun (reduced by cash deposited by the Tax Equity Investor in the applicable Project Fund, if any, and ITCs from assets funded but not in service);

(e) For Sale-Leaseback Structures, the GAAP financing liability recorded on the most recent (i) Audited Financial Statements or (ii) quarterly unaudited financial statements of Sunrun (or, if applicable, the rent payable by the lessee under the related lease); and

(f) The excess of (1) the GAAP carrying value of all non-recourse or unsecured Indebtedness, other than Indebtedness associated with SREC Transactions or Safe Harbor Financings, recorded on the most recent (i) Audited Financial Statements or (ii) quarterly unaudited financial statements of Sunrun; provided, that any additional Indebtedness shall be calculated on a Pro Forma Basis over (2) cash held by an Excluded Subsidiary in maintenance reserve accounts, debt service reserve accounts or distribution suspense accounts in connection with any Indebtedness described in clause (1).

Net Retained Value will only be calculated based on Projects that are (x) deployed to Project Funds or (y) owned by a Borrower and have achieved Milestone Three. No Net Retained Value will be ascribed to either customer renewal value or Projects in the Project Back-Log.

Customer cash flows under Host Customer Agreements shall include the sum of the remaining contracted cash payments that customers are expected to pay over the initially contracted term of such Host Customer Agreements for Projects installed or placed into a Project Fund as of the measurement date. In the case of Sale-Leaseback Structures, customer cash flows from Host Customer Agreements following the stated expiration of the Sale-Leaseback Structures shall be disregarded. This amount shall include Customer Prepayments contractually owing to the

Borrowers, an Excluded Subsidiary or a Project Fund but uncollected. Operating expenses and major maintenance expenses shall be estimated consistent with the most recent engineering report issued and relied upon in connection with a non-recourse debt financing of Sunrun.

"New Lenders" has the meaning specified in Section 2.15(c).

"Non-Consenting Lender" means any Lender that does not approve any consent, waiver or amendment that (a) requires the approval of all Lenders or all affected Lenders in accordance with the terms of Section 11.01 and (b) has been approved by the Required Lenders.

"Non-Defaulting Lender" means, at any time, each Lender that is not a Defaulting Lender at such time.

"Non-Recourse Financings" means Backlever Financings, System Refinancings, and Safe Harbor Financings.

"NPL" means the National Priorities List under CERCLA.

"NYGB" means NY Green Bank, a division of the New York State Energy Research & Development Authority.

"NYGB Borrowing Base" means, as of any date of determination, the PV System Value of the Eligible Project Back-Log attributable to NY Projects.

"NYGB Borrowing Base Availability" means, as of any date of determination, the difference of the NYGB Borrowing Base minus NYGB's Revolving Exposure at such time.

"NYGB Borrowing Base Deficiency" means, at the time a Revolving Loan is to be made by NYGB or a participation in an L/C Credit Extension is to be purchased by NYGB, the failure of the amount of the NYGB Borrowing Base Availability at such time to equal or exceed the amount of such Revolving Loan or such participation in the L/C Credit Extension. Such determination shall be made based on the most recently delivered Borrowing Base Certificate and NYGB's Revolving Exposure as reflected in the Register.

"NY Project" means a Project located in the State of New York with respect to which the PV System has an aggregate installed footprint for solar arrays of 4,000 square feet or less.

"Obligations" means (a) all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan or Letter of Credit and (b) all costs and expenses incurred in connection with enforcement and collection of the foregoing, including the fees, charges and disbursements of counsel, 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 and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof pursuant to any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding; provided that Obligations of a Guarantor shall exclude any Excluded Swap Obligations with respect to such Guarantor.

"OFAC" means the Office of Foreign Assets Control of the United States Department of the Treasury.

"Organization Documents" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement or limited liability company agreement (or equivalent or comparable documents with respect to any non-U.S. jurisdiction); (c) with respect to any partnership, trust or other form of business entity, the partnership or other applicable agreement of formation or organization (or equivalent or comparable documents with respect to any non-U.S. jurisdiction) and (d) with respect to all entities, any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization (or equivalent or comparable documents with respect to any non-U.S. jurisdiction).

"Other Connection Taxes" means, 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" means 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 3.06).

"Outstanding Amount" means (a) with respect to Revolving Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Revolving Loans occurring on such date; and (b) with respect to any L/C Obligations on any date, the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by any Borrower of Unreimbursed Amounts.

"Participant" has the meaning specified in Section 11.06(d).

"Participant Register" has the meaning specified in Section 11.06(d).

"Partnership Flip Structure" means a tax equity investment structure in which the Tax Equity Partnership or a subsidiary of such Tax Equity Partnership purchases PV Systems and takes assignment of Host Customer Agreements from any Borrower or any of its Subsidiaries pursuant to a purchase agreement. In a Partnership Flip Structure, the membership interests in the Tax Equity Partnership changes (or "flips") in respect to the members of such Tax Equity Partnership upon

fulfillment of specified conditions in the Organization Documents of such Tax Equity Partnership, but in no event earlier than five years from the date of the purchase of the PV Systems and assignment of the Host Customer Agreements.

"PATRIOT Act" has the meaning specified in Section 5.28.

"PBGC" means the Pension Benefit Guaranty Corporation.

"PBI Obligor" means the utility, Governmental Authority or other Person that makes the payments under the applicable PBI Program.

"PBI Payments" means, with respect to a Project, all payments due by the related PBI Obligor under the applicable PBI Program.

"PBI Program" means a renewable energy program maintained or administered by a utility, Governmental Authority or other Person designed to incentivize the installation of photovoltaic solar energy projects and the use of solar-generated electricity pursuant to which the utility, Governmental Authority or other Person is obligated to make payments at a stated amount or rate to the owner of the related photovoltaic solar energy project.

"Pension Act" means the Pension Protection Act of 2006, as amended.

"Pension Funding Rules" means the rules of the Code and ERISA regarding minimum required contributions (including any installment payment thereof) to Pension Plans and set forth in Section 412, 430, 431, 432 and 436 of the Code and Sections 302, 303, 304 and 305 of ERISA.

"Pension Plan" means any employee pension benefit plan (including a Multiple Employer Plan or a Multiemployer Plan) that is maintained or is contributed to by any Borrower and any ERISA Affiliate and is either covered by Title IV of ERISA or is subject to the minimum funding standards under Section 412 of the Code.

"Permit" means any action, approval, consent, certificate, notice, filing, registration, waiver, exemption, variance, franchise, order, permit, authorization, right or license with, by, of or from a Governmental Authority.

"Permitted Acquisition" means (i) an Acquisition with a Cost of Acquisition of less than $5,000,000 by a Loan Party of a Target that meets the conditions set forth in clauses (a), (c) and (f) below, (iii) an Acquisition with a Cost of Acquisition of less than $15,000,000 but greater than or equal to $5,000,000, by a Loan Party of a Target that meets the conditions set forth in clauses (a), (c), (d)(i), (d)(iv), (e) and (f) below, or (iii) an Acquisition with a Cost of Acquisition in excess of $15,000,000 by a Loan Party of a Target that meets all of the following conditions:

(a) no Default or Event of Default shall then exist or would exist after giving effect thereto;

(b) the Loan Parties shall demonstrate to the reasonable satisfaction of the Administrative Agent that, after giving effect to the Acquisition on a Pro Forma Basis, the

Loan Parties are in compliance with (x) each of the financial covenants set forth in Section 7.11 and (y) the most recently delivered Borrowing Base Certificate;

(c) the Collateral Agent, on behalf of the Secured Parties, shall have received (or shall receive in connection with the closing of such Acquisition) a first priority perfected security interest in all property (including, without limitation, Equity Interests) acquired with respect to the Target in accordance with the terms of Section 6.14 and the Target, if a Person, shall have executed a Joinder Agreement in accordance with the terms of Section 6.13, unless, in either case, such Target becomes an Excluded Subsidiary immediate after such Acquisition;

(d) the Administrative Agent and the Lenders shall have received (i) a description of the material terms of such Acquisition, (ii) audited financial statements (or, if unavailable, management-prepared financial statements) of the Target for its two most recent fiscal years, (iii) unaudited financial statements of the Target for any fiscal quarters ended within the fiscal year to date, to extent available and (iv) not less than five (5) Business Days prior to the consummation of any Permitted Acquisition, a certificate substantially in the form of Exhibit F, executed by a Responsible Officer of the Borrowers certifying that such Permitted Acquisition complies with the requirements of this Agreement (other than with respect to the Acquisition of CEE, for which the Borrowers shall provide such relevant information to the Administrative Agent and the Lenders prior to the Closing Date);

(e) such Acquisition shall not be a "hostile" Acquisition and shall have been duly authorized by the board of directors (or equivalent) and/or shareholders (or equivalent) of the applicable Loan Party and the Target, in each case where such authorization is required; and

(f) with respect to the Cost of Acquisition paid by the Loan Parties and their Subsidiaries for all Acquisitions made after the Closing Date and during the term of this Agreement, on a fully diluted basis with respect to all such Acquisitions, the aggregate Cost of Acquisition (excluding Equity Consideration) shall not exceed [***].

"Permitted Dispositions" means (a) Dispositions of Inventory, equipment and Host Customer Agreements (including residential Customer Lease Agreements and solar services agreements), including Tranching of Inventory, equipment and Host Customer Agreements (including any warranties arising in connection therewith) (i) to an Excluded Subsidiary (x) pursuant to an Inverted Lease Structure, Sale-Leaseback Structure or Partnership Flip Structure on an arm's length basis or (y) in connection with a Non-Recourse Financing or (ii) to the Borrowers' customers or other third parties pursuant to a cash sale for fair market value or on an arm's length basis, or sale of Projects pursuant to a customer's purchase right under its applicable Host Customer Agreement; (b) Dispositions of property to any Borrower or any Subsidiary thereof; provided, that if the transferor of such property is a Loan Party then the transferee thereof must be a Loan Party; (c) Dispositions of accounts receivable in connection with the collection or compromise thereof; (d) licenses, sublicenses, leases or subleases granted to others not interfering in any material respect with the business of the Borrowers and their Subsidiaries; (e) Dispositions of Cash Equivalents for

fair market value; (f) Dispositions of Equity Interests in accordance with the terms herein; and (g) Dispositions of SREC Excluded Property.

"Permitted Liens" has the meaning specified in Section 7.01.

"Permitted Project" means, at any time, any Project (i) the PV System related to which has not been installed as of such time, (ii) with respect to which a Loan Party has (A) entered into a Host Customer Agreement and (B) completed a system design, in each case, at such time, (iii) with respect to which the Loan Parties have received all necessary permits from Governmental Authorities required to be obtained prior to installation of the related PV System and (iv) that has not been Tranched as of such time.

"Person" means any natural person, corporation, limited liability company, trust, association, company, partnership, Governmental Authority or other entity.

"Plan" means any employee benefit plan within the meaning of Section 3(3) of ERISA (including a Pension Plan), maintained for employees of any Borrower or any ERISA Affiliate or any such Plan to which any Borrower or any ERISA Affiliate is required to contribute on behalf of any of its employees.

"Platform" has the meaning specified in Section 6.02.

"Pledged Equity" has the meaning specified in the Security Agreement.

"Power Purchase Agreements" means a power purchase agreement entered into by any Borrower (which may subsequently be transferred to an Excluded Subsidiary or Tax Equity Investor) and a customer, pursuant to which such customer agrees to purchase electricity from such Borrower, Excluded Subsidiary or Tax Equity Investor generated by a PV System installed on the customer's property.

"Prime Rate" has the meaning specified in the definition of "Base Rate".

"Pro Forma Basis" and "Pro Forma Effect" means, for any Disposition of all or substantially all of a line of business, for any Acquisition or for the incurrence of any Indebtedness, in each instance whether actual or proposed, each such transaction or proposed transaction shall be deemed to have occurred on and as of the first day of the relevant measurement period, and the following pro forma adjustments shall be made:

(a) in the case of an actual or proposed Disposition, all income statement items (whether positive or negative) attributable to the line of business or the Person subject to such Disposition shall be excluded from the results of any Borrower and its Subsidiaries for such measurement period;

(b) in the case of an actual or proposed Acquisition, income statement items (whether positive or negative) attributable to the property, line of business or the Person subject to such Acquisition shall be included in the results of any Borrower and its Subsidiaries for such measurement period;

(c) interest accrued during the relevant measurement period on, and the principal of, any Indebtedness repaid or to be repaid or refinanced in such transaction shall be excluded from the results of any Borrower and its Subsidiaries for such measurement period; and

(d) any Indebtedness actually or proposed to be incurred or assumed in such transaction shall be deemed to have been incurred as of the first day of the applicable measurement period, and interest thereon shall be deemed to have accrued from such day on such Indebtedness at the applicable rates provided therefor (and in the case of interest that does or would accrue at a formula or floating rate, at the rate in effect at the time of determination) and shall be included in the results of any Borrower and its Subsidiaries for such measurement period.

"Project" means a PV System together with all associated real property rights, rights under the applicable Host Customer Agreement, and all other related rights to the extent applicable thereto, including without limitation, all parts and manufacturers' warranties and rights to access customer data.

"Project Back-Log" means, as of a given date of determination, all originated Projects (excluding cash sale Projects) that have achieved Sunrun Sign-off as of such date of determination, as set forth in the Back-Log Spreadsheet; provided that Projects shall be removed from the Project Back-Log once Tax Equity Commitments have been drawn for that Project and the Project is sold to a Tax Equity Partnership or has otherwise been sold or contributed to an Excluded Subsidiary.

"Project Funds" shall mean (a) as of the date hereof, each of the entities listed on Schedule 5.20(a) and (b) any additional Tax Equity Partnerships, Subsidiaries or other limited liability companies, partnerships or similar entities created after the date hereof by a Borrower or its respective Subsidiaries in connection with Tax Equity Documents or Non-Recourse Financings.

"Public Lender" has the meaning specified in Section 6.02.

"Public Offering" means a public offering of the Equity Interests of any Borrower pursuant to an effective registration statement under the Securities Act.

"PUHCA" means the Public Utility Holding Company Act of 2005, and FERC's regulations promulgated thereunder.

"PURPA" means the Public Utility Regulatory Policies Act of 1978, as amended, and FERC's regulations promulgated thereunder.

"PV Systems" means a photovoltaic system, including photovoltaic panels, racks, wiring and other electrical devices, conduit, weatherproof housings, hardware, one or more inverters, remote monitoring equipment, connectors, meters, disconnects and over current devices.

"PV System Value" means, for PV Systems, the appraised value of such PV Systems (based on the most recent Appraisal).

"QF" means a qualifying small power production facility pursuant to PURPA and FERC's regulations thereunder, including at 18 C.F.R. §§ 292.203(a) and 292.204.

"Qualified ECP Guarantor" means, at any time, each Loan Party with total assets exceeding $10,000,000 or that qualifies at such time as an "eligible contract participant" under the Commodity Exchange Act and can cause another Person to qualify as an "eligible contract participant" at such time under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"Qualifying Control Agreement" means an agreement, among a Loan Party, a depository institution or securities intermediary and the Collateral Agent, which agreement is in form and substance acceptable to the Collateral Agent and which provides the Collateral Agent with "control" (as such term is used in Article 9 of the UCC) over the deposit account(s) or securities account(s) described therein.

"Quarter-End Liquidity" means, with respect to each fiscal quarter, the sum of the Borrowers' cash and Cash Equivalents (determined as of the last day of the applicable fiscal quarter based on the balances thereof on such date) held in deposit accounts and securities accounts maintained at a bank reasonably acceptable to the Administrative Agent, in which the Collateral Agent has obtained a perfected first priority Lien subject to no other Liens.

"Recipient" means the Administrative Agent, the Collateral Agent, any Lender, the L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Loan Party hereunder.

"Register" has the meaning specified in Section 11.06(c).

"Related Parties" means, with respect to any Person, such Person's Affiliates and the partners, members, shareholders, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"Release" or "Released" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing of any Hazardous Materials.

"Relevant Governmental Body" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"Reportable Event" means any of the events set forth in Section 4043(c) of ERISA.

"Request for Credit Extension" means (a) with respect to a Borrowing, conversion or continuation of Revolving Loans, a Loan Notice and, (b) with respect to an L/C Credit Extension, a Letter of Credit Notice.

"Required Lenders" means, at any time, at least two (2) Lenders having Total Credit Exposures representing more than 50% of the Total Credit Exposures of all Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time; provided that, the Unreimbursed Amounts that such Defaulting Lender has failed to

fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the L/C Issuer in making such determination.

"Resignation Effective Date" has the meaning set forth in Section 9.06(a).

"Responsible Officer" means the chief executive officer, chief financial officer, chief operations officer, chief revenue officer or controller of a Loan Party and, solely for purposes of the delivery of incumbency certificates pursuant to Section 4.01, the general counsel, the secretary or any assistant secretary of a Loan Party or any other officer of such Loan Party designated as a Responsible Officer on a certificate executed by one of the aforementioned individuals. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party. To the extent requested by the Administrative Agent, each Responsible Officer will provide an incumbency certificate, in form and substance satisfactory to the Administrative Agent.

"Restricted Payment" means (a) any dividend or other distribution, direct or indirect, on account of any shares (or equivalent) of any class of Equity Interests of any Borrower or any of its Subsidiaries, now or hereafter outstanding, except such dividends or distributions made by an Excluded Subsidiary in the ordinary course of business pursuant to and as permitted by the terms of the Tax Equity Commitments or any Non-Recourse Financing, (b) any redemption, retirement, sinking fund or similar payment, purchase or other acquisition for value, direct or indirect, of any shares (or equivalent) of any class of Equity Interests of any Borrower or any other Loan Party, now or hereafter outstanding, (c) any payment made to retire, or to obtain the surrender of, any outstanding warrants, options or other rights to acquire shares of any class of Equity Interests of any Loan Party or any of its Subsidiaries, now or hereafter outstanding and (d) equity grants made in the ordinary course of business in connection with any Loan Party's stock option plan.

"Revolving Borrowing" means a borrowing consisting of simultaneous Revolving Loans of the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01(b).

"Revolving Exposure" means, as to any Lender at any time, the aggregate principal amount at such time of its outstanding Revolving Loans and such Lender's participation in L/C Obligations at such time.

"Revolving Increase Effective Date" has the meaning specified in Section 2.15(d).

"Revolving Loan" has the meaning specified in Section 2.01(b).

"Revolving Note" means a promissory note made by the Borrowers in favor of a Lender evidencing Revolving Loans made by such Lender, substantially in the form of Exhibit G.

"S&P" means Standard & Poor's Financial Services LLC, a subsidiary of The McGraw-Hill Companies, Inc., and any successor thereto.

"Safe Harbor Financing" means Indebtedness for borrowed money incurred by a Safe Harbor Subsidiary that is non-recourse to Loan Parties and where the Loan Parties undertake no obligations other than Safe Harbor Permitted Covenants.

"Safe Harbor Inventory" means solar panels, inverters and module-level electronics acquired pursuant to agreements entered into by Sunrun or any Affiliate thereof for the purpose of, among other things, allowing Sunrun to have a sufficient quantity of solar panels, inverters and module-level electronics for installation by Sunrun and its channel partners as "safe harbor" components in Projects for purposes of allowing such Projects to qualify for the then-highest available ITC pursuant to IRS Notice 2018-59, 2018-28 I.R.B. 196 (June 22, 2018).

"Safe Harbor Permitted Covenants" obligations of the Loan Parties in respect of (i) servicing and administering of the Safe Harbor Financing and the related Safe Harbor Subsidiaries (including reporting obligations, coordinating purchases of inventory by the applicable Excluded Subsidiary, deliveries of inventory to the applicable Excluded Subsidiary or a warehouse specified by the applicable Excluded Subsidiary, the warehousing of inventory at any such warehouse and deliveries of inventory from the applicable Excluded Subsidiary or from any such warehouse, and acting as agent of the applicable Excluded Subsidiary in order to effect the foregoing), (ii) the transfer and sale of inventory to a Safe Harbor Subsidiary (and related obligations in connection therewith) and, to the extent a Loan Party exercises the right to buy Safe Harbor Inventory from the applicable Safe Harbor Subsidiary, the payment of the purchase price for such Safe Harbor Inventory, (iii) the payment of purchase price for Safe Harbor Inventory to the applicable equipment suppliers in excess of the amount financed under the Safe Harbor Financing and the payment of any warehousing fees or other amounts payable to the applicable warehouse providers with respect to warehousing of the Safe Harbor Inventory, and (iv) the Safe Harbor Utilization Covenant; provided that under no circumstances shall a Safe Harbor Permitted Covenant include (x) any guaranty by a Loan Party of the payment of debt service of Indebtedness incurred pursuant to a Safe Harbor Financing, or (y) except as contemplated by the Safe Harbor Utilization Covenant, any obligation to purchase equipment from a Safe Harbor Subsidiary.

"Safe Harbor Subsidiary" means those direct or indirect subsidiaries of Sunrun (a) that, or that are formed to, own or finance no assets other than Safe Harbor Inventory and related assets in a manner that is non-recourse to the Loan Parties (other than Safe Harbor Permitted Covenants) or (b) that are direct or indirect parents of any Safe Harbor Subsidiary of the type described in the foregoing clause (a) and that, or that are formed to, hold no other assets other than Equity Interests in any Safe Harbor Subsidiary of the type described in the foregoing clause (a) or its direct or indirect parent, cash and cash equivalents and contractual rights related to a Safe Harbor Financing of any Safe Harbor Subsidiary in the same chain of ownership, it being understood that Sunrun may contribute, transfer, assign or otherwise convey Safe Harbor Inventory and related assets to any Safe Harbor Subsidiary of the type described in the foregoing clause (a) through a Safe Harbor Subsidiary of the type described in this clause (b).

"Safe Harbor Utilization Covenant" means a covenant pursuant to which Sunrun agrees (i) that during one or more measurement periods the percentage obtained by dividing (a) the amount of megawatts of equipment acquired by Sunrun from a Safe Harbor Subsidiary during such

measurement period *by* (b) the amount of megawatts of photovoltaic systems subject to power purchase agreements or lease agreements installed by Sunrun and its channel partners during such measurement period shall not be less than a percentage not to exceed **[***]**% and (ii) to the extent Sunrun is acquiring equipment from a Safe Harbor Subsidiary, to use commercially reasonable efforts to acquire such equipment on a "first-in, first-out" basis.

"Sale and Leaseback Transaction" means, with respect to any Loan Party or any Subsidiary thereof, any arrangement, directly or indirectly, with any Person whereby such Loan Party or such Subsidiary shall sell or transfer any property used or useful in its business, whether now owned or hereafter acquired, and thereafter rent or lease such property or other property that it intends to use for substantially the same purpose or purposes as the property being sold or transferred.

"Sale-Leaseback Structure" means a tax equity investment structure in which a Borrower either sells PV Systems to a Tax Equity Investor or contributes PV Systems to an Excluded Subsidiary, which entity then sells such PV Systems to a Tax Equity Investor or a partnership between an Excluded Subsidiary and a Tax Equity Investor pursuant to a purchase agreement, which such entity subsequently leases back the same PV Systems to an Excluded Subsidiary.

"Sanction(s)" means any international economic sanction administered or enforced by the United States Government (including, without limitation, OFAC), the United Nations Security Council, the European Union, Her Majesty's Treasury or other relevant sanctions authority.

"SEC" means the Securities and Exchange Commission, or any Governmental Authority succeeding to any of its principal functions.

"Secured Cash Management Agreement" means any Cash Management Agreement between the any Loan Party and any Cash Management Bank.

"Secured Hedge Agreement" means any interest rate, currency, foreign exchange, or commodity Swap Contract permitted under Article VI or VII between any Loan Party and any Hedge Bank.

"Secured Obligations" means all Obligations and all Additional Secured Obligations.

"Secured Parties" means, collectively, the Administrative Agent, the Collateral Agent, the Lenders, the L/C Issuer, the Hedge Banks, the Cash Management Banks, the Indemnitees, each co-agent or sub-agent appointed by the Administrative Agent or the Collateral Agent from time to time pursuant to Section 9.05.

"Secured Party Designation Notice" means a notice from any Lender or an Affiliate of a Lender substantially in the form of Exhibit H.

"Securities Act" means the Securities Act of 1933, including all amendments thereto and regulations promulgated thereunder.

"Security Agreement" means the Security and Pledge Agreement, dated as of the date hereof, executed in favor of the Collateral Agent by each of the Loan Parties.

"SOFR" with respect to any day means the secured overnight financing rate published for such day by the Federal Reserve Bank of New York, as the administrator of the benchmark, (or a successor administrator) on the Federal Reserve Bank of New York's Website.

"Solvency Certificate" means a solvency certificate in substantially in the form of Exhibit I.

"Solvent" and "Solvency" mean, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair saleable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person's ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person's property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

"Specified Loan Party" means any Loan Party that is not an "eligible contract participant" under the Commodity Exchange Act (determined prior to giving effect to Section 10.11 hereof).

"SREC" means Solar Renewable Energy Certificates or any other similar credit or certificate issued by a governmental entity and all associated reporting rights.

"SREC Excluded Property" means any SREC and any contracts related to the financing or hedging of SRECs, any SREC tracking accounts or any proceeds of any of the foregoing.

"SREC Transaction" means any contract or agreement for the sale of SRECs, or for the sale or financing of any SREC Excluded Property.

"Statutory Reserves" shall mean a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the FRB and any other banking authority, domestic or foreign, to which the Administrative Agent or any Lender (including any branch, Affiliate or other fronting office making or holding a Loan) is subject for Eurocurrency Liabilities (as defined in Regulation D of the FRB). Eurodollar Loans shall be deemed to constitute Eurocurrency Liabilities (as defined in Regulation D of the FRB) and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D. Statutory Reserves shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

"Subordinated Debt" shall mean any unsecured Indebtedness of any Borrower and its Subsidiaries under the Subordinated Debt Documents and any other Indebtedness of such Borrower

and its Subsidiaries which has been subordinated in right of payment and priority to the Indebtedness arising under this Agreement and the other Loan Documents, all on terms and conditions satisfactory to the Administrative Agent.

"Subordinated Debt Documents" shall mean and include any documents evidencing any Subordinated Debt, in each case, as the same may be amended, modified, supplemented or otherwise modified from time to time in compliance with the terms of this Agreement.

"Subsidiary" of a Person means a corporation, partnership, limited liability company or other business entity of which a majority of the shares of Voting Stock is at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a "Subsidiary" or to "Subsidiaries" shall refer to a Subsidiary or Subsidiaries of the Loan Parties.

"Substantial Completion" shall mean a performed meter test (pursuant to which a PV System produces electricity and communicates with a utility meter) and receipt of a closed out building permit from a local inspector.

"Sunrun Sign-off" means, for a given Project, full execution of a Host Customer Agreement.

"Supermajority Lenders" means, as of any date of determination, Lenders having more than 66 2/3% of the Total Credit Exposures of all Lenders. The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Supermajority Lenders at any time; provided that, the Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the L/C Issuer in making such determination.

"Swap Contract" means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a "Master Agreement"), including any such obligations or liabilities under any Master Agreement.

"Swap Obligations" means with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

"Synthetic Debt" means, with respect to any Person as of any date of determination thereof, all obligations of such Person in respect of transactions entered into by such Person that are intended to function primarily as a borrowing of funds but are not otherwise included in the definition of "Indebtedness" or as a liability on the Consolidated balance sheet of such Person and its Subsidiaries in accordance with GAAP.

"Synthetic Lease Obligation" means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property (including Sale and Leaseback Transactions), in each case, creating obligations that do not appear on the balance sheet of such Person but which, upon the application of any Debtor Relief Laws to such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

"System Refinancing" means Indebtedness for borrowed money incurred by an Excluded Subsidiary in connection with (i) the purchase of a Tax Equity Investor's interest in a Partnership Flip Structure, Sale-Leaseback Structure or Inverted Lease Structure or (ii) the refinancing of any Backlever Financing, System Refinancing or financing described in clause (i), in each case, so long as (x) no Loan Party guaranties the payment of debt service for such Indebtedness and (y) the Tax Equity Commitment or Backlever Financing of such Excluded Subsidiary and its partially or wholly-owned Subsidiaries are no longer included in the calculation of Available Take-Out and the exclusion of such Tax Equity Commitments or Backlever Financings from the calculation of Available Take-Out does not result in a Borrowing Base Deficiency.

"Take-Out Spreadsheet" means a spreadsheet for Projects, substantially in the form attached hereto as Exhibit R, providing for the amount of Available Take-Out.

"Target" means a Person or division, line of business or other business unit or asset of such Person who is to be acquired or purchased by a Loan Party.

"Tax Credit" means (i) ITC, and (ii) other tax credits established by the IRS or a state of the United States for the purchase, lease or other acquisition of PV Systems.

4 "Tax Credit Eligible Project" means a Project (or a PV System to which such Project relates) that satisfies the eligibility requirements for a Tax Credit.

5 "Tax Equity Commitment" means, with respect to a given Tax Equity Investor, such Tax Equity Investor's (i) in the case of an Inverted Lease Structure, commitment to prepay rent,

(ii) in the case of a Sale Leaseback Structure, commitment to pay the purchase price (excluding any long-term payment of a deferred purchase price or any other payment that does not constitute a payment received for Tranching), (iii) in the case of a Partnership Flip Structure, commitment to contribute to the partnership for the payment of the purchase price, and (iv) in the case of any other tax structure, commitment to fund Tranching.

"Tax Equity Document" means any agreements entered into by any Borrower, its Subsidiaries or an Excluded Subsidiary and Tax Equity Investors relating to, arising under or in connection with a Tax Equity Commitment.

"Tax Equity Investor" means an investor that has entered into agreements with any Borrower or its Subsidiaries to provide a commitment to purchase, lease or otherwise finance PV System projects installed or to be installed pursuant to a Host Customer Agreement, which projects are eligible for a Tax Credit.

"Tax Equity Partnership" means a special purpose entity whose membership interests are held by any Borrower or an Excluded Subsidiary, as the managing member, and a Tax Equity Investor or a Subsidiary of such Tax Equity Investor, as the investor member, and whose members are obligated to advance capital contributions to purchase PV Systems from any Borrower or its Subsidiaries in accordance with the Partnership Flip Structure.

"Taxes" means 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 SOFR" means the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"Threshold Amount" means [***].

"Total Credit Exposure" means, as to any Lender at any time, the unused Commitments and Revolving Exposure of such Lender at such time.

"Total Outstandings" means the aggregate Outstanding Amount of all Revolving Loans and L/C Obligations.

"Tranching" means the sale, lease, assignment, contribution or other transfer of Projects by any Borrower or its Subsidiaries to an Excluded Subsidiary or Tax Equity Investor pursuant to an Inverted Lease Structure, Sale-Leaseback Structure or Partnership Flip Structure transaction.

"True-Up Liability" means any Borrower's liability to any Tax Equity Investor (as measured in Dollars) due to a reduction of fair market value of Projects already Tranched with such Tax Equity Investor, as set forth in such Borrower's financial statements and as may be reduced from time to time by the Tranching of such Projects pursuant to the applicable Tax Equity Documents.

"Type" means, with respect to a Loan, its character as a Base Rate Loan or a Eurodollar Rate Loan.

"UCC" means the Uniform Commercial Code as in effect in the State of New York; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, " UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"UCP" means, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce ("ICC") Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

"Unadjusted Applicable Percentage" means with respect to any Lender at any time, the percentage (carried out to the ninth decimal place) represented by such Lender's Commitment at such time, subject to adjustment as provided in Sections 2.14 and 2.15. If the Commitment of all of the Lenders to make Revolving Loans and the obligation of the L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02, or if the Commitments have expired, then the Unadjusted Applicable Percentage of each Lender shall be determined based on the Unadjusted Applicable Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. The Unadjusted Applicable Percentage of each Lender is set forth opposite the name of such Lender on Schedule 1.01(b) or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, or in any documentation executed by such Lender pursuant to Section 2.15, as applicable.

"Unadjusted Benchmark Replacement" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

"Unencumbered Liquidity" means the sum of the Borrowers' cash and Cash Equivalents (determined as of the last day of each month based on the average daily balance thereof during such month) held in deposit accounts and securities accounts maintained at a bank reasonably acceptable to the Administrative Agent, in which the Collateral Agent has obtained a perfected first priority Lien subject to no other Liens.

"Unencumbered Liquidity Certificate" means a certificate substantially in the form of Exhibit S.

"United States" and "U.S." mean the United States of America.

"Unreimbursed Amount" has the meaning specified in Section 2.03(c)(i).

"U.S. Loan Party" means any Loan Party that is organized under the laws of one of the states of the United States and that is not a CFC.

"U.S. Person" means any Person that is a "United States Person" as defined in Section 7701(a)(30) of the Code.

"U.S. Tax Compliance Certificate" has the meaning specified in Section 3.01(e)(ii)(B)(3).

"Voting Stock" means, with respect to any Person, Equity Interests issued by such Person the holders of which are ordinarily, in the absence of contingencies, entitled to vote for the election of directors (or persons performing similar functions) of such Person, even though the right to so vote has been suspended by the happening of such contingency.

Section 1.02 Other Interpretive Provisions.

With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including the Loan Documents and any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, modified, extended, restated, replaced or supplemented from time to time (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person's successors and assigns, (iii) the words "hereto," "herein," "hereof" and "hereunder," and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Preliminary Statements, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Preliminary Statements, Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory rules, regulations, orders and provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified, extended, restated, replaced or supplemented from time to time, and (vi) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including;" the words "to" and "until" each mean "to but excluding;" and the word "through" means "to and including."

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

Section 1.03 Accounting Terms.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial

calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrowers and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 on financial liabilities shall be disregarded.

(b) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrowers or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrowers shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrowers shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. Without limiting the foregoing, leases shall continue to be classified and accounted for on a basis consistent with that reflected in the Audited Financial Statements for all purposes of this Agreement, notwithstanding any change in GAAP relating thereto, unless the parties hereto shall enter into a mutually acceptable amendment addressing such changes, as provided for above.

(c) Pro Forma Treatment. Each Disposition of all or substantially all of a line of business, and each Acquisition, by any Borrower and its Subsidiaries that is consummated during any measurement period shall, for purposes of determining compliance with the financial covenants set forth in Section 7.11, be given Pro Forma Effect as of the first day of such measurement period.

Section 1.04 Rounding.

Any financial ratios required to be maintained by the Borrowers pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

Section 1.05 Times of Day.

Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight or standard, as applicable).

Section 1.06 Letter of Credit Amounts.

Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, however,

that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

Section 1.07 UCC Terms.

Terms defined in the UCC in effect on the Closing Date and not otherwise defined herein shall, unless the context otherwise indicates, have the meanings provided by those definitions. Subject to the foregoing, the term "UCC" refers, as of any date of determination, to the UCC then in effect.

Section 1.08 Divisions.

For all purposes under this Agreement and the other Loan Documents, in connection with any division or plan of division under Delaware law (or any comparable event under a different jurisdiction's laws) (a) if any asset, right, obligation or liability of any Person becomes the asset, right, obligation or liability of a different Person, then it shall be deemed to have been transferred from the original Person to the subsequent Person, and (b) if any new Person comes into existence, such new Person shall be deemed to have been organized on the first date of its existence by the holders of its Equity Interests at such time.

ARTICLE II

COMMITMENTS AND CREDIT EXTENSIONS

Section 2.01 Loans.

(a) Revolving Borrowings. Subject to the terms and conditions set forth herein, each Lender severally agrees to make loans (each such loan, a "Revolving Loan") to the Borrowers, in Dollars, from time to time, on any Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Lender's Commitment; provided, however, that after giving effect to any Revolving Borrowing, (i) the Total Outstandings shall not exceed the lesser of the Facility and the Borrowing Base, and (ii) the Revolving Exposure of any Lender shall not exceed such Lender's Commitment; and provided, further, that the requested date of any Borrowing shall not be later than five (5) Business Days prior to the Maturity Date of the Facility. Within the limits of each Lender's Commitment, and subject to the other terms and conditions hereof, the Borrowers may borrow Revolving Loans, prepay such Loans under Section 2.04, and reborrow under this Section 2.01(a). Revolving Loans may be Base Rate Loans or Eurodollar Rate Loans, as further provided herein; provided, however, any Revolving Borrowings made on the Closing Date or any of the three (3) Business Days following the Closing Date shall be made as Base Rate Loans unless the Borrowers deliver a Funding Indemnity Letter not less than three (3) Business Days prior to the date of such Revolving Borrowing.

(b) Borrowing Base.

(i) Eligible Project Back-Log. If at any time during the Availability Period, the Collateral Agent conducts a field examination in accordance with Section 6.10 and determines based on the results of such field examination, after consulting with the Borrowers, that in the Collateral Agent's commercially reasonable judgment, the eligibility criteria for Eligible Project Back-Log need to be revised, the Borrowers shall work in good faith with the Collateral Agent to revise the components of Eligible Project Back-Log and such agreed upon revisions shall be deemed to revise the definition of Eligible Project Back-Log accordingly and the Borrowing Base shall be calculated thereafter using such revised definition.

(ii) Eligible Take-Out. During the Availability Period, within five (5) Business Days after the closing of a new Tax Equity Commitment or Backlever Financing, the Borrowers shall provide to counsel to the Administrative Agent and the Collateral Agent (subject to the restrictions set forth in Section 6.10) (i) a copy of the operative documents for such new Tax Equity Commitment or Backlever Financing, as the case may be, and (ii) a written summary of operative terms of such Tax Equity Commitment or Backlever Financing. Counsel to the Administrative Agent and the Collateral Agent shall review such documents and report its results to the Administrative Agent and the Collateral Agent. If based on such report or a field examination conducted in accordance with Section 6.10, the Collateral Agent determines, after consulting with the Borrowers, that in its commercially reasonable judgment, that such Tax Equity Commitment or Backlever Financing is ineligible, the Borrowing Base shall be calculated without reference to such Tax Equity Commitment or Backlever Financing. If the Borrowers do not receive notice from the Collateral Agent that any new Tax Equity Commitment or Backlever Financing is to be ineligible under this clause (b)(ii) within twenty (20) days after the delivery of the applicable documents as set forth above, such Tax Equity Commitments or Backlever Financing, as the case may be, shall be deemed eligible subject to the then existing eligibility conditions set forth herein.

(c) Adjustments to Applicable Percentages.

(i) Except as set forth in Section 2.01(c)(ii) and Section 2.01(c)(iii), the Applicable Percentage of each Lender with respect to a Revolving Borrowing shall be such Lender's Unadjusted Applicable Percentage.

(ii) Except as set forth in Section 2.01(c)(iii) with respect to an Unreimbursed Amount, the obligation of NYGB to make any Revolving Loan shall not exceed the amount of NYGB Borrowing Base Availability at the time such Revolving Loan is to be made. In the event that as a result of the preceding sentence the amount of such Revolving Loan to be made by NYGB is less than NYGB's Unadjusted Applicable Percentage of the applicable Revolving Borrowing requested in the applicable Loan Notice:

(A) NYGB's Applicable Percentage of such Revolving Borrowing shall be the percentage (carried out to the ninth decimal place) determined by dividing the amount of the Revolving Loan that can then be made by NYGB by the total amount of the Revolving Borrowing to be made in accordance with the provisions of this Section

2.01(c)(ii) (such percentage to be NYGB's Adjusted Applicable Percentage with respect to such Revolving Borrowing); and

(B) the Applicable Percentage of each Lender other than NYGB with respect to such Revolving Borrowing shall be the percentage (carried out to the ninth decimal place) determined by dividing (1) an amount equal to such Lender's pro rata share (determined based on the Unadjusted Applicable Percentage of such Lender divided by the sum of the Unadjusted Applicable Percentages of all Lenders other than NYGB) of (x) the amount of such Revolving Borrowing requested in the applicable Loan Notice minus (y) the amount of the Revolving Loan to be made by NYGB in accordance with the provisions of Section 2.01(c)(ii)(A) by (2) the amount of such Revolving Borrowing requested in the applicable Loan Notice; provided, however, that in no event shall the amount in clause (1) cause such Lender's Revolving Exposure (after giving effect to such Revolving Borrowing) to exceed such Lender's Commitment (such percentage to be such Lender's Adjusted Applicable Percentage with respect to such Revolving Borrowing).

(iii) For purposes of Section 2.03(c), a Lender's Applicable Percentage with respect to (x) such Lender's risk participation in a Letter of Credit shall be a percentage equal to the Applicable Percentage of such Lender determined in accordance with Section 2.01(c)(i) or Section 2.01(c)(ii) as if a Revolving Borrowing in an amount equal to the amount available to be drawn under such Letter of Credit, determined in accordance with Section 1.06, had been requested to be made at the time of the issuance of such Letter of Credit or of the most recent L/C Credit Extension increasing the amount of such Letter of Credit, and (y) any Unreimbursed Amount with respect to a Letter of Credit shall be equal to such Lender's Applicable Percentage determined in accordance with clause (x) of this sentence. For the avoidance of doubt, the Lenders' Applicable Percentages under clause (x) of the preceding sentence shall be recalculated at the time of any L/C Credit Extension that increases the amount of such Letter of Credit based on the amount of the Letter of Credit as so increased.

Section 2.02 Borrowings, Conversions and Continuations of Loans.

(a) Notice of Borrowing. Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of Eurodollar Rate Loans shall be made upon the Borrowers' irrevocable notice to the Administrative Agent, which may be given by telephone; provided that, in the case of any Borrowing, telephonic notice may be given only if the Applicable Percentage of each Lender with respect to such Borrowing will be its Unadjusted Applicable Percentage. Each such notice must be received by the Administrative Agent not later than 11:00 a.m. (i) four (4) Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Eurodollar Rate Loans or of any conversion of Eurodollar Rate Loans to Base Rate Loans, and (ii) on the requested date of any Borrowing of Base Rate Loans; provided, however, that if the Borrower wishes to request Eurodollar Rate Loans having an Interest Period other than one (1), two (2), three (3) or six (6) months in duration as provided in the definition of "Interest Period", the applicable notice must be received by the Administrative Agent not later than 11:00 a.m. five (5) Business Days prior to the requested date of such Borrowing, conversion or continuation, whereupon the Administrative Agent shall give prompt notice to the Appropriate Lenders of such

request and determine whether the requested Interest Period is acceptable to all of them. Not later than 11:00 a.m., four (4) Business Days before the requested date of such Borrowing, conversion or continuation, the Administrative Agent shall notify the Borrowers (which notice may be by telephone) whether or not the requested Interest Period has been consented to by all the Lenders. Each telephonic notice by the Borrowers pursuant to this Section 2.02(a) must be confirmed promptly by delivery to the Administrative Agent of a written Loan Notice, appropriately completed and signed by a Responsible Officer of the Borrowers. Each Borrowing of, conversion to or continuation of Eurodollar Rate Loans shall be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof. Except as provided in Sections 2.03(c), each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof. Each Loan Notice (whether telephonic or written) shall specify (A) the Facility and whether the Borrowers are requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Loans, as the case may be, under such Facility, (B) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (C) the principal amount of Loans to be borrowed, converted or continued, (D) the Type of Loans to be borrowed or to which existing Loans are to be converted, (E) if applicable, the duration of the Interest Period with respect thereto, (F) which of the Borrowers is or are making the request in the Loan Notice, (G) the Borrowing Base applicable to the requested Borrowing, (H) the NYGB Borrowing Base applicable to the requested Borrowing, (I) the amount of the NYGB Borrowing Base Availability, (J) whether the Lenders will be required to fund the requested Borrowing based on the respective Unadjusted Applicable Percentage or Adjusted Applicable Percentage, (K) each Lender's Applicable Percentage of the requested Borrowing and (L) each Lender's Revolving Exposure after giving effect to the requested Borrowing. If the Borrowers fail to specify a Type of Loan in a Loan Notice or if the Borrowers fail to give a timely notice requesting a conversion or continuation, then the applicable Loans shall be made as, or converted to, Base Rate Loans. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Rate Loans. If the Borrowers request a Borrowing of, conversion to, or continuation of Eurodollar Rate Loans in any such Loan Notice, but fail to specify an Interest Period, it will be deemed to have specified an Interest Period of one (1) month.

(b) Advances. Following receipt of a Loan Notice for the Facility, the Administrative Agent shall promptly notify each Appropriate Lender of the amount of its Applicable Percentage under such Facility of the applicable Loans, and if no timely notice of a conversion or continuation is provided by the Borrowers, the Administrative Agent shall notify each Appropriate Lender of the details of any automatic conversion to Base Rate Loans described in Section 2.02(a). In the case of a Borrowing, each Appropriate Lender shall make the amount of its Loan available to the Administrative Agent in immediately available funds at the Administrative Agent's Office not later than 1:00 p.m. on the Business Day specified in the applicable Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Credit Extension to be made on the Closing Date, Section 4.01), the Administrative Agent shall make all funds so received available to the Borrowers in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrowers on the books of a bank acceptable to the Administrative Agent with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent

by the Borrowers; provided, however, that if, on the date a Loan Notice with respect to a Revolving Borrowing is given by the Borrowers, there are L/C Borrowings outstanding, then the proceeds of such Revolving Borrowing, first, shall be applied to the payment in full of any such L/C Borrowings, and second, shall be made available to the Borrowers as provided above.

(c) Eurodollar Rate Loans. Except as otherwise provided herein, a Eurodollar Rate Loan may be continued or converted only on the last day of an Interest Period for such Eurodollar Rate Loan. During the existence of a Default, no Loans may be requested as, converted to or continued as Eurodollar Rate Loans without the consent of the Required Lenders, and the Required Lenders may demand that any or all of the outstanding Eurodollar Rate Loans be converted immediately to Base Rate Loans.

(d) Notice of Interest Rates. The Administrative Agent shall promptly notify the Borrowers and the Lenders of the interest rate applicable to any Interest Period for Eurodollar Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrowers and the Lenders of any change in the Prime Rate used in determining the Base Rate promptly following the announcement of such change.

(e) Interest Periods. After giving effect to all Revolving Borrowings, all conversions of Revolving Loans from one Type to the other, and all continuations of Revolving Loans as the same Type, there shall not be more than eight (8) Interest Periods in effect in respect of the Facility.

Section 2.03 Letters of Credit.

(a) The Letter of Credit Commitment.

(i) Subject to the terms and conditions set forth herein, (A) the L/C Issuer agrees, in reliance upon the agreements of the Lenders set forth in this Section, (1) from time to time on any Business Day during the period from the Closing Date until thirty (30) days prior to the Maturity Date, to issue Letters of Credit in Dollars for the account of any Borrower, and to amend Letters of Credit previously issued by it, in accordance with Section 2.03(b), and (2) to honor drawings under the Letters of Credit; and (B) the Lenders severally agree to participate in Letters of Credit issued for the account of any Borrower and any drawings thereunder in an amount up to their respective Applicable Percentage of such Letter of Credit; provided that, after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (x) the Total Outstandings shall not exceed the lesser of the Facility and the Borrowing Base, (y) the Revolving Exposure of any Lender shall not exceed such Lender's Commitment, and (z) the Outstanding Amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit. Each request by any Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by such Borrower that the L/C Credit Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, any Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly such Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed. Each Existing Letter of Credit is deemed to be a Letter of Credit issued hereunder for all purposes of this Agreement and the other Loan Documents.

(ii) The L/C Issuer shall not issue any Letter of Credit if:

(A) the initial expiry date of the requested Letter of Credit would occur more than twelve (12) months after the date of issuance, unless the Required Lenders have approved such expiry date; or

(B) the expiry date of the requested Letter of Credit would occur after the Letter of Credit Expiration Date;

in each case, provided, however, that any Letter of Credit may provide for renewal thereof for additional periods of up to twelve (12) months (which in no event shall extend beyond the date referred to in clause (B) above).

(iii) Any issuance of a Letter of Credit is subject to satisfaction of the conditions set forth in Section 4.02, and the L/C Issuer shall not be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the L/C Issuer from issuing the Letter of Credit, or any Law applicable to the L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the L/C Issuer shall prohibit, or request that the L/C Issuer refrain from, the issuance of letters of credit generally or the Letter of Credit in particular or shall impose upon the L/C Issuer with respect to the Letter of Credit any restriction, reserve or capital requirement (for which the L/C Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the L/C Issuer in good faith deems material to it;

(B) the issuance of the Letter of Credit would violate one or more policies of the L/C Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by the Administrative Agent and the L/C Issuer, the Letter of Credit is in an initial stated amount less than $100,000, in the case of a commercial Letter of Credit, or $100,000, in the case of a standby Letter of Credit;

(D) the Letter of Credit is to be denominated in a currency other than Dollars; or

(E) any Lender is at that time a Defaulting Lender, unless the L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to the L/C Issuer (in its sole discretion) with any Borrower or such Lender to eliminate the L/C Issuer's actual or potential Fronting Exposure (after giving effect to Section 2.14(a)(iv)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations as to which the L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion.

(iv) The L/C Issuer shall not amend any Letter of Credit if the L/C Issuer would not be permitted at such time to issue the Letter of Credit in its amended form under the terms hereof.

(v) The L/C Issuer shall be under no obligation to amend any Letter of Credit if (A) the L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to the Letter of Credit.

(vi) The L/C Issuer shall act on behalf of the Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and the L/C Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in Article IX with respect to any acts taken or omissions suffered by the L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article IX included the L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the L/C Issuer.

(vii) In no event shall the Administrative Agent be required to issue commercial or trade Letters of Credit.

(viii) Letters of Credit shall be used solely to support payment obligations incurred in the ordinary course of business by any Borrower and its Subsidiaries.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto Extension Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of any Borrower delivered to the L/C Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Notice, appropriately completed and signed by a Responsible Officer of such Borrower. Such Letter of Credit Notice may be sent by fax transmission, by United States mail, by overnight courier, by electronic transmission using the system provided by the L/C Issuer, by personal delivery or by any other means acceptable to the L/C Issuer. Such Letter of Credit Notice must be received by the L/C Issuer and the Administrative Agent not later than 11:00 a.m. at least three (3) Business Days (or such later date and time as the Administrative Agent and the L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, the Letter of Credit Application included in such Letter of Credit Notice shall specify in form and detail satisfactory to the L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as the L/C Issuer may require. In the case of a request for an amendment of any outstanding Letter of Credit, the Letter of Credit Application included in such Letter of Credit Notice shall specify in form and detail satisfactory to the L/C Issuer (1) the Letter of Credit to be amended; (2) the proposed date of amendment thereof (which

shall be a Business Day); (3) the nature of the proposed amendment; and (4) such other matters as the L/C Issuer may require. Additionally, such Borrower shall furnish to the L/C Issuer and the Administrative Agent a Letter of Credit Notice and such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the L/C Issuer or the Administrative Agent may require. Each Letter of Credit Notice shall specify (A) the Borrowing Base applicable to the requested Letter of Credit, (B) the NYGB Borrowing Base applicable to the requested Letter of Credit, (C) each Lender's Revolving Exposure that will result after giving effect to the issuance of the requested Letter of Credit, (D) whether Lenders will be required to purchase their respective participation in the requested Letter of Credit based on their respective Unadjusted Applicable Percentage or Adjusted Applicable Percentage, (E) the amount of the participation to be purchased by each Lender in the requested Letter of Credit and (F) each Lender's Applicable Percentage of the requested Letter of Credit.

(ii) Promptly after receipt of any Letter of Credit Notice, the L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Notice from such Borrower and, if not, the L/C Issuer will provide the Administrative Agent with a copy thereof. Unless the L/C Issuer has received written notice from any Lender, the Administrative Agent or any Loan Party, at least two (2) Business Days prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Article IV shall not then be satisfied, then, subject to the terms and conditions hereof, the L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of such Borrower or enter into the applicable amendment, as the case may be, in each case in accordance with the L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Applicable Revolving Percentage times the amount of such Letter of Credit.

(iii) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the L/C Issuer will also deliver to such Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(iv) If such Borrower so requests in the Letter of Credit Application included in any applicable Letter of Credit Notice, the L/C Issuer may, in its sole discretion, agree to issue a standby Letter of Credit that has automatic extension provisions (each, an "Auto-Extension Letter of Credit"); provided that, any such Auto-Extension Letter of Credit must permit the L/C Issuer to prevent any such extension at least once in each twelve (12) month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the "Non-Extension Notice Date") in each such twelve (12) month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the L/C Issuer, such Borrower shall not be required to make a specific request to the L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Lenders shall be deemed to have authorized (but may not require) the L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the Letter of Credit Expiration Date; provided, however,

that the L/C Issuer shall not permit any such extension if (A) the L/C Issuer has determined that it would not be permitted, or would have no obligation at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.03(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven (7) Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Lender or such Borrower that one or more of the applicable conditions specified in Section 4.02 is not then satisfied, and in each such case directing the L/C Issuer not to permit such extension.

(v) Notwithstanding the terms of any Letter of Credit Application for a commercial Letter of Credit, in no event may any Borrower extend the time for reimbursing any drawing under a commercial Letter of Credit by obtaining a bankers' acceptance from the L/C Issuer. With respect to commercial Letters of Credit, the L/C Issuer may issue sight and/or deferred payment Letters of Credit only.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the L/C Issuer shall notify the Borrower and the Administrative Agent thereof. Not later than 11:00 a.m. on the date of any payment by the L/C Issuer under a Letter of Credit (each such date, an "Honor Date"), such Borrower shall reimburse the L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing. If such Borrower fails to so reimburse the L/C Issuer by such time, the Administrative Agent shall promptly notify each Lender of the Honor Date, the amount of the unreimbursed drawing (the "Unreimbursed Amount"), and the amount of such Lender's Applicable Revolving Percentage thereof. In such event, such Borrower shall be deemed to have requested a Revolving Borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the conditions set forth in Section 4.02 (other than the delivery of a Loan Notice and the existence of a Borrowing Base Deficiency or a NYGB Borrowing Base Deficiency). Any notice given by the L/C Issuer or the Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; provided that, the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Lender shall upon any notice pursuant to Section 2.03(c)(i) make funds available (and the Administrative Agent may apply Cash Collateral provided for this purpose) for the account of the L/C Issuer at the Administrative Agent's Office in an amount equal to its Applicable Revolving Percentage of the Unreimbursed Amount not later than 1:00 p.m. on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Lender that so makes funds available shall be deemed to have made a Base Rate Loan to such Borrower in such amount. The Administrative Agent shall remit the funds so received to the L/C Issuer.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by a Revolving Borrowing of Base Rate Loans because the conditions set forth in Section 4.02 (other

than the delivery of a Loan Notice and the existence of a Borrowing Base Deficiency or a NYGB Borrowing Base Deficiency) cannot be satisfied or for any other reason, such Borrower shall be deemed to have incurred from the L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Lender's payment to the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section.

(iv) Until each Lender funds its Revolving Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse the L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Applicable Revolving Percentage of such amount shall be solely for the account of the L/C Issuer.

(v) Each Lender's obligation to make Revolving Loans or L/C Advances to reimburse the L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the L/C Issuer, any Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default; or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Revolving Loans pursuant to this Section 2.03(c) is subject to the conditions set forth in Section 4.02 (other than delivery by any Borrower of a Loan Notice and the existence of a Borrowing Base Deficiency or a NYGB Borrowing Base Deficiency). If, on any date of determination, a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, each Lender shall remain obligated to reimburse the L/C Issuer for any drawings made during the period after the expiry date of such Letter of Credit even if such Letter of Credit is extended beyond the Maturity Date of the Facility. No such making of an L/C Advance shall relieve or otherwise impair the obligation of any Borrower to reimburse the L/C Issuer for the amount of any payment made by the L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Lender fails to make available to the Administrative Agent for the account of the L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), then, without limiting the other provisions of this Agreement, the L/C Issuer shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the L/C Issuer at a rate per annum equal to the greater of the Federal Funds Rate and a rate determined by the L/C Issuer in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the L/C Issuer in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Revolving Loan included in the relevant Revolving Borrowing or L/C Advance in respect of the relevant L/C Borrowing, as the case may be. A certificate of the L/C Issuer submitted to any Lender (through the Administrative

Agent) with respect to any amounts owing under this Section 2.03(c)(vi) shall be conclusive absent manifest error.

(d) Repayment of Participations.

(i) At any time after the L/C Issuer has made a payment under any Letter of Credit and has received from any Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.03(c), if the Administrative Agent receives for the account of the L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from any Borrower or otherwise, including proceeds of Cash Collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such Lender its Applicable Revolving Percentage thereof in the same funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(i) is required to be returned under any of the circumstances described in Section 11.05 (including pursuant to any settlement entered into by the L/C Issuer in its discretion), each Lender shall pay to the Administrative Agent for the account of the L/C Issuer, on demand of the Administrative Agent, such Lender's pro rata share thereof (determined based upon such Lender's Applicable Revolving Percentage used to determine the applicable payment made by such Lender pursuant to Section 2.03(c)(i)), plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Obligations Absolute. The obligation of any Borrower to reimburse the L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that such Borrower or any Subsidiary thereof may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the L/C Issuer or any other Person, whether in connection with this Agreement or by such Letter of Credit, the transactions contemplated hereby or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, endorsement, certificate or other document presented under or in connection with such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) waiver by the L/C Issuer of any requirement that exists for the L/C Issuer's protection and not the protection of such Borrower or any waiver by the L/C Issuer which does not in fact materially prejudice such Borrower;

(v) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft;

(vi) any payment made by the L/C Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under such Letter of Credit if presentation after such date is authorized by the UCC, the ISP or the UCP, as applicable;

(vii) any payment by the L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law; or

(viii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, such Borrower or any of its Subsidiaries.

Such Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with such Borrower's instructions or other irregularity, such Borrower will immediately notify the L/C Issuer. Such Borrower shall be conclusively deemed to have waived any such claim against the L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of L/C Issuer. Each Lender and each Borrower agree that, in paying any drawing under a Letter of Credit, the L/C Issuer shall not have any responsibility to obtain any document (other than any sight or time draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Lenders or the Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. Each Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude such Borrower's pursuing such rights and remedies as any of them may have against the beneficiary or transferee at law or under any other agreement. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable or responsible

for any of the matters described in Section 2.03(e); provided, however, that anything in such clauses to the contrary notwithstanding, any Borrower may have a claim against the L/C Issuer, and the L/C Issuer may be liable to such Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by such Borrower which such Borrower proves, as determined by a final nonappealable judgment of a court of competent jurisdiction, were caused by the L/C Issuer's willful misconduct or gross negligence or the L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight or time draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, the L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring, endorsing or assigning or purporting to transfer, endorse or assign a 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. The L/C Issuer may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication ("SWIFT") message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

(g) Applicability of ISP and UCP; Limitation of Liability. Unless otherwise expressly agreed by the L/C Issuer and any Borrower when a Letter of Credit is issued, (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the UCP shall apply to each commercial Letter of Credit. Notwithstanding the foregoing, the L/C Issuer shall not be responsible to such Borrower for, and the L/C Issuer's rights and remedies against such Borrower shall not be impaired by, any action or inaction of the L/C Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the Law or any order of a jurisdiction where the L/C Issuer or the beneficiary is located, the practice stated in the ISP or UCP, as applicable, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

(h) Letter of Credit Fees. Each Borrower shall pay to the Administrative Agent for the account of each Lender, subject to Section 2.14, in proportion to its Applicable Revolving Percentage with respect to each Letter of Credit, a Letter of Credit fee (the "Letter of Credit Fee") for each Letter of Credit issued pursuant to this Section 2.03 equal to the Applicable Rate times the aggregate face amount available to be drawn under such Letter of Credit. For purposes of computing the aggregate face amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. Letter of Credit Fees shall be due and payable quarterly in arrears on the first Business Day after the end of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand.

(i) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuer. Each Borrower shall pay directly to the L/C Issuer for its own account a fronting fee (i) with respect to each commercial Letter of Credit, at the rate equal to 0.25% per annum, computed on the amount

of such Letter of Credit, and payable upon the issuance thereof, (ii) with respect to any amendment of a commercial Letter of Credit increasing the amount of such Letter of Credit, at a rate separately agreed between such Borrower and the L/C Issuer, computed on the amount of such increase, and payable upon the effectiveness of such amendment, and (iii) with respect to each standby Letter of Credit, at the rate equal to 0.25% per annum, computed on the aggregate face amount available to be drawn under such Letter of Credit on a quarterly basis in arrears. Such fronting fee shall be due and payable quarterly in arrears on the first Business Day after the end of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. In addition, each Borrower shall pay directly to the L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of the L/C Issuer as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(j) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(k) Additional L/C Issuers. The Borrowers may, at any time and from time to time with the consent of the Administrative Agent (which consent shall not be unreasonably withheld or delayed) and such Lender, designate one or more additional Lenders to act as an L/C Issuer under the terms of this Agreement, subject to reporting requirements reasonably satisfactory to the Administrative Agent with respect to issuances, amendments, extensions and terminations of Letters of Credit by such additional L/C Issuer. Any Lender designated as an L/C Issuer pursuant to this paragraph (k) shall be deemed to be an "L/C Issuer" (in addition to being a Lender) in respect of Letters of Credit issued or to be issued by such Lender, and, with respect to such Letters of Credit, such term shall thereafter apply to the other L/C Issuer and such Lender.

Section 2.04 Prepayments.

(a) Optional.

(i) The Borrowers may, upon notice to the Administrative Agent, at any time or from time to time voluntarily prepay any Revolving Borrowing in whole or in part without premium or penalty; provided that, (A) such notice must be received by the Administrative Agent not later than 11:00 a.m. (1) four (4) Business Days prior to any date of prepayment of Eurodollar Rate Loans and (2) one (1) Business Day prior to any date of prepayment of Base Rate Loans; (B) any prepayment of Eurodollar Rate Loans shall be in a principal amount of $5,000,000 or a whole multiple of $1,000,000 in excess thereof; and (C) any prepayment of Base Rate Loans shall be in a principal amount of $500,000 or a whole multiple of $100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the Revolving Borrowing(s) being prepaid, the date and amount of such prepayment and the Type(s) of Loans to be prepaid and, if Eurodollar Rate Loans are to be prepaid, the Interest Period(s) of such Loans. The Administrative Agent will promptly notify each Lender of its receipt of each such notice, and of the amount of such Lender's ratable portion of such prepayment (determined based

on such Lender's Applicable Percentage in respect of each Revolving Borrowing (or portion thereof) being prepaid). If such notice is given by the Borrowers, the Borrowers shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of principal shall be accompanied by all accrued interest on the amount of the Revolving Borrowing(s) being prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.14, such prepayments shall be paid to the Lenders in accordance with their respective Revolving Loans being prepaid.

(b) Mandatory.

(i) Revolving Outstandings. If for any reason a Borrowing Base Deficiency exists in an amount in excess of twenty percent (20%) of the Borrowing Base at any time of determination, the Borrowers shall immediately on demand prepay Revolving Loans and/or L/C Borrowings (together with all accrued but unpaid interest thereon) and/or Cash Collateralize the L/C Obligations in an aggregate amount equal to such excess, and if a Borrowing Base Deficiency exists in an amount in excess of twenty percent (20%) of the Borrowing Base Collateral Agent shall have the right to have a field examination conducted on behalf of the Collateral Agent in accordance with Section 6.10 with results reasonably satisfactory to the Collateral Agent. If for any reason a Borrowing Base Deficiency exists in an amount equal to or less than twenty percent (20%) of the Borrowing Base at any time of determination, the Borrowers shall, within forty-five (45) days of demand, prepay Revolving Loans and/or L/C Borrowings (together with all accrued but unpaid interest thereon) and/or Cash Collateralize the L/C Obligations in an aggregate amount equal to such excess; provided that, if such Borrowing Base Deficiency exists, at such time and at any time during which such Borrowing Base Deficiency exists, the Borrowers do not have at least $100,000,000 in unrestricted cash and deposit account balances with respect to which the Collateral Agent has obtained a perfected first priority Lien subject to no other Liens, the reference to forty-five (45) days in this sentence shall be deemed to reference three (3) Business Days; and provided, further, that, at any time during which such Borrowing Base Deficiency exists, the Borrowers shall notify the Administrative Agent immediately in the event that the Borrowers have less than $100,000,000 in unrestricted cash. Notwithstanding the foregoing, in the event of any Borrowing Base Deficiency, the Borrowers shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.04(b)(i) unless, after the prepayment of the Revolving Loans, a Borrowing Base Deficiency continues to exist.

(ii) Certain Indebtedness. If any Borrower is required to make a payment or contribution in connection with Indebtedness incurred pursuant to Section 7.02(i) and the conditions in clauses (x) and (y) of Section 7.02(*i*)(ii), after giving effect to such payment or contribution on a Pro Forma Basis, are not satisfied, the Borrowers shall immediately on demand prepay Revolving Loans and/or L/C Borrowings (together with all accrued but unpaid interest thereon) and/or Cash Collateralize the L/C Obligations in an aggregate amount sufficient to cause the Loan Parties to be in compliance with such conditions.

(iii) Application of Other Payments. Except as otherwise provided in Section 2.14, prepayments of the Facility made pursuant to this Section 2.04(b), first, shall be applied ratably to the L/C Borrowings, second, shall be applied ratably to the outstanding Revolving

Borrowings, and, third, shall be used to Cash Collateralize the remaining L/C Obligations. Upon the drawing of any Letter of Credit that has been Cash Collateralized, the funds held as Cash Collateral shall be applied (without any further action by or notice to or from the Borrowers or any other Loan Party or any Defaulting Lender that has provided Cash Collateral) to reimburse the L/C Issuer or the Lenders, as applicable.

Within the parameters of the applications set forth above, prepayments pursuant to this Section 2.04(b) shall be applied first to Revolving Borrowings that consist of Base Rate Loans and then to Revolving Borrowings that consist of Eurodollar Rate Loans in direct order of Interest Period maturities. All prepayments under this Section 2.04(b) shall be subject to Section 3.05, but otherwise without premium or penalty, and shall be accompanied by interest on the principal amount prepaid to the date of prepayment. Each Lender's pro rata share of a prepayment of a Revolving Borrowing shall equal such Lender's Applicable Revolving Percentage of such Revolving Borrowing.

Section 2.05 Termination or Reduction of Commitments.

(a) Optional. The Borrowers may, upon notice to the Administrative Agent, terminate the Facility or the Letter of Credit Sublimit, or from time to time permanently reduce the Facility or the Letter of Credit Sublimit; provided that (i) any such notice shall be received by the Administrative Agent not later than 11:00 a.m. five (5) Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of $10,000,000 or any whole multiple of $1,000,000 in excess thereof and (iii) the Borrowers shall not terminate or reduce (A) the Facility if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Outstandings would exceed the Facility or the Revolving Exposure of any Lender would exceed such Lender's Commitment or (B) the Letter of Credit Sublimit if, after giving effect thereto, the Outstanding Amount of L/C Obligations not fully Cash Collateralized hereunder would exceed the Letter of Credit Sublimit. If after giving effect to any reduction or termination of Commitments under this Section 2.05, the Letter of Credit Sublimit exceeds the Facility at such time, the Letter of Credit Sublimit shall be automatically reduced by the amount of such excess.

(b) Application of Commitment Reductions; Payment of Fees. The Administrative Agent will promptly notify the Lenders of any termination or reduction of the Letter of Credit Sublimit or the Commitments under this Section 2.05. Upon any reduction of the Commitments, the Commitment of each Lender shall be reduced by such Lender's Unadjusted Applicable Percentage of such reduction amount, the Facility shall be reduced as to such amount and any Commitment Fees accruing with respect thereto shall be calculated based on the reduced Facility. All fees in respect of the Facility accrued until the effective date of any termination of the Facility shall be paid on the effective date of such termination.

Section 2.06 Repayment of Loans.

The Borrowers shall repay to the Lenders on the Maturity Date for the Facility the aggregate principal amount of all Revolving Loans and all L/C Borrowings outstanding on such date.

Section 2.07 Interest and Default Rate.

(a) Interest. Subject to the provisions of Section 2.07(b), (i) each Eurodollar Rate Loan under the Facility shall bear interest on the outstanding principal amount thereof for each Interest Period from the applicable borrowing date at a rate per annum equal to the Eurodollar Rate for such Interest Period plus the Applicable Rate for such Facility; and (ii) each Base Rate Loan under the Facility shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate for such Facility.

(b) Default Rate.

(i) If any amount of principal of any Loan is not paid when due, whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) payable by the Borrowers under any Loan Document is not paid when due, whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of the Required Lenders, while any Event of Default exists, outstanding Obligations (including Letter of Credit Fees) may accrue at a fluctuating rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest Payments. Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. 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.

Section 2.08 Fees.

In addition to certain fees described in Section 2.03:

(a) Commitment Fee. The Borrowers shall pay to the Administrative Agent for the account of each Lender a commitment fee (the "Commitment Fee") equal to the Applicable Rate times the actual daily amount by which such Lender's Commitment exceeds the sum of (i) the Outstanding Amount of such Lender's Revolving Loans and (ii) the Outstanding Amount of such Lender's L/C Obligations, subject to adjustment as provided in Section 2.14. The Commitment Fee shall accrue at all times during the Availability Period, including at any time during which one or more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the

first such date to occur after the Closing Date, and on the last day of the Availability Period for the Facility.

(b) Other Fees.

(i) The Borrowers shall pay to the Administrative Agent for its own account fees in the amounts and at the times specified in the Fee Letter. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

(ii) The Borrowers shall pay to the Lenders (x) an upfront fee equal to 1.00% of the Aggregate Commitments on the Closing Date and (y) such fees as shall have been separately agreed upon in writing in the amounts and at the times so specified. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

Section 2.09 Computation of Interest and Fees; Retroactive Adjustments of Applicable Rate.

(a) Computation of Interest and Fees. All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Eurodollar Rate) shall be made on the basis of a year of three hundred sixty-five (365) or three hundred sixty-six (366) days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a three hundred sixty-five (365) day year). Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that, any Loan that is repaid on the same day on which it is made shall, subject to Section 2.11(a), bear interest for one (1) day. All computations of interest and fees in respect of the Facility shall be calculated on the basis of the full stated principal amount of the Facility. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

Section 2.10 Evidence of Debt.

(a) Maintenance of Accounts. The Credit Extensions 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 Credit Extensions made by the Lenders to the Borrowers 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 obligation of the Borrowers 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 Borrowers shall execute and deliver to such Lender (through the Administrative Agent) a Revolving Note, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Revolving Note

and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) Maintenance of Records. In addition to the accounts and records referred to in Section 2.10(a), each Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

Section 2.11 Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by the Borrowers shall be made free and clear of and without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrowers hereunder 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 2:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Lender its ratable share of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day (in the Administrative Agent's sole discretion) and any applicable interest or fee shall continue to accrue. Subject to Section 2.06 and as otherwise specifically provided for in this Agreement, if any payment to be made by the Borrowers 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.

(b) (i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Eurodollar Rate Loans (or, in the case of any Borrowing of Base Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrowers a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrowers severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in immediately available funds with interest thereon, for each day from and including the date such amount is made available to the Borrowers to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the

foregoing, and (B) in the case of a payment to be made by the Borrowers, the interest rate applicable to Base Rate Loans. If the Borrowers and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrowers the amount of such interest paid by the Borrowers for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrowers shall be without prejudice to any claim the Borrowers may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by Borrowers; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrowers prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the L/C Issuer hereunder that the Borrowers will not make such payment, the Administrative Agent may assume that the Borrowers have made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Appropriate Lenders or the L/C Issuer, as the case may be, the amount due. In such event, if the Borrowers have not in fact made such payment, then each of the Appropriate Lenders or the L/C Issuer, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the L/C Issuer, in immediately available funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the greater of the Federal Funds Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation.

A notice of the Administrative Agent to any Lender or the Borrowers with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrowers by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Lenders hereunder to make Revolving Loans, to fund participations in Letters of Credit and to make payments pursuant to Section 11.04(c) are several and not joint. The failure of any Lender to make any Loan, to fund any such participation or to make any payment under Section 11.04(c) 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 Loan, to purchase its participation or to make its payment under Section 11.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

Section 2.12 Sharing of Payments by Lenders.

If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of (a) Obligations in respect of any of the Facility due and payable to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations due and payable to such Lender at such time to (ii) the aggregate amount of such Obligations due and payable to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations in respect of the Facility due and payable to all Lenders hereunder and under the other Loan Documents at such time obtained by all the Lenders at such time or (b) Obligations in respect of any of the Facility owing (but not due and payable) to such Lender hereunder and under the other Loan Documents at such time in excess of its ratable share (according to the proportion of (i) the amount of such Obligations owing (but not due and payable) to such Lender at such time to (ii) the aggregate amount of such Obligations owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time) of payments on account of the Obligations in respect of the Facility owing (but not due and payable) to all Lenders hereunder and under the other Loan Documents at such time obtained by all of the Lenders at such time, then, in each case under clauses (a) and (b) above, the Lender receiving such greater proportion shall (A) notify the Administrative Agent of such fact, and (B) purchase (for cash at face value) participations in the Loans and subparticipations in L/C Obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of Obligations in respect of the Facility then due and payable to the Lenders or owing (but not due and payable) to the Lenders, as the case may be, provided that:

(1) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(2) the provisions of this Section shall not be construed to apply to (x) any payment made by or on behalf of the Borrowers pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), (y) the application of Cash Collateral provided for in Section 2.13, or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or subparticipations in L/C Obligations to any assignee or participant, other than an assignment to any Loan Party or any Affiliate thereof (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

Section 2.13 Cash Collateral.

(a) Certain Credit Support Events. If (i) the L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, (ii) as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, (iii) the Loan Parties shall be required to provide Cash Collateral pursuant to Section 2.04 or 8.02(c), or (iv) there shall exist a Defaulting Lender, the Loan Parties shall immediately (in the case of clause (iii) above) or within one (1) Business Day (in all other cases) following any request by the Collateral Agent or the L/C Issuer, provide Cash Collateral in an amount not less than the applicable Minimum Collateral Amount (determined in the case of Cash Collateral provided pursuant to clause (iv) above, after giving effect to Section 2.14(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. The Loan Parties hereby grant to (and subjects to the control of) the Collateral Agent, for the benefit of the Secured Parties, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.13(c). If at any time the Collateral Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Collateral Agent or the L/C Issuer as herein provided, or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, the Loan Parties will, promptly upon demand by the Collateral Agent, pay or provide to the Collateral Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in one or more Cash Collateral Accounts. The Loan Parties shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.13 or Sections 2.03, 2.04, 2.14 or 8.02 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Lender that is a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may be provided for herein.

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or to secure other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 11.06(b)(vi))) or (ii) the determination by the Collateral Agent and the L/C Issuer that there exists excess Cash Collateral; provided, however, (A) any such release shall be without prejudice to, and any disbursement or other transfer of Cash Collateral shall be and remain subject to, any other Lien conferred under the Loan Documents and the other applicable provisions of the Loan Documents, and (B) the Person providing Cash Collateral and

the L/C Issuer may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

Section 2.14 Defaulting Lenders.

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of "Required Lenders" and Section 11.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 11.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a ratable basis of any amounts owing by such Defaulting Lender to the L/C Issuer hereunder; third, to Cash Collateralize the L/C Issuer's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.13; fourth, as the Borrowers may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Borrowers, to be held in a deposit account and released as necessary in order to (A) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (B) Cash Collateralize the L/C Issuer's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.13; sixth, to the payment of any amounts owing to the Lenders or the L/C Issuer as a result of any judgment of a court of competent jurisdiction obtained by any Lender or the L/C Issuer against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrowers as a result of any judgment of a court of competent jurisdiction obtained by the Borrowers against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise as may be required under the Loan Documents in connection with any Lien conferred thereunder or directed by a court of competent jurisdiction; provided that, if (1) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which such Defaulting Lender has not fully funded its appropriate share, and (2) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations are held by the Lenders pro rata in accordance with their respective

Applicable Percentages of such Loans and funded and unfunded participations in L/C Obligations without giving effect to Section 2.14(a)(v). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.14(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees.

(A) Fees. No Defaulting Lender shall be entitled to receive any fee payable under Section 2.08 for any period during which that Lender is a Defaulting Lender (and the Borrowers shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(B) Letter of Credit Fees. Each Defaulting Lender shall be entitled to receive Letter of Credit Fees for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Applicable Revolving Percentage of the stated amount of Letters of Credit for which it has provided Cash Collateral pursuant to Section 2.13.

(C) Defaulting Lender Fees. With respect to any Letter of Credit Fee not required to be paid to any Defaulting Lender pursuant to clause (A) or (B) above, the Borrowers shall (1) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in L/C Obligations that has been reallocated to such Non-Defaulting Lender pursuant to clause (iv) below, (2) pay to the L/C Issuer the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to such L/C Issuer's Fronting Exposure to such Defaulting Lender, and (3) not be required to pay the remaining amount of any such fee.

(iv) Reallocation of Applicable Revolving Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Revolving Percentages (calculated without regard to such Defaulting Lender's Applicable Revolving Percentage) but only to the extent that (A) the conditions set forth in Section 4.02 are satisfied at the time of such reallocation (and, unless the Borrowers shall have otherwise notified the Administrative Agent at such time, the Borrowers shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (B) such reallocation does not cause the aggregate Revolving Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased Revolving Exposure following such reallocation.

(v) Cash Collateral. If the reallocation described in clause (a)(iv) above cannot, or can only partially, be effected, the Borrowers shall, without prejudice to any right or remedy available to it hereunder or under applicable Law, Cash Collateralize the L/C Issuer's Fronting Exposure in accordance with the procedures set forth in Section 2.13.

(b) Defaulting Lender Cure. If the Borrowers, the Administrative Agent and the L/C Issuer agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentage of each such Loan and each such funded and unfunded participation in a Letter of Credit (without giving effect to Section 2.14(a)(iv)), whereupon such Lender will cease to be a Defaulting Lender; provided that, no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrowers while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

Section 2.15 Increase in Facility.

(a) Request for Increase. Provided there exists no Default, upon notice to the Administrative Agent (which shall promptly notify the Lenders), the Borrowers may from time to time, request an increase in the Facility ("Incremental Facility") so long as the Facility, after taking into account all such requests, does not exceed an aggregate principal amount of $300,000,000; provided that (i) any such request for an Incremental Facility shall be in a minimum aggregate principal amount of $10,000,000 and in increments of $5,000,000 in excess thereof, and (ii) the Borrowers may make a maximum of two (2) such requests; provided, however, that any such request that occurs within ninety (90) days after the most recent request shall not be deemed an additional request. At the time of sending such notice, the Borrower (in consultation with the Administrative Agent) shall specify the time period within which each Lender is requested to respond.

(b) Lender Elections to Increase. Each Lender shall elect to participate in the Incremental Facility its sole discretion and shall notify the Administrative Agent within such time period whether or not it agrees to increase its Commitment and, if so, whether by an amount equal to, greater than, or less than its Applicable Revolving Percentage of such requested increase. Any Lender not responding within such time period shall be deemed to have declined to increase its Commitment.

(c) Notification by Administrative Agent; Additional Lenders . The Administrative Agent shall notify the Borrowers and each Lender of the Lenders' responses to each request made hereunder. To achieve the full amount of a requested increase, and subject to the approval of the Administrative Agent and the L/C Issuer (which approvals shall not be unreasonably withheld), the Borrowers may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement ("New Lenders") in form and substance satisfactory to the Administrative Agent and its counsel.

(d) Effective Date and Allocations. If the Facility is increased in accordance with this Section, the Administrative Agent and the Borrowers shall determine the effective date (the "Revolving Increase Effective Date") and the final allocation of such increase. The Administrative

Agent shall promptly notify the Borrowers, the Lenders and the New Lenders of the final allocation of such increase and the Revolving Increase Effective Date. The Unadjusted Applicable Percentages shall be recalculated in accordance with the final allocation of such increase to the extent that the final allocation of such increase is nonratable among the Lenders.

(e) Conditions to Effectiveness of Increase. As a condition precedent to such increase, the Borrowers shall deliver to the Administrative Agent a certificate of each Loan Party dated as of the Revolving Increase Effective Date (in sufficient copies for each Lender) signed by a Responsible Officer of such Loan Party (i) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (ii) in the case of each Borrower, certifying that, immediately before and after giving effect to the Incremental Facility, (A) the representations and warranties contained in Article V and the other Loan Documents are, (x) with respect to representations and warranties that contain a materiality qualification, true and correct in all respects, and (y) with respect to representations and warranties that do not contain a materiality qualification, true and correct in all material respects, in each case, on and as of the Revolving Increase Effective Date (or if such representations and warranties expressly relate to an earlier date, as of such earlier date), and except that, for purposes of this Section 2.15, the representations and warranties contained in subsections (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 6.01, (B) no Default exists, (C) all financial covenants in Section 7.11 would be satisfied on a Pro Forma Basis on the Revolving Increase Effective Date and for the most recent determination period, after giving effect to any such Incremental Facility (and assuming such Incremental Facility were fully drawn), (D) the maturity date of the Loans in respect of any portion of such Incremental Facility shall be no earlier than the Maturity Date of the Facility, (E) the average life to maturity of the Loans in respect of such Incremental Facility shall be no shorter than the remaining average life to maturity of the Facility, and (F) all fees and expenses owing in respect of such increase to the Administrative Agent and the Lenders shall have been paid. The Borrowers shall deliver or cause to be delivered any other customary documents (including, without limitation, legal opinions) as reasonably requested by the Administrative Agent in connection with any Incremental Facility. The Borrowers shall borrow from each New Lender and from each Lender increasing its Commitment on the Revolving Increase Effective Date, and such Lenders shall make, Revolving Loans to the Borrowers (in the case of Eurodollar Rate Loans, with Eurodollar Rate(s) applying to the Interest Period(s) ending on the date(s) of any then outstanding Interest Period(s)), and the Borrowers shall prepay any Revolving Loans outstanding on the Revolving Increase Effective Date (and pay any additional amounts required pursuant to Section 3.05) to the extent necessary to keep the outstanding Revolving Loans ratable with any revised Applicable Revolving Percentages arising from any nonratable increase in the Commitments under this Section. Each Lender's Applicable Percentage with respect to a Letter of Credit outstanding on the Revolving Increase Effective Date shall be recalculated in accordance with any revised Applicable Revolving Percentages arising from any nonratable increase in the Commitments under this Section.

(f) Conflicting Provisions. This Section shall supersede any provisions in Section 2.12 or 11.01 to the contrary.

(g) Incremental Facility. Except as otherwise specifically set forth herein, all of the other terms and conditions applicable to such Incremental Facility shall be identical to the terms and conditions applicable to the Facility, including, without limitation, having the same Guarantees as the Facility and being secured on a *pari passu* basis by the same Collateral securing the Facility.

Section 2.16 Joint and Several Liability.

It is the intent of the parties hereto that the Borrowers shall be jointly and severally obligated hereunder, as co-borrowers under this Agreement, in respect of the principal of and interest on, and all other amounts owing in respect of, the Credit Extensions. In that connection, each Borrower hereby (i) jointly and severally and irrevocably and unconditionally accepts, not merely as a surety but also as a co-debtor, joint and several liability with the other Borrowers with respect to the payment and performance of all of the obligations hereunder, it being the intention of the parties hereto that all such obligations shall be the joint and several obligations of each Borrower without preferences or distinction among them and that the obligations of each Borrower hereunder shall be unconditional irrespective of any circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a guarantor or surety, and (ii) further agrees that, if any of such obligations are not paid in full when due (whether at stated maturity, as a mandatory prepayment or cash collateralization, by acceleration or otherwise), the Borrowers will, jointly and severally, promptly pay the same, without any demand or notice whatsoever. All Borrowers acknowledge and agree that the delivery of funds to any Borrower under this Agreement shall constitute valuable consideration and reasonably equivalent value to all Borrowers for the purpose of binding them and their assets on a joint and several basis for the obligations hereunder.

ARTICLE III

TAXES, YIELD PROTECTION AND ILLEGALITY

Section 3.01 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 any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of the Administrative Agent) require the deduction or withholding of any Tax from any such payment by the Administrative Agent or a Loan Party, then the Administrative Agent or such Loan Party shall be entitled to make such deduction or withholding, upon the basis of the information and documentation to be delivered pursuant to subsection (e) below.

(ii) If any Loan Party or the Administrative Agent shall be required by the Code to withhold or deduct any Taxes, including both United States federal backup withholding and withholding taxes, from any payment, then (A) the Administrative Agent shall withhold or make such deductions as are determined by the Administrative Agent to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) the Administrative Agent shall timely pay the full amount withheld or deducted to the relevant

Governmental Authority in accordance with the Code, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(iii) If any Loan Party or the Administrative Agent shall be required by any applicable Laws other than the Code to withhold or deduct any Taxes from any payment, then (A) such Loan Party or the Administrative Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required based upon the information and documentation it has received pursuant to subsection (e) below, (B) such Loan Party or the Administrative Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) 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 the Loan Parties. Without limiting the provisions of subsection (a) above, the Loan Parties 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) Each of the Loan Parties shall, and does hereby, jointly and severally 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 3.01) 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 or the L/C Issuer (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or the L/C Issuer, shall be conclusive absent manifest error. Each of the Loan Parties shall also, and does hereby, jointly and severally indemnify the Administrative Agent, and shall make payment in respect thereof within ten (10) days after demand therefor, for any amount which a Lender or the L/C Issuer for any reason fails to pay indefeasibly to the Administrative Agent as required pursuant to Section 3.01(c)(ii) below.

(ii) Each Lender and the L/C Issuer 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 or the L/C Issuer (but only to the extent that any Loan Party has not already indemnified the Administrative Agent

for such Indemnified Taxes and without limiting the obligation of the Loan Parties to do so), (B) the Administrative Agent and the Loan Parties, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.06(d) relating to the maintenance of a Participant Register and (C) the Administrative Agent and the Loan Parties, as applicable, against any Excluded Taxes attributable to such Lender or the L/C Issuer, in each case, that are payable or paid by the Administrative Agent or a Loan Party 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 and the L/C Issuer hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or the L/C Issuer, as the case may be, under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(d) Evidence of Payments. Upon request by the Borrowers or the Administrative Agent, as the case may be, after any payment of Taxes by any Loan Party or by the Administrative Agent to a Governmental Authority as provided in this Section 3.01, the Borrowers shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrowers, 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 Borrowers 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 Borrowers and the Administrative Agent, at the time or times reasonably requested by the Borrowers or the Administrative Agent, such properly completed and executed documentation reasonably requested by the Borrowers or the Administrative Agent 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 Borrowers or the Administrative Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrowers or the Administrative Agent as will enable the Borrowers 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 such documentation set forth in Section 3.01(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, in the event that any Borrower is a U.S. Person,

(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 upon the reasonable request of the Borrower or the Administrative Agent), properly completed and executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), 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, properly completed and executed originals of IRS Form W-8BEN establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, properly completed and executed originals of IRS Form W-8BEN 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) properly completed and executed originals 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) a certificate substantially in the form of Exhibit K-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) properly completed and executed originals of IRS Form W-8BEN; or

(4) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY from the Foreign Lender, accompanied by IRS Form W-8ECI, IRS Form W-8BEN, a U.S. Tax Compliance Certificate substantially in the form of Exhibit K-2 or Exhibit K-3, properly completed and executed originals of IRS Form W-9 and/or IRS Form W 8IMY, and/or other required documents from each intermediary and direct or indirect beneficial owner, as applicable; provided that, if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit K-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested

by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals 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 date of this Agreement.

(iii) The Administrative Agent and each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall provide a new form or certification on or before the next Interest Payment Date or promptly notify the Borrowers and the Administrative Agent, as the case may be, in writing of its legal inability to do so.

(f) Treatment of Certain Refunds. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender or the L/C Issuer, or have any obligation to pay to any Lender or the L/C Issuer, any refund of Taxes withheld or deducted from funds paid for the account of such Lender or the L/C Issuer, as the case may be. 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 any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay to such Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by such Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that, each Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to such Loan Party (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 subsection, in no event will the applicable Recipient be required to pay any amount to such Loan Party pursuant to this subsection the payment of which would place

the Recipient in a less favorable net after-Tax position than 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 subsection shall not be construed to require the Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Loan Party or any other Person.

(g) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or the Collateral Agent or any assignment of rights by, or the replacement of, a Lender or the L/C Issuer, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

Section 3.02 Illegality.

If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its Lending Office to make, maintain or fund Loans whose interest is determined by reference to the Eurodollar Rate, or to determine or charge interest rates based upon the Eurodollar Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars in the London interbank market, then, on notice thereof by such Lender to the Borrowers through the Administrative Agent, (a) any obligation of such Lender to make or continue Eurodollar Rate Loans or to convert Base Rate Loans to Eurodollar Rate Loans shall be suspended, and (b) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the Eurodollar Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrowers that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (i) the Borrowers shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all Eurodollar Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the Eurodollar Rate component of the Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans and (ii) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the Eurodollar Rate, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the Eurodollar Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the Eurodollar Rate. Upon any such prepayment or conversion, the Borrowers shall also pay accrued interest on the amount so prepaid or converted.

Section 3.03 Inability to Determine Rates; Benchmark Replacement.

(a) Inability to Determine Rates. If the Required Lenders determine that for any reason in connection with any request for a Eurodollar Rate Loan or a conversion to or continuation thereof

that (a) Dollar deposits are not being offered to banks in the London interbank eurodollar market for the applicable amount and Interest Period of such Eurodollar Rate Loan, (b) adequate and reasonable means do not exist for determining the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan or in connection with an existing or proposed Base Rate Loan, or (c) the Eurodollar Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Borrowers and each Lender. Thereafter, until a Benchmark Replacement is adopted pursuant to Section 3.03(b), (i) the obligation of the Lenders to make or maintain Eurodollar Rate Loans shall be suspended, and (ii) in the event of a determination described in the preceding sentence with respect to the Eurodollar Rate component of the Base Rate, the utilization of the Eurodollar Rate component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, the Borrowers may revoke any pending request for a Borrowing of, conversion to or continuation of Eurodollar Rate Loans or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein.

(b) Benchmark Replacement.

(i) Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, the Administrative Agent and the Borrower may amend this Agreement to replace LIBOR with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. on the fifth (5th) Business Day after the Administrative Agent has posted such proposed amendment to all Lenders and the Borrower so long as the Administrative Agent has not received, by such time, written notice of objection to such amendment from Lenders comprising the Required Lenders. Any such amendment with respect to an Early Opt-in Election will become effective on the date that Lenders comprising the Required Lenders have delivered to the Administrative Agent written notice that such Required Lenders accept such amendment. No replacement of LIBOR with a Benchmark Replacement pursuant to this Section 3.03(b) will occur prior to the applicable Benchmark Transition Start Date.

(ii) In connection with the implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.

(iii) The Administrative Agent will promptly notify the Borrower and the Lenders of (A) any occurrence of a Benchmark Transition Event or an Early Opt-in Election, as applicable, and its related Benchmark Replacement Date and Benchmark Transition Start Date, (B) the implementation of any Benchmark Replacement, (C) the effectiveness of any Benchmark Replacement Conforming Changes and (D) the commencement or conclusion of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent or Lenders pursuant to this Section 3.03(b), 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, 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 hereto, except, in each case, as expressly required pursuant to this Section 3.03(b).

(iv) 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, conversion to or continuation of Eurodollar Rate Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Loans. During any Benchmark Unavailability Period, the component of the Base Rate based upon LIBOR will not be used in any determination of the Base Rate.

Section 3.04 Increased Costs; Reserves on Eurodollar Rate Loans.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, 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 (except any reserve requirement contemplated by Section 3.04(e)) or the L/C Issuer;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income 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 the L/C Issuer or the London interbank market any other condition, cost or expense affecting this Agreement or Eurodollar Rate 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 of making, converting to, continuing or maintaining any Loan the interest on which is determined by reference to the Eurodollar Rate (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or the L/C Issuer 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 or the L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or the L/C Issuer, the Borrowers will pay to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or the L/C Issuer determines that any Change in Law affecting such Lender or the L/C Issuer or any Lending Office of such Lender or such Lender's or the L/C Issuer'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 the L/C Issuer's

capital or on the capital of such Lender's or the L/C Issuer's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by the L/C Issuer, to a level below that which such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the L/C Issuer's policies and the policies of such Lender's or the L/C Issuer's holding company with respect to capital adequacy), then from time to time the Borrowers will pay to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or the L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or the L/C Issuer or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Borrowers shall be conclusive absent manifest error. The Borrowers shall pay such Lender or the L/C Issuer, as the case may be, the amount shown as due on any such certificate within ten (10) days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or the L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section 3.04 shall not constitute a waiver of such Lender's or the L/C Issuer's right to demand such compensation; provided that, the Borrowers shall not be required to compensate a Lender or the L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine (9) months prior to the date that such Lender or the L/C Issuer, as the case may be, notifies the Borrowers of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine (9) month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) Reserves on Eurodollar Rate Loans. The Borrowers shall pay to each Lender, as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency funds or deposits (currently known as "Eurocurrency liabilities"), additional interest on the unpaid principal amount of each Eurodollar Rate Loan equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and payable on each date on which interest is payable on such Loan; provided the Borrowers shall have received at least ten (10) days' prior notice (with a copy to the Administrative Agent) of such additional interest from such Lender. If a Lender fails to give notice ten (10) days prior to the relevant Interest Payment Date, such additional interest shall be due and payable ten (10) days from receipt of such notice.

Section 3.05 Compensation for Losses.

Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrowers shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrowers (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan on the date or in the amount notified by the Borrowers; or

(c) any assignment of a Eurodollar Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrowers pursuant to Section 11.13;

including any loss of anticipated profits and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained. The Borrowers shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrowers to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurodollar Rate Loan made by it at the Eurodollar Rate for such Loan by a matching deposit or other borrowing in the London interbank eurodollar market for a comparable amount and for a comparable period, whether or not such Eurodollar Rate Loan was in fact so funded.

Section 3.06 Mitigation Obligations; Replacement of Lenders.

(a) Designation of a Different Lending Office. If any Lender requests compensation under Section 3.04, or requires the Borrowers to pay any Indemnified Taxes or additional amounts to any Lender, the L/C Issuer, or any Governmental Authority for the account of any Lender or the L/C Issuer pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then at the request of the Borrowers, such Lender or the L/C Issuer 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 judgment of such Lender or the L/C Issuer, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender or the L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or the L/C Issuer, as the case may be. Each Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender or the L/C Issuer in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrowers are required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a), the Borrowers may replace such Lender in accordance with Section 11.13.

Section 3.07 Survival.

All of the Borrowers' obligations under this Article III shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder, resignation of the Administrative Agent and the Facility Termination Date.

ARTICLE IV

CONDITIONS PRECEDENT TO CLOSING DATE AND CREDIT EXTENSIONS

Section 4.01 Conditions Precedent to Closing Date.

The occurrence of the Closing Date and the obligation of the L/C Issuer and each Lender to make its initial Credit Extension hereunder on the Closing Date, if applicable, is subject to the prior satisfaction of the following conditions precedent (unless waived in writing by the Administrative Agent (and, if expressly indicated hereunder, the Collateral Agent) and the Lenders in their sole and absolute discretion:

(a) Execution of Credit Agreement; Loan Documents. The Administrative Agent shall have received (i) counterparts of this Agreement, executed by a Responsible Officer of each Loan Party and a duly authorized officer of each Lender, the Collateral Agent and each other party hereto, (ii) for the account of each Lender requesting a Revolving Note, a Revolving Note executed by a Responsible Officer of the Borrowers, (iii) counterparts (or reaffirmations, as applicable) of the Security Agreement, each Mortgage and any related Mortgaged Property Support Document (if applicable) and each other Collateral Document, executed by a Responsible Officer of the applicable Loan Parties and a duly authorized officer of each other party thereto, as applicable, and (iv) counterparts (or reaffirmations, as applicable) of any other Loan Document, executed by a Responsible Officer of the applicable Loan Party and a duly authorized officer of each other party thereto. Each Loan Document shall be satisfactory in form and substance to the Administrative Agent, the Collateral Agent and the Lenders and shall have been duly authorized, executed and delivered by the parties thereto.

(b) Officer's Certificate. The Administrative Agent shall have received a certificate of a Responsible Officer of each Loan Party (in substantially the form of Exhibit J attached hereto) dated the Closing Date, attaching and certifying as true, correct and complete: (i) the Organization Documents of each Loan Party (which, to the extent filed with a Governmental Authority, shall be certified as of a recent date by such Governmental Authority), (ii) the resolutions or other authorizations of the governing body of each Loan Party certified as being in full force and effect on the Closing Date, authorizing the execution, delivery and performance of this Agreement and the other Loan Documents (to the extent such documents are to be executed as of the Closing Date) and any instruments or agreements required hereunder or thereunder, (iii) a certificate of good standing, existence or its equivalent of each Loan Party certified as of a recent date by the appropriate Governmental Authority and (iv) the incumbency (including specimen signatures) of the Responsible Officers of each Loan Party.

(c) Legal Opinions of Counsel. The Administrative Agent shall have received an opinion or opinions of counsel for the Loan Parties, dated the Closing Date and addressed to the

Administrative Agent and the Lenders, in form and substance acceptable to the Administrative Agent.

(d) Personal Property Collateral. The Collateral Agent shall have received, in form and substance satisfactory to the Collateral Agent and, in the case of clause (i)(C) of this Section 4.01(d), in form and substance reasonably satisfactory to the Collateral Agent:

(i) (A) searches of UCC filings of a recent date before the Closing Date in the jurisdiction of incorporation or formation, as applicable, of each Loan Party and each jurisdiction where a filing would need to be made in order to perfect the Collateral Agent's security interest in the Collateral, copies of the financing statements on file in such jurisdictions, evidence that no Liens exist other than Permitted Liens and evidence that all Liens contemplated by the Collateral Documents to be created and perfected in favor of the Collateral Agent as of the Closing Date shall have been perfected, recorded and filed in the appropriate jurisdictions and shall have a first priority interest in such Collateral, subject to Permitted Liens that, pursuant to the applicable Laws, are entitled to a higher priority than the Lien of the Collateral Agent, (B) lien and bankruptcy searches of a recent date before the Closing Date and (C) judgment searches of a recent date before the Closing Date; and

(ii) to the extent required to be delivered pursuant to the terms of the Collateral Documents, all instruments, documents and chattel paper in the possession of any of the Loan Parties, together with allonges or assignments as may be necessary or appropriate to perfect the Collateral Agent's and the Lenders' security interest in the Collateral.

(e) Liability, Property, Terrorism and Business Interruption Insurance. The Administrative Agent shall have received copies of insurance policies (with premiums, rates and other proprietary information redacted), declaration pages as they become available, certificates, and endorsements of insurance or insurance binders (with premiums, rates and other proprietary information redacted) in cases where insurance policies evidencing the Loan Parties' most recent insurance programs are not yet available, evidencing liability, casualty, property, terrorism and business interruption insurance meeting the requirements set forth herein or in the Collateral Documents or as required by the Administrative Agent. The Loan Parties shall have delivered to the Administrative Agent and the Collateral Agent an Authorization to Share Insurance Information in substantially the form of Exhibit O (or such other form as required by each of the Loan Parties' insurance companies).

(f) Solvency Certificate. The Administrative Agent shall have received a Solvency Certificate signed by a Responsible Officer that is the chief financial officer of the Borrowers, or any other financial officer of the Borrowers having substantially the same authority and responsibility as a chief financial officer, as to the financial condition, solvency and related matters of the Borrowers and their Subsidiaries on a Consolidated basis, after giving effect to the initial borrowings under the Loan Documents and the other transactions contemplated hereby.

(g) Financial Condition Certificate. The Administrative Agent shall have received a certificate or certificates executed by a Responsible Officer of the Borrowers as of the Closing Date, as to certain financial and other matters, substantially in the form of Exhibit N.

(h) Material Contracts. The Administrative Agent or its counsel shall have received true and complete copies, certified by a Responsible Officer of the Borrowers as true and complete, of all Material Contracts, together with all exhibits and schedules.

(i) Loan Notice. The Administrative Agent shall have received a Loan Notice with respect to any Loans to be made on the Closing Date.

(j) Existing Indebtedness. All of the existing Indebtedness for borrowed money of the Borrowers and their Subsidiaries (other than Excluded Subsidiaries), including the Existing Credit Agreement and other than Indebtedness permitted to exist pursuant to Section 7.02, shall be repaid in full with the proceeds of the Facility, all commitments (if any) in respect thereof shall be terminated and all guarantees (if any) thereof and all security interests related thereto shall be terminated on or prior to the Closing Date, and the Administrative Agent shall have received evidence reasonably satisfactory to it of the same. After giving effect to the foregoing and the initial borrowings under this Agreement, the Borrowers and their Subsidiaries (other than the Excluded Subsidiaries) shall have outstanding no Indebtedness other than (x) the Credit Extensions under the Facility and (y) other Indebtedness permitted to exist under this Agreement.

(k) Consents. All consents and approvals of the governing bodies and equity owners of the Loan Parties, Governmental Authorities and third parties necessary in connection with the entering into of this Agreement and the other Loan Documents shall have been obtained.

(l) Fees and Expenses. The Administrative Agent, the Collateral Agent, the Lenders and their respective counsel and consultants shall have received all fees and expenses (including, but not limited to, the fees pursuant to the Fee Letter and Section 2.08) required to be paid to or deposited with such parties hereunder, and under any other separate agreement with such parties, and all taxes, fees and other costs payable in connection with the execution, delivery and filing of the documents and instruments required to be filed as a condition precedent pursuant to this Section 4.01, shall have been paid, or will be paid concurrently on the Closing Date, in full, or, in connection with such taxes, fees (other than fees payable to the Lenders, the Administrative Agent or the Collateral Agent) and costs, the Borrowers shall have made other arrangements acceptable to the Administrative Agent, the Collateral Agent or the Lenders in their respective sole discretion.

(m) Borrowing Base Certificate. The Administrative Agent, the Collateral Agent and the Lenders shall have received a completed Borrowing Base Certificate together with a Back-Log Spreadsheet and a Take-Out Spreadsheet and other supporting information, each prepared as of the Closing Date, duly certified by the chief executive officer, chief financial officer, treasurer or controller of the Borrowers or other such Responsible Officer authorized in writing to execute the Borrowing Base Certificate by one of the aforementioned Persons.

(n) Financial Statements. The Administrative Agent and the Lenders shall have received (i) U.S. GAAP audited Consolidated balance sheets of Sunrun and related statements of income, stockholders' equity and cash flows for the 2012, 2013 and 2014 fiscal years (and, to the extent available, the related unaudited consolidating financial statements) and (ii) U.S. GAAP unaudited consolidated and (to the extent available) consolidating balance sheets of Sunrun and related statements of income, stockholders' equity and cash flows for each subsequent fiscal quarter ended

at least forty-five (45) days before the Closing Date, which financial statements, in each case, shall be in form and substance satisfactory to the Administrative Agent and the Lenders and shall not be materially inconsistent with the financial statements or forecasts previously provided to the Administrative Agent.

(o) PATRIOT Act. The Administrative Agent and the Lenders shall have received, at least five (5) Business Days prior to the Closing Date, all such documentation and information requested by each of them that is necessary (including the name and addresses of the Loan Parties, taxpayer identification forms, name of officers/board members, documents and copies of government-issued identification of the Loan Parties or owners thereof) for the Administrative Agent and the Lenders to identify the Loan Parties in accordance with the requirements of the PATRIOT Act (including the "know your customer" and similar regulations thereunder).

(p) FPA and PUHCA Litigation. No action, suit, proceeding or investigation shall have been instituted or, to the Loan Parties' knowledge, threatened in writing, nor shall any order, judgment or decree have been issued or, to the Loan Parties' knowledge, proposed to be issued by any Governmental Authority that, solely as a result of entering into the Loan Documents, would cause or deem (i) the Administrative Agent, the Collateral Agent or any Lender or any Affiliate of any of them to be subject to, or not exempted from, regulation under the FPA or PUHCA, any financial, organizational or rate regulation as a "public utility" under relevant state laws, or under any other state laws and regulations respecting the rates or the financial or organizational regulation of electric utilities; or (ii) the Borrowers to be subject to, or not exempted from, regulation under the FPA, any financial, organizational or rate regulation as a "public utility" under relevant state laws, under any other state laws and regulations respecting the rates or the financial or organizational regulation of electric utilities and under PUHCA, other than regulation under Section 1265 of PUHCA and regulations applicable to "exempt wholesale generators" or "foreign utility companies" under Section 1262(6) of PUHCA.

(q) No Material Adverse Effect. There shall not have occurred since December 31, 2013 any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect.

(r) Representations and Warranties. Each representation and warranty set forth in Article V is true and correct in all respects on the Closing Date (unless such representation or warranty relates solely to an earlier date, in which case it shall have been true and correct in all respects as of such earlier date).

(s) No Default. No Default has occurred and is continuing.

(t) No Litigation. Other than as set forth on Schedule 4.01(t), no action, suit, proceeding or investigation that could reasonably be expected to have a Material Adverse Effect shall have been instituted or, to the knowledge of the Loan Parties, threatened in writing against any of the Loan Parties in any court or before any arbitrator or Governmental Authority.

(u) Other Documents. Such other documents as the Administrative Agent, the Collateral Agent and the Lenders shall reasonably request, in form and substance satisfactory to the

Administrative Agent, the Collateral Agent and the Lenders, if the Administrative Agent, the Collateral Agent or the Lenders have a reasonable concern that any condition precedent in this Section 4.01 has not been satisfied, including a breach of any covenant or representation and warranty in this Agreement.

Without limiting the generality of the provisions of the last paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

Section 4.02 Conditions to all Credit Extensions.

The obligation of each Lender and the L/C Issuer to honor any Request for Credit Extension is subject to the following conditions precedent:

(a) Representations and Warranties. The representations and warranties of the Borrowers and each other Loan Party contained in this Agreement or any other Loan Document, shall (i) with respect to representations and warranties that contain a materiality qualification, be true and correct in all respects, and (ii) with respect to representations and warranties that do not contain a materiality qualification, be true and correct in all material respects, in each case, on and as of the date of such Credit Extension (or if such representations and warranties expressly relate to an earlier date, as of such earlier date), and except that for purposes of this Section 4.02, the representations and warranties contained in Sections 5.05(a) and (b) shall be deemed to refer to the most recent statements furnished pursuant to Sections 6.01(a) and (b), respectively. The Loan Parties shall have delivered to the Administrative Agent a Schedule (updated for changes since the last such Schedule delivered to the Administrative Agent), with any material and adverse modifications to such previously delivered Schedule subject to the approval of the Administrative Agent. For all purposes of this Agreement, including for purposes of determining whether the conditions in Article IV have been fulfilled, the Schedules shall be deemed to include only that information contained therein on the date hereof and shall be deemed to exclude all information contained in any supplement or amendment to the Schedules, but if acknowledged by the Administrative Agent, then all matters disclosed pursuant to any such supplement or amendment at the applicable date of acknowledgement shall be waived and none of the Secured Parties shall be entitled to make a claim thereon pursuant to the terms of this Agreement.

(b) Default; Borrowing Base Deficiency; NYGB Borrowing Base Deficiency. No Default or Borrowing Base Deficiency shall exist as of the date of such Credit Extension, or would result from such proposed Credit Extension or from the application of the proceeds thereof. Solely with respect to NYGB's obligation to honor the applicable Request for Credit Extension, no NYGB Borrowing Base Deficiency shall exist as of the date of such Credit Extension, or would result from such proposed Credit Extension.

(c) Request for Credit Extension. The Administrative Agent and, if applicable, the L/C Issuer shall have received a Request for Credit Extension in accordance with the requirements hereof.

(d) Collateral. To the extent not previously delivered to the Collateral Agent in connection with the Closing Date or a prior Credit Extension, as the case may be, duly executed additional Collateral Documents, if any, in connection with the requested Credit Extension shall be delivered to the Collateral Agent. All Liens contemplated by such Collateral Documents to be created and perfected in favor of the Collateral Agent shall have been perfected, recorded and filed in the appropriate jurisdictions.

(e) Material Adverse Effect. Both immediately prior to the making of any Credit Extension and also after giving effect to, and to the intended use of, such Credit Extension, no Material Adverse Effect shall have occurred or is continuing since the date of the last Audited Financials.

(f) Field Examination. A field examination shall have been conducted on behalf of the Collateral Agent with results reasonably satisfactory to the Collateral Agent.

Each Request for Credit Extension submitted by the Borrowers shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Each Loan Party represents and warrants to the Administrative Agent, the Collateral Agent and the Lenders, as of the date made or deemed made, that:

Section 5.01 Existence, Qualification and Power.

Each Loan Party (a) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect. The copy of the Organization Documents of each Loan Party provided to the Administrative Agent pursuant to the terms of this Agreement is a true and correct copy of each such document, each of which is valid and in full force and effect.

Section 5.02 Authorization; No Contravention.

The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is or is to be a party have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Person's Organization Documents; (b) cause conflict with, or result in any breach or contravention of, any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries that could reasonably be expected to have a Material Adverse Effect; (c) result in the creation of any Lien under, or require any payment to be made under, (i) any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (d) violate any Law.

Section 5.03 Governmental Authorization; Other Consents.

No 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 (a) the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document, (b) the grant by any Loan Party of the Liens granted by it pursuant to the Collateral Documents, (c) the perfection or maintenance of the Liens created under the Collateral Documents (including the first priority nature thereof) or (d) 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 the Collateral Documents, other than (i) authorizations, approvals, actions, notices and filings which have been duly obtained and (ii) filings to perfect the Liens created by the Collateral Documents.

Section 5.04 Binding Effect.

This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principals of equity.

Section 5.05 Financial Statements; No Material Adverse Effect.

(a) Audited Financial Statements. The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present the financial condition of the Borrowers and their Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (iii) show all material indebtedness and other liabilities, direct or contingent, of the Borrowers and their Subsidiaries as of the date thereof, including liabilities for taxes, material commitments and Indebtedness.

(b) Quarterly Financial Statements. The most recently delivered unaudited Consolidated balance sheet of Sunrun, and the related Consolidated statements of income or operations and cash flows for the fiscal quarter ended on that date (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present the financial condition of the Borrowers and their Subsidiaries as of the date thereof and their results of operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(c) Undisclosed Liabilities. No Borrower or any Subsidiary thereof has any direct or contingent material liabilities that are required to be disclosed pursuant to GAAP, except as has been disclosed in the financial statements described in this Section 5.05(a) and (b) or otherwise disclosed in writing to the Administrative Agent prior to the date hereof.

(d) Material Adverse Effect. Since the date of the Audited Financial Statements (and, in addition, after delivery of the most recent annual audited financial statements of Sunrun in accordance with the terms hereof, since the date of such annual audited financial statements), there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

Section 5.06 Litigation.

Except as set forth on Schedule 5.06, there are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Loan Parties after due inquiry, threatened or contemplated, at law, in equity, in court or arbitration or before any Governmental Authority, by or against any Borrower or any Subsidiary thereof or against any of their properties or revenues that (a) purport to materially affect this Agreement or any other Loan Document or any of the transactions contemplated hereby, or (b) either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

Section 5.07 No Default, Borrowing Base Deficiency or NYGB Borrowing Base Deficiency.

Neither any Borrower nor any Subsidiary thereof is in default under or with respect to, or a party to, any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document. No Borrowing Base Deficiency exists or would result from the consummation of the transactions contemplated by this Agreement. Solely with respect to NYGB's obligation to honor any Request for Credit Extension, no NYGB Borrowing Base Deficiency exists as of the date of any such proposed Credit Extension, or would result from any such proposed Credit Extension.

Section 5.08 Ownership of Property.

Each Loan Party has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for

such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 5.09 Environmental Compliance.

(a) The Borrowers and their respective Subsidiaries conduct in the ordinary course of business a review of the effect of existing Environmental Laws and claims alleging potential liability or responsibility for violation of any Environmental Law on their respective businesses, operations and properties, and as a result thereof the Borrowers and their Subsidiaries have concluded that such Environmental Laws and claims could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) (i) None of the properties currently or formerly owned or operated by any Borrower or any of its Subsidiaries is listed or proposed for listing on the NPL or on the CERCLIS or any analogous foreign, state or local list or is adjacent to any such property; (ii) there are no and never have been any underground or above-ground storage tanks or any surface impoundments, septic tanks, pits, sumps or lagoons in which Hazardous Materials are being or have been treated, stored or disposed on any property currently owned or operated by any Borrower or any of its Subsidiaries or, to the knowledge of the Loan Parties, on any property formerly owned or operated by any Borrower or any of its Subsidiaries; (iii) there is no asbestos or asbestos-containing material on any property currently owned or operated by any Borrower or any of its Subsidiaries; and (iv) Hazardous Materials have not been Released on, under, in or from any property currently or formerly owned or operated by any Borrower or any of its Subsidiaries.

(c) Neither any Borrower nor any of its Subsidiaries is undertaking, or has completed, either individually or together with other potentially responsible parties, any investigation or assessment or remedial or response action relating to any actual or threatened Release, of Hazardous Materials at any site, location or operation that would reasonably be expected to have a Material Adverse Effect; all Hazardous Materials generated, used, treated, handled or stored at, or transported to or from, any property currently or formerly owned or operated by any Borrower or any of its Subsidiaries have been disposed of in a manner not reasonably expected to result in material liability to any Borrower or any of its Subsidiaries; and Borrower or any of its Subsidiaries have not received any request for information pursuant to Section 104(e) of CERCLA.

Section 5.10 Insurance.

The properties of the Loan Parties are insured with an independent third-party insurer that is rated at least "A" by A.M. Best Company, in such amounts (after giving effect to any self-insurance compatible with the following standards), with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the applicable Loan Party operates. The general liability, casualty and property insurance coverage of the Loan Parties as in effect on the Closing Date, and as of the last date such Schedule was required to be updated in accordance with Section 6.07, is outlined as to carrier, policy number, expiration date, type, amount and deductibles on Schedule 5.10 and such insurance coverage complies with the requirements set forth in this Agreement and the other Loan Documents.

Section 5.11 Taxes.

Each Loan Party has filed all federal, state and other material tax returns and filings required to be filed and has paid all federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against any Loan Party that would, if made, have a Material Adverse Effect, nor is there any tax sharing agreement applicable to the Loan Parties that could reasonably be expected to result in a Material Adverse Effect.

Section 5.12 ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other federal or state laws. Each Plan that is intended to be a qualified plan under Section 401(a) of the Code has received a favorable determination letter or is subject to a favorable opinion letter from the IRS to the effect that the form of such Plan is qualified under Section 401(a) of the Code and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under Section 501(a) of the Code, or an application for such a letter is currently being processed by the IRS. To the knowledge of the Loan Parties, nothing has occurred that would prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the knowledge of the Loan Parties, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) (i) No ERISA Event has occurred, and no Loan Party nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; (ii) the Loan Parties and each ERISA Affiliate have met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) as of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in Section 430(d)(2) of the Code) is 60% or higher and no Loan Party or any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60% as of the most recent valuation date; (iv) no Loan Party or any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (v) neither the Loan Parties nor any ERISA Affiliate have engaged in a transaction that could be subject to Section 4069 or Section 4212(c) of ERISA; and (vi) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

(d) Neither the Loan Parties nor any ERISA Affiliate sponsors, maintains, participates in, contributes to, or has any unsatisfied obligation to contribute to, or liability under, any active or terminated Pension Plan or Multiemployer Plan.

Section 5.13 Margin Regulations; Investment Company Act.

(a) Margin Regulations. The Loan Parties are not engaged and will not engage, principally or as one of their important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulations T, U or X issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock. Following the application of the proceeds of each Borrowing or drawing under each Letter of Credit, not more than 25% of the value of the assets (either of the Borrowers only or of the Borrowers and their Subsidiaries on a Consolidated basis) subject to the provisions of Section 7.01 or Section 7.05 or subject to any restriction contained in any agreement or instrument between any Loan Party and any Lender or any Affiliate of any Lender relating to Indebtedness and within the scope of Section 8.01(e) will be margin stock.

(b) Investment Company Act. None of the Borrowers, any Person Controlling the Borrowers, or any Subsidiary of the Borrowers is or is required to be registered as an "investment company" under the Investment Company Act.

Section 5.14 Disclosure.

The Loan Parties have disclosed to the Administrative Agent and the Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries or any other Loan Party is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. No report, financial statement, certificate or other information furnished (whether in writing or orally) by or on behalf of any Loan Party to the Administrative Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, each Loan Party represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

Section 5.15 Compliance with Laws.

Each Borrower and each Subsidiary thereof is in compliance with the requirements of all Laws, including, without limitation, all Anti-Terrorism Laws and Environmental Laws, and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

Section 5.16 Solvency.

The Borrowers, together with their Subsidiaries, on a Consolidated basis are Solvent.

Section 5.17 Casualty, Etc.

Neither the businesses nor the properties of any Loan Party or any of its Subsidiaries are affected by any fire, explosion, accident, strike, lockout or other labor dispute, drought, storm, hail, earthquake, embargo, act of God or of the public enemy or other casualty (whether or not covered by insurance) that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 5.18 Sanctions Concerns.

No Borrower, or any Subsidiary thereof, or, to the knowledge of the Borrowers and their Subsidiaries, any director, officer, employee, agent, Affiliate or representative thereof, is an individual or entity currently the subject of any Sanctions, nor is any Borrower or any Subsidiary thereof located, organized or resident in a Designated Jurisdiction.

Section 5.19 Responsible Officers.

Set forth on Schedule 1.01(c) are the Responsible Officers of the Loan Parties, holding the offices indicated next to their respective names, as of the Closing Date and as updated thereafter to reflect the resignation of any Responsible Officer or the appointment of any replacement or additional Responsible Officer subsequent thereto. Such Responsible Officers are the duly elected and qualified officers of such Loan Party and are duly authorized to execute and deliver, on behalf of the respective Loan Party, this Agreement, the Revolving Notes and the other Loan Documents.

Section 5.20 Subsidiaries; Equity Interests; Loan Parties.

(a) Subsidiaries, Partnerships and Equity Investments. Set forth on Schedule 5.20(a) is the following information which is true and complete in all respects as of the Closing Date and as updated thereafter to reflect the formation or acquisition of any additional Subsidiary, Project Fund, Excluded Subsidiary, partnership or other equity investment of the Loan Parties subsequent thereto: (i) a complete and accurate list of all Subsidiaries, Project Funds, Excluded Subsidiaries, partnerships and other equity investments of the Loan Parties, (ii) the number of shares of each class of Equity Interests in each Subsidiary outstanding, (iii) the number and percentage of outstanding shares of each class of Equity Interests owned by the Loan Parties and their Subsidiaries and (iv) the class or nature of such Equity Interests (e.g., voting, non-voting, preferred, etc.). The outstanding Equity Interests in all Subsidiaries are validly issued, fully paid and non-assessable and are owned free and clear of all Liens. There are no outstanding subscriptions, options, warrants, calls, rights or other agreements or commitments (other than stock options granted to employees or directors and directors' qualifying shares) of any nature relating to the Equity Interests of any Loan Party, except as contemplated in connection with the Loan Documents.

(b) Loan Parties. Set forth on Schedule 5.20(b) is a complete and accurate list of all Loan Parties, showing as of the Closing Date, and as updated thereafter to reflect the formation or acquisition of any additional Loan Party subsequent thereto, (as to each Loan Party) (i) the exact legal name, (ii) any former legal names of such Loan Party in the four (4) months prior to the Closing Date or update, as applicable, (iii) the jurisdiction of its incorporation or organization, as applicable, (iv) the type of organization, (v) the jurisdictions in which such Loan Party is qualified to do business, (vi) the address of its chief executive office, (vii) the address of its principal place of business, (viii) its U.S. federal taxpayer identification number or, in the case of any non-U.S. Loan Party that does not have a U.S. taxpayer identification number, its unique identification number issued to it by the jurisdiction of its incorporation or organization, (ix) the organization identification number, (x) ownership information (e.g., publicly held or if private or partnership, the owners and partners of each of the Loan Parties) and (xi) the industry or nature of business of such Loan Party.

Section 5.21 Collateral Representations.

(a) Collateral Documents. The provisions of the Collateral Documents and the filings of any necessary UCC filings are collectively effective to create in favor of the Collateral Agent for the benefit of the Secured Parties a legal, valid and enforceable first priority Lien (subject to Permitted Liens) on all right, title and interest of the respective Loan Parties in the Collateral described therein. Except for filings completed prior to the Closing Date and as contemplated hereby and by the Collateral Documents, no filing or other action will be necessary to perfect or protect such Liens to the extent such Liens can be perfected by filing of a UCC filing.

(b) [Reserved].

(c) Documents, Instrument, and Tangible Chattel Paper. Set forth on Schedule 5.21(c), as of the Closing Date and as updated thereafter to reflect the acquisition of Collateral subsequent thereto, is a description of all Documents (as defined in the UCC), Instruments (as defined in the UCC), and Tangible Chattel Paper (as defined in the UCC) of the Loan Parties (including the Loan Party owning such Document, Instrument and Tangible Chattel Paper and such other information as reasonably requested by the Administrative Agent), in each case, with a face amount in excess of $1,000,000.

(d) Deposit Accounts, Electronic Chattel Paper, Letter-of-Credit Rights, and Securities Accounts.

(i) Set forth on Schedule 5.21(d)(i), as of the Closing Date and as updated thereafter to reflect the acquisition of Collateral subsequent thereto, is a description of all Deposit Accounts (as defined in the UCC) and Securities Accounts (as defined in the UCC) of the Loan Parties, including the name of (A) the applicable Loan Party, (B) in the case of a Deposit Account, the depository institution and average amount held in such Deposit Account and whether such account is a ZBA account or a payroll account, and (C) in the case of a Securities Account, the Securities Intermediary (as defined in the UCC) or issuer and the average aggregate market value held in such Securities Account, as applicable.

(ii) Set forth on Schedule 5.21(d)(ii), as of the Closing Date and as updated thereafter to reflect the acquisition of Collateral subsequent thereto, is a description of all Electronic Chattel Paper and Letter of Credit Rights of the Loan Parties, including the name of (A) the applicable Loan Party, (B) in the case of Electronic Chattel Paper, the account debtor and (C) in the case of Letter-of-Credit Rights, the issuer or nominated person, as applicable.

(e) Commercial Tort Claims. Set forth on Schedule 5.21(e), as of the Closing Date and as updated thereafter to reflect the acquisition of Collateral subsequent thereto, is a description of all Commercial Tort Claims (as defined in the UCC) for which the Loan Parties are a claimant (detailing such Commercial Tort Claim in such detail as reasonably requested by the Administrative Agent).

(f) Pledged Equity Interests. Set forth on Schedule 5.21(f), as of the Closing Date and as updated thereafter to reflect the acquisition of Collateral subsequent thereto, is a list of (i) all Pledged Equity and (ii) all other Equity Interests required to be pledged to the Collateral Agent pursuant to the Collateral Documents (in each case, detailing the Grantor (as defined in the Security Agreement), the Person whose Equity Interests are pledged, the number of shares of each class of Equity Interests, the certificate number and percentage ownership of outstanding shares of each class of Equity Interests and the class or nature of such Equity Interests (e.g., voting, non-voting, preferred, etc.).

(g) Properties. Set forth on Schedule 5.21(g)(i), as of the Closing Date and as updated thereafter to reflect the acquisition of Collateral subsequent thereto, is a list of all Mortgaged Properties (including (i) the name of the Loan Party owning such Mortgaged Property, (ii) the number of buildings located on such Mortgaged Property, (iii) the property address, and (iv) the city, county, state and zip code which such Mortgaged Property is located). Set forth on Schedule 5.21(g)(ii), as of the Closing Date and as of the last date such Schedule was required to be updated in accordance with Section 6.02, is a list of (A) each headquarter location of the Loan Parties, (B) each other location where any significant administrative or governmental functions are performed, (C) each other location where the Loan Parties maintain any books or records (electronic or otherwise) and (D) each location where any personal property Collateral is located at any premises owned or leased by a Loan Party with a Collateral value in excess of $1,000,000 (in each case, including (1) an indication if such location is leased or owned, (2), if leased, the name of the lessor, and if owned, the name of the Loan Party owning such property, (3) the address of such property (including, the city, county, state and zip code) and (4) to the extent owned, the approximate fair market value of such property).

(h) Material Contracts. Set forth on Schedule 5.21(h), as of the Closing Date and as updated thereafter to reflect the entering into of any Material Contract subsequent thereto, is a complete and accurate list of all Material Contracts of the Borrowers and their Subsidiaries.

(i) Borrowing Base Certificate. All information and calculations set forth on each Borrowing Base Certificate delivered to the Administrative Agent and the Collateral Agent pursuant to Section 6.02(m) are true and correct as of the date reflected therein.

Section 5.22 Intellectual Property; Licenses, Etc.

Each Loan Party owns, or possesses the right to use, all of the trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other Intellectual Property rights that are necessary for the operation of their respective businesses, without conflict with the rights of any other Person. To the knowledge of the Loan Parties, no slogan or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed, by any Loan Party infringes upon any rights held by any other Person.

Section 5.23 Labor Matters.

There are no collective bargaining agreements or Multiemployer Plans covering the employees of the Borrowers or any of their Subsidiaries as of the Closing Date and the Borrowers and their Subsidiaries have not suffered any strikes, walkouts, work stoppages or other material labor difficulty within the last five (5) years preceding the Closing Date, which has resulted in a Material Adverse Effect.

Section 5.24 [Reserved].

Section 5.25 Immaterial Subsidiaries.

Each of the Borrowers' Immaterial Subsidiaries has no material assets or material liabilities.

Section 5.26 Government Regulation.

(a) None of the Administrative Agent, the Collateral Agent, the Lenders or any affiliate of any of them will, solely as a result of the execution, delivery and performance by them of the Loan Documents, be subject to, or not exempt from, regulation under the FPA or PUHCA, or financial, organizational or rate regulation as a "public utility," an "electric utility," a "holding company" or similar term(s) under any applicable state law or any other laws and regulations respecting the rates or the financial or organizational regulation of electric utilities; provided that (A) the exercise of any remedy provided for in such Loan Documents that would result in a direct or indirect change in ownership of or control over either any Loan Party or its respective FERC jurisdictional facilities may require prior approval by FERC under Section 203 of the FPA; and (B) following such change in ownership or control, an entity that directly or indirectly owns or controls such Loan Party, or owns or operates one or more of the Projects, may be subject to regulation under the FPA, PUHCA, or to state law or regulation as a "public utility".

(b) None of the Loan Parties is and will not, solely as a result of the ownership or operation of the Projects, the sale of electricity therefrom or the entering into any Loan Document or any transaction contemplated hereby or thereby, be or become subject to, or not exempt from, regulation as a (A) a "public utility" under the FPA, or (B) a "holding company" within the meaning of Section 1262(8) of PUHCA other than as a "holding company" of one or more QFs, "exempt wholesale generators" or "foreign utility companies" under Section 1262(6) of PUHCA. None of the Loan Parties is subject to regulation under any Law as to securities, rates or financial or organizational matters of electric utilities that would preclude the incurrence or repayment of the

principal of or interest on any Loans, or the incurrence by the Loan Parties of any of the Obligations or the execution, delivery and performance by such Person of the Loan Documents to which it is party. None of the Loan Parties is subject to financial, organizational or rate regulation as a "public utility," "electric utility," or similar term, by public utilities commissions or similar agencies in the relevant state. No authorization, approval, certification, notice or filing is required by or with FERC or the public utility commissions or similar agencies in the relevant state for 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, except for any filings with or approvals by FERC required to obtain or maintain the QF status of a Project, and except as may be required as the result of the exercise of remedies under the Loan Documents.

Section 5.27 Anti-Terrorism Laws.

None of the Borrowers and their Subsidiaries and, to the knowledge of the Borrowers and their Subsidiaries, any director, officer, employee, agent, Affiliate or representative thereof (i) is named on any list of persons, entities, and governments issued by OFAC pursuant to Executive Order 13224 – Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, as in effect on the date hereof, or any similar list issued by OFAC (collectively, the "OFAC Lists"); (ii) is a person or entity determined by the Secretary of the Treasury pursuant to Executive Order 13224 to be owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services of any kind to, or otherwise associated with any of the persons or entities referred to or described in the OFAC Lists. None of the Borrowers and their Subsidiaries, to each of their knowledge, has conducted business with or engaged in any transaction with any person or entity identified in clause (i) or (ii) of the preceding sentence or otherwise in violation of any Anti-Terrorism Laws.

Section 5.28 PATRIOT Act.

None of the transactions contemplated hereby will violate (i) the United States Trading with the Enemy Act (12 U.S.C. 95a and 12 U.S.C. 95b, as amended), (ii) any of the foreign assets control regulations of the United States Treasury Department (31 C.F.R., Subtitle B, Chapter V, as amended) or any enabling legislation or executive order relating thereto (as amended, the "Department of Treasury Rule"), (iii) Executive Order No. 13,224, 66 Fed Reg 49,079 (2001), issued by the President of the United States (Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit or Support Terrorism) (as amended, the "Terrorism Order") or (iv) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001, Public Law 107-56 (October 26, 2001), as amended (the "PATRIOT Act"); (ii) none of the Borrowers and their Subsidiaries and Affiliates is a "blocked person" as described in Section 1 of the Terrorism Order or a Person described in the Department of the Treasury Rule; and (iii) none of the Borrowers and their Subsidiaries and Affiliates knowingly engages in any dealings or transactions, or is otherwise associated, with any such "blocked person" or any such Person described in the Department of Treasury Rule.

Section 5.29 No Ownership/Use by Disqualified Persons.

No Borrower or any of its Subsidiaries that directly or indirectly holds an interest in a Project for which an ITC or accelerated depreciation is included in the Borrowing Base is a Disqualified Person. No Project for which an ITC or accelerated depreciation is included in the Borrowing Base will be used within the meaning of Section 168(h) or Section 50 of the Code by a person described in Section 168(h)(2) of the Code (including by virtue of Section 168(h)(6)(F) of the Code) or Section 50(b)(3) or (4) of the Code.

Section 5.30 Partnerships and Joint Ventures.

None of the Loan Parties is a general partner or a limited partner in any general or limited partnership, a joint venturer in any joint venture or a member in any limited liability company other than any other Loan Party or Excluded Subsidiary.

Section 5.31 Consumer Protection.

All required disclosures, consents, approvals, filings and permissions relating to consumer finance transactions and required of any Loan Party shall have been made or obtained with respect to each Project, except for those which would not individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 5.32 Hawaii Tax Credits.

The Hawaii Tax Credit is in full force and effect or all amounts in respect of Hawaii Tax Credit have been excluded from the Borrowing Base. The related Excluded Subsidiary, Tax Equity Investor, Borrower or other Subsidiary is the entity that is entitled to claim the Hawaii Tax Credit with respect to each of the Projects and solar installations for which a Credit Extension is requested hereunder. There is no Law, Contractual Obligation or provision contained in any applicable constitutional document that prohibits any Excluded Subsidiary, Project Fund or Tax Equity Investor from directing the proceeds of such rebates or tax credits to any Borrower (by distribution or otherwise) or, upon the occurrence and during the continuance of an Event of Default, to the Administrative Agent, and any related Account identified by a Borrower as an Eligible Hawaii Tax Credit Receivable is not (a) subject to any known defenses, disputes, offsets, contra accounts or counterclaims, (b) subject to any Lien or any transfer or other restrictions which could reasonably be expected to prohibit, hinder or delay distribution of the amounts represented by such Account to a Borrower or (c) excluded as ineligible by virtue of one or more of the excluding criteria (other than any Administrative Agent-discretionary criteria) set forth in the definition of Eligible Hawaii Tax Credit Receivables.

Section 5.33 Host Customer Agreements.

As to each Account that is identified by a Borrower as an Eligible Customer Upfront Payment Receivable in a Borrowing Base Certificate submitted to the Administrative Agent and the Collateral Agent, such Account is (a) to the knowledge of such Borrower, a bona fide existing payment obligation of the applicable Account Debtor created pursuant to an enforceable Host Customer

Agreement in the ordinary course of business, (b) owed to the applicable Excluded Subsidiary without any known defenses, disputes, offsets, contra accounts, counterclaims, or rights of return or cancellation, (c) subject to no Liens and to no transfer or other restrictions which could reasonably be expected to prohibit, hinder or delay distribution of the amounts represented by such Account to a Borrower and (d) not excluded as ineligible by virtue of one or more of the excluding criteria (other than any Collateral Agent-discretionary criteria) set forth in the definition of Eligible Customer Upfront Payment Receivables, except for those which would not individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 5.34 Permits.

All Applicable Permits necessary for each Project are either (i) in full force and effect or (ii) of a type that are readily obtained before such Applicable Permit is required. The Loan Parties do not have any reason to believe that any material permit of the type referred to in clause (ii) above will not be obtained in due course before it becomes an Applicable Permit. None of the Loan Parties is in violation of any Applicable Permit which violation could reasonably be expected to (A) have a Material Adverse Effect on the Loan Parties or a Project or (B) constitute a default under a Host Customer Agreement. To each Loan Party's knowledge, after due inquiry, each counterparty to a Host Customer Agreement possesses all permits, or rights thereto necessary to perform its duties under such Host Customer Agreement to which it is a party, other than those of the type that are routinely granted on application and that would not normally be obtained before the commencement of a construction or reconstruction, and, to each Loan Party's knowledge, such party is not in violation of any valid rights of others with respect to any of the foregoing.

Section 5.35 Senior Indebtedness.

The Secured Obligations constitute senior debt and sole designated senior debt under all Subordinated Debt Documents.

ARTICLE VI

AFFIRMATIVE COVENANTS

Each of the Loan Parties hereby covenants and agrees that on the Closing Date and thereafter until the Facility Termination Date, such Loan Party shall, and shall cause each of their Subsidiaries to:

Section 6.01 Financial Statements.

Deliver to the Administrative Agent for distribution to each Lender, in form and detail satisfactory to the Administrative Agent and the Lenders:

(a) Audited Financial Statements. As soon as available, but in any event within one hundred twenty (120) days after the end of each fiscal year of Sunrun, a Consolidated balance sheet of Sunrun as at the end of such fiscal year, and the related Consolidated statements of income or operations, changes in shareholders' equity and cash flows of Sunrun for such fiscal year, setting

forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail and prepared in accordance with GAAP, such Consolidated statements to be audited and accompanied by a report and opinion of an independent certified public accountant of nationally recognized standing reasonably acceptable to the Administrative Agent, which report and opinion shall be prepared in accordance with generally accepted auditing standards and shall not be subject to any "going concern" or like qualification or exception or any qualification or exception as to the scope of such audit.

(b) Quarterly Financial Statements. As soon as available, but in any event within sixty (60) days after the end of each of the first three fiscal quarters of each fiscal year of Sunrun, a Consolidated balance sheet and the related Consolidated statements of Sunrun, as at the end of such fiscal quarter, of income or operations and cash flows for the portion of Sunrun's fiscal year then ended, which Consolidated statements shall also set forth in comparative form, (A) in the case of the Consolidated balance sheet, either the figures for the prior fiscal quarter of the current fiscal year or the figures for the prior fiscal year ended, (B) in the case of the Consolidated statement of income or operations, the figures for the corresponding fiscal quarter of the previous fiscal year and, (C) in the case of the Consolidated statement of cash flows, the corresponding portion of the previous fiscal year.

All statements shall be provided in reasonable detail and prepared in accordance with GAAP and including management discussion and analysis of operating results inclusive of operating metrics in comparative form, such Consolidated statements to be certified by the chief executive officer, chief financial officer, treasurer or controller who is a Responsible Officer of Sunrun as fairly presenting the financial condition, results of operations and cash flows of Sunrun, subject only to normal year-end audit adjustments and the absence of footnotes.

(c) Megawatts Booked, Installed, Inspected and Terminated. As soon as available, but in any event within sixty (60) days after the end of each of the fiscal quarters of each fiscal year of the Borrowers, (i) an internally prepared income statement, reflecting megawatts booked, installed and inspected for such fiscal quarter and (ii) a report of megawatts terminated for such fiscal quarter.

As to any information contained in materials furnished pursuant to Section 6.02(g), the Borrowers shall not be separately required to furnish such information under Section 6.01(a) or (b), provided that the materials furnished pursuant to Section 6.02(g) are delivered to the Administrative Agent within the times specified in Section 6.01(a) or (b), as applicable.

Section 6.02 Certificates; Other Information.

Deliver to the Administrative Agent for distribution to each Lender (and, in the case of Sections 6.02(c) and (m), to the Collateral Agent), in form and detail satisfactory to the Administrative Agent and the Required Lenders (and, in the case of Sections 6.02(c) and (m), the Collateral Agent):

(a) Accountants' Certificate. Concurrently with the delivery of the financial statements referred to in Section 6.01(a), a certificate of its independent certified public accountants certifying such financial statements.

(b) Compliance Certificate. Concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and (b), (i) a duly completed Compliance Certificate signed by the chief executive officer, chief financial officer, treasurer or controller which is a Responsible Officer of Sunrun, and in the event of any change in generally accepted accounting principles used in the preparation of such financial statements, Sunrun shall also provide, if necessary for the determination of compliance with Section 7.11, a statement of reconciliation conforming such financial statements to GAAP, and (ii) a copy of management's discussion and analysis with respect to such financial statements.

(a) Appraisals. As soon as each Appraisal is available, a copy of each such Appraisal.

(b) Calculations. Concurrently with the delivery of the Compliance Certificate referred to in Section 6.02(b) required to be delivered with the financial statements referred to in Section 6.01(a), a certificate from the Borrowers (which may be included in such Compliance Certificate) including the amount of all Restricted Payments, Investments (including Permitted Acquisitions), Dispositions and Capital Expenditures that were made during the prior fiscal year.

(c) Changes in Corporate Structure. Concurrently with the delivery of the Compliance Certificate referred to in Section 6.02(b), the Borrowers will provide notice of any change in corporate structure of any Loan Party (including by merger, consolidation, dissolution or other change in corporate structure) to the Administrative Agent, along with such other information as reasonably requested by the Administrative Agent. Provide notice to the Administrative Agent, not less than ten (10) days prior (or such extended period of time as agreed to by the Administrative Agent) of any change in any Loan Party's legal name, state of organization, or organizational existence.

(d) [Reserved].

(e) Annual Reports; Etc. Promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of Sunrun, and copies of all annual, regular, periodic and special reports and registration statements which Sunrun may file or be required to file with the SEC under Section 13 or 15(d) of the Exchange Act, or with any national securities exchange, and in any case not otherwise required to be delivered to the Administrative Agent pursuant hereto.

(f) Debt Securities Statements and Reports. Promptly after the furnishing thereof, copies of any statement or report furnished to any holder of debt securities of any Loan Party pursuant to the terms of any indenture, loan or credit or similar agreement and not otherwise required to be furnished to the Lenders pursuant to Section 6.01 or any other clause of this Section.

(g) [Reserved].

(h) Notices. Not later than five (5) Business Days after receipt thereof by any Loan Party, copies of all notices, requests and other documents (including amendments, waivers and other modifications) so received under or pursuant to any instrument, indenture, loan or credit or similar agreement of any Loan Party regarding or related to any breach or default by any party thereto or

any other event that could materially impair the value of the interests or the rights of any Loan Party or otherwise have a Material Adverse Effect and, from time to time upon request by the Administrative Agent, such information and reports regarding such instruments, indentures and loan and credit and similar agreements as the Administrative Agent may reasonably request.

(i) [Reserved].

(j) Additional Information. Subject to Section 6.10(b), promptly, (i) such additional information regarding the business, financial, legal or corporate affairs of any Borrower or any Subsidiary thereof, or compliance with the terms of the Loan Documents, as the Administrative Agent, the Collateral Agent or any Lender may from time to time reasonably request; or (ii) information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" requirements under the PATRIOT Act or other applicable anti-money laundering laws.

(k) Borrowing Base Certificate.

(i) As soon as available, but in any event within twenty (20) days after the end of each month, a Borrowing Base Certificate, together with a Back-Log Spreadsheet and a Take-Out Spreadsheet, providing, as of the end of the prior month, (A) megawatts installed, (B) megawatts added, (C) net megawatts backlog, (D) megawatts terminated, (E) the Borrowing Base, (F) the NYGB Borrowing Base, (G) the Revolving Exposure of NYGB and of each other Lender, (H) the NYGB Borrowing Base Availability, (I) the Total Outstandings, (J) the Unencumbered Liquidity, (K) any contracts that are ineligible for Tranching under any open Tax Equity Partnership (including the number, face value and reasons for rejection) and (L) such other supporting information as reasonably requested by the Administrative Agent, the Collateral Agent or the Lenders, each prepared as at the end of such month, duly certified by a Responsible Officer that is the chief executive officer, chief financial officer, treasurer or controller of the Borrowers. Notwithstanding the foregoing, in the event of a Borrowing Base Deficiency, for the period during which the Borrowing Base Deficiency exists, the Loan Parties shall deliver to the Administrative Agent, the Collateral Agent and the Lenders such Borrowing Base Certificate on a bi-weekly basis.

(ii) Within twenty (20) days after the end of each month, together with the Borrowing Base Certificate delivered pursuant to Section 6.02(m)(i) above, or more frequently as requested by the Administrative Agent, the Collateral Agent or the Required Lenders, (A) the monthly aging of the accounts receivable and accounts payable of the Loan Parties, (B) an aged listing of accounts related to the Eligible Hawaii Tax Credit Receivables, the Eligible Customer Upfront Payment Receivables, the Eligible Trade Accounts and the Eligible Project Back-Log and (C) an Inventory report.

(l) Unencumbered Liquidity. As soon as available, but in any event within fifteen (15) days after the end of each month, an Unencumbered Liquidity Certificate, prepared as at the end of such month, duly certified by the chief executive officer, chief financial officer, treasurer or controller that is a Responsible Officer of the Borrowers.

Documents required to be delivered pursuant to Section 6.01(a) or (b) or Section 6.02(g) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (a) on which the Borrowers post such documents, or provide a link thereto on the Borrowers' website on the Internet at the website address listed on Schedule 1.01(a); or (b) on which such documents are posted on the Borrowers' behalf on an Internet or intranet website, if any, to which each Lender and the Administrative Agent have access (whether a commercial, third-party website, related to an SEC filing or whether sponsored by the Administrative Agent); provided that: the Borrowers shall deliver paper copies of such documents to the Administrative Agent or any Lender upon its request to the Borrowers to deliver such paper copies. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrowers with any such request by a Lender for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrowers hereby acknowledge that (A) the Administrative Agent and/or an Affiliate thereof may, but shall not be obligated to, make available to the Lenders and the L/C Issuer materials and/or information provided by or on behalf of the Borrowers hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on Debt Domain, IntraLinks, Syndtrak or another similar electronic system (the "Platform") and (B) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Borrowers or their Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrowers hereby agree that so long as any Borrower is the issuer of any outstanding debt or Equity Interests that are registered or issued pursuant to a private offering or is actively contemplating issuing any such securities it will use commercially reasonable efforts to identify that portion of the Borrower Materials that may be distributed to the Public Lenders and that (1) all such Borrower Materials shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (2) by marking Borrower Materials "PUBLIC," such Borrower shall be deemed to have authorized the Administrative Agent, any Affiliate thereof, each Arranger, the L/C Issuer and the Lenders to treat such Borrower Materials as not containing any material non-public information (although it may be sensitive and proprietary) with respect to such Borrower or its securities for purposes of United States federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 11.07); (3) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information;" and (4) the Administrative Agent and any Affiliate thereof and each Arranger shall treat any Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Side Information." Notwithstanding the foregoing, (i) the Borrowers shall be under no obligation to mark any Borrower Materials "PUBLIC" and (ii) any materials furnished pursuant to Section 6.02(g) may be treated by the Administrative Agent and the Lenders as if the same had been marked "PUBLIC" in accordance herewith.

Section 6.03 Notices.

(a) Promptly, but in any event within three (3) Business Days of obtaining knowledge thereof, notify the Administrative Agent and each Lender of the occurrence of any Default;

(b) Promptly, but in any event within four (4) Business Days of obtaining knowledge thereof, notify the Administrative Agent and each Lender of:

(i) any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect; and

(ii) any time that a Loan Party or any Subsidiary has given to, or received from, a counterparty to a Tax Equity Commitment or Backlever Financing formal written notice under the documents governing the applicable Tax Equity Commitments or Backlever Financing stating that a default or event of default has occurred and is continuing thereunder, or has knowledge of the occurrence and continuation of such default or event of default but has not given such formal written notice; provided that such counterparty would have the right to cease funding, and has not waived such right to cease funding, if such default or event of default remains uncured; and

(c) Promptly, but in any event within two (2) Business Days of the occurrence thereof, notify the Administrative Agent and each Lender of any change in the information provided in the Beneficial Ownership Certificate that would result in a change to the list of beneficial owners identified in parts (c) or (d) of such certification.

Each notice pursuant to this Section 6.03 shall be accompanied by a statement of a Responsible Officer of the applicable Borrower setting forth details of the occurrence referred to therein and to the extent applicable, stating what action such Borrower has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

Section 6.04 Payment of Obligations.

Pay and discharge as the same shall become due and payable, all its obligations and liabilities, including (a) all tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Borrowers or any Subsidiary thereof; (b) all lawful claims which, if unpaid, would by law become a Lien upon any of their property; and (c) all Indebtedness, as and when due and payable, but subject to any subordination provisions contained in any instrument or agreement evidencing such Indebtedness; except, in each case, to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

Section 6.05 Preservation of Existence, Etc.

(a) Preserve, renew and maintain in full force and effect its legal existence and good standing under the Laws of the jurisdiction of its organization except in a transaction permitted by Section 7.04 or 7.05, except to the extent that failure to do so could not reasonably be expected to adversely affect the Administrative Agent or the Secured Parties;

(b) take all reasonable action to obtain and maintain all rights, privileges, Permits, licenses and franchises necessary or desirable in the normal conduct of its business, including all Applicable Permits, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and

(c) register or cause to be registered (to the extent not already registered) those registrable Intellectual Property rights now owned or hereafter developed or acquired by the Loan Parties, to the extent that Loan Parties, in their reasonable business judgment, deem it appropriate to so protect such Intellectual Property rights, and preserve or renew all of its registered patents, trademarks, trade names, service marks and other Intellectual Property rights, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

Section 6.06 Maintenance of Properties.

(a) Maintain, preserve and protect all of its material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted;

(b) make all necessary repairs thereto and renewals and replacements thereof except where the failure to do so could not reasonably be expected to have a Material Adverse Effect; and

(c) use the standard of care typical in the industry in the operation and maintenance of its facilities.

Section 6.07 Maintenance of Insurance.

(a) Maintenance of Insurance. With respect to the Loan Parties, maintain with an independent third-party insurer that is rated at least "A" by A.M. Best Company, reasonably satisfactory insurance with respect to its properties and business against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons, including, without limitation, (i) property terrorism insurance and (ii) flood hazard insurance on all Mortgaged Properties that are Flood Hazard Properties, on such terms and in such amounts as required by the National Flood Insurance Reform Act of 1994 or as otherwise required by the Administrative Agent.

(b) Evidence of Insurance. With respect to the Loan Parties, cause the Collateral Agent to be named as lenders' loss payable, loss payee or mortgagee, as its interest may appear, and/or additional insured with respect of any such insurance providing liability coverage or coverage in respect of any Collateral, and cause, unless otherwise agreed to by the Administrative Agent, each provider of any such insurance to agree, by endorsement upon the policy or policies issued by it or by independent instruments furnished to the Administrative Agent that it will give the Administrative Agent thirty (30) days prior written notice before any such policy or policies shall be altered or cancelled (or ten (10) days prior notice in the case of cancellation due to the nonpayment of premiums). Annually, upon expiration of current insurance coverage, the Loan Parties shall provide, or cause to be provided, to the Administrative Agent, such evidence of insurance as required by the Administrative Agent, including, but not limited to: (i) certified copies of such insurance policies,

(ii) evidence of such insurance policies (including, without limitation and as applicable, ACORD Form 28 certificates (or similar form of insurance certificate), and ACORD Form 25 certificates (or similar form of insurance certificate)), (iii) declaration pages for each insurance policy and (iv) lenders' loss payable endorsement if the Collateral Agent for the benefit of the Secured Parties is not on the declarations page for such policy. As requested by the Administrative Agent, the Loan Parties agree to deliver to the Administrative Agent and the Collateral Agent an Authorization to Share Insurance Information in substantially the form of Exhibit O (or such other form as required by each of the Loan Parties' insurance companies).

(c) Redesignation. Promptly notify the Administrative Agent of any Mortgaged Property that is, or becomes, a Flood Hazard Property.

Section 6.08 Compliance with Laws.

Comply with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its business or property, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted; or (b) the failure to comply therewith could not reasonably be expected to have a Material Adverse Effect.

Section 6.09 Books and Records.

(a) Maintain proper books of record and account, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of such Loan Party or such Subsidiary thereof, as the case may be; and

(b) maintain such books of record and account in material conformity with all applicable requirements of any Governmental Authority having regulatory jurisdiction over such Loan Party or such Subsidiary thereof, as the case may be.

Section 6.10 Inspection Rights.

(a) In addition to any field examinations, permit representatives of the Collateral Agent, or an independent third-party examiner acceptable to the Collateral Agent, at least once a calendar year to visit and inspect any of the Loan Parties' properties, to examine its and their Subsidiaries' corporate, financial and operating records, and make copies thereof or abstracts therefrom (subject to the limitation set forth in clause (b) below), and to discuss its affairs, finances and accounts with its directors, officers, and independent public accountants, all at the expense of the Loan Parties and at such reasonable times during normal business hours and as often as may be reasonably desired, upon reasonable advance notice to the Loan Parties; provided, however, subject to clause (c) below, prior to an Event of Default, the Collateral Agent shall not conduct more than one such inspection during any calendar year; and provided, further, however, that when an Event of Default exists the Collateral Agent (or any of its representatives or independent third-party examiners) may do any of the foregoing at the expense of the Loan Parties at any time during normal business hours and without advance notice.

(b) Each inspection shall include a review of the Loan Parties' books and records and other documentation to such extent as determined by the Collateral Agent to be adequate to confirm contract compliance, Tranching criteria, Project Back-Log eligibility, Available Take-Out eligibility and other information requested by the Collateral Agent. Any inspection of the Material Contracts or any other agreement affiliated with a Tax Equity Commitment shall be limited to review by the counsel of the Administrative Agent and the Collateral Agent. Such Material Contracts will not be copied, sent by mail, fax, e-mail or any other transmission, or distributed to any Lender or its counsel without the express written consent of the Borrowers.

(c) Subject to the second proviso in clause (a) above and in addition to any field examinations, the Collateral Agent may (and at the direction of a Lender shall) conduct an additional inspection during any calendar year beyond the inspection set forth in the first proviso in clause (a) above so long as (i) the results of such inspection will not result in the exercise of the Collateral Agent's discretion as set forth in Sections 2.01(b)(i) and (ii), (ii) such inspection shall be at the cost and expense of Lenders if at the time of such inspection no Event of Default exists, and (iii) the Collateral Agent designates such inspection as an "Additional Inspection".

Section 6.11 Use of Proceeds.

Use the proceeds of the Credit Extensions for general corporate purposes not in contravention of any Law, including any Anti-Terrorism Law, or of any Loan Document.

Section 6.12 [Reserved].

Section 6.13 Covenant to Guarantee Obligations.

The Loan Parties will cause each of their Subsidiaries whether newly formed, after acquired or otherwise existing to promptly (and in any event within thirty (30) days after such Subsidiary is formed or acquired (or such longer period of time as agreed to by the Administrative Agent in its reasonable discretion)) become a Guarantor hereunder by way of execution of a Joinder Agreement; provided, however, no Subsidiary formed with the intent of becoming an Excluded Subsidiary that meets the requirements to be an Excluded Subsidiary shall be required to become a Guarantor. In connection therewith, the Loan Parties shall give notice to the Administrative Agent within thirty (30) days (or such longer period of time as agreed to by the Administrative Agent in its reasonable discretion) after creating a Subsidiary or acquiring the Equity Interests of any other Person. In connection with the foregoing, the Loan Parties shall deliver to the Administrative Agent, with respect to each new Guarantor to the extent applicable, substantially the same documentation required pursuant to Sections 4.01 and 6.14 and such other documents or agreements as the Administrative Agent may reasonably request. Notwithstanding anything to the contrary in this Section 6.13, with respect to the Acquisition of CEE, the Loan Parties shall cause LH Merger Sub 2 to (x) complete all planned mergers and name changes with respect to CEE no later than fourteen (14) days after the Closing Date, (y) enter into a Joinder Agreement and deliver all other documentation required by this Section 6.13 no later than twenty (20) days after the Closing Date and (z) deliver membership certificates evidencing the Pledged Equity of CEE, Qualifying Control Agreements with respect to all deposit accounts and securities accounts of CEE and an opinion of

counsel for the Loan Parties related thereto pursuant to, and in accordance with, Sections 6.14(a)(ii) and (d)(ii).

Section 6.14 Covenant to Give Security.

Except with respect to Excluded Property:

(a) Equity Interests and Personal Property.

(i) Each Loan Party will cause the Pledged Equity and all of its tangible and intangible personal property now owned or hereafter acquired by it to be subject at all times to a first priority, perfected Lien (subject to Permitted Liens to the extent permitted by the Loan Documents) in favor of the Collateral Agent for the benefit of the Secured Parties to secure the Secured Obligations pursuant to the terms and conditions of the Collateral Documents. Each Loan Party shall provide stock or membership certificates evidencing any Pledged Equity and undated stock or transfer powers duly executed in blank, opinions of counsel and any filings and deliveries reasonably necessary in connection with such Pledged Equity to perfect the security interests therein, all in form and substance reasonably satisfactory to the Collateral Agent.

(ii) Each Loan Party shall (A) provide to the Collateral Agent stock or membership certificates evidencing the Pledged Equity listed on Schedule 5.21(f) as of the Closing Date, and undated stock or transfer powers duly executed in blank in connection therewith, no later than fourteen (14) days after the Closing Date, or within such longer period of time after the Closing Date as reasonably requested by the Loan Parties and approved by the Administrative Agent, and (B) deliver to the Administrative Agent an opinion of counsel for the Loan Parties, addressed to the Administrative Agent and the Lenders, in connection with matters relating to such stock or membership certificates and in form and substance acceptable to the Administrative Agent, no later than twenty (20) days after the Closing Date, or within such longer period of time after the Closing Date as reasonably requested by the Loan Parties and approved by the Administrative Agent.

(b) Real Property. If any Loan Party intends to acquire a fee ownership interest in any real property ("Real Estate") after the Closing Date and such Real Estate has a fair market value in excess of $1,000,000, it shall provide to the Collateral Agent within sixty (60) days (or such extended period of time as agreed to by the Collateral Agent) a Mortgage and such Mortgaged Property Support Documents as the Collateral Agent may request to cause such Real Estate to be subject at all times to a first priority, perfected Lien (subject in each case to Permitted Liens) in favor of the Collateral Agent for the benefit of the Secured Parties to secure the Secured Obligations pursuant to the terms and conditions of the Collateral Documents.

(c) Collateral Access Agreements. In the case of (i) any personal property Collateral located at any other premises containing personal property Collateral with a value in excess of $1,000,000 and (ii) the premises located at 1 Chestnut Street, Suite 222, Nashua, New Hampshire 03060 or at 1227 Striker Avenue, Suite 260, Sacramento, California 95834, containing personal property Collateral, the Loan Parties will provide the Collateral Agent with Collateral Access Agreements within ninety (90) days of the later of the Closing Date and the date the Loan Party acquires its interest in such premises to the extent (A) requested by the Collateral Agent and (B) the

Loan Parties are able to secure such Collateral Access Agreement, or within such longer period of time as reasonably requested by the Loan Parties and approved by the Collateral Agent.

(d) Account Control Agreements.

(i) Each of the Loan Parties shall not open, maintain or otherwise have any deposit or other accounts (including securities accounts) at any bank or other financial institution, or any other account where money or securities are or may be deposited or maintained with any Person, other than (A) deposit accounts that are maintained at all times with depositary institutions as to which the Collateral Agent shall have received a Qualifying Control Agreement; (B) securities accounts that are maintained at all times with financial institutions as to which the Collateral Agent shall have received a Qualifying Control Agreement; (C) deposit accounts established solely as payroll and other zero balance accounts and such accounts are held at a bank acceptable to the Administrative Agent; (D) deposit accounts listed on Schedule 6.14(d)(i)(D) over which the Collateral Agent shall not have a Lien; and (E) other deposit accounts, so long as at any time the balance in any such account does not exceed $10,000 and the aggregate balance in all such other deposit accounts does not exceed $100,000.

(ii) The Loan Parties shall (A) provide the Collateral Agent with Qualifying Control Agreements satisfactory to the Collateral Agent with respect to all deposit accounts and securities accounts listed on Schedule 5.21(d)(i) as of the Closing Date, but excluding the deposit accounts listed on Schedule 6.14(d)(i)(D) over which the Collateral Agent shall not have a Lien, and (B) deliver to the Administrative Agent an opinion of counsel for the Loan Parties, addressed to the Administrative Agent and the Lenders, in connection with matters relating to such Qualifying Control Agreements and in form and substance acceptable to the Administrative Agent, in each case, no later than twenty (20) days after the Closing Date, or within such longer period of time after the Closing Date as reasonably requested by the Loan Parties and approved by the Administrative Agent.

Section 6.15 Further Assurances.

Promptly upon request by the Administrative Agent, the Collateral Agent, or any Lender through the Administrative Agent, (a) correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgment, filing or recordation thereof, and (b) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Administrative Agent, the Collateral Agent, or any Lender through the Administrative Agent, may reasonably require from time to time in order to (i) carry out more effectively the purposes of the Loan Documents, (ii) to the fullest extent permitted by applicable Law, subject any Loan Party's or any of its Subsidiaries' properties, assets, rights or interests to the Liens now or hereafter intended to be covered by any of the Collateral Documents, (iii) perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder and (iv) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the Secured Parties the rights granted or now or hereafter intended to be granted to the Secured Parties under any Loan Document or under any other instrument executed in connection with any

Loan Document to which any Loan Party or any of its Subsidiaries is or is to be a party, and cause each of its Subsidiaries to do so.

Section 6.16 Compliance with Environmental Laws.

Comply, and cause all lessees and other Persons (other than the customer under the Host Customer Agreements) in all material respects, with all applicable Environmental Laws and Environmental Permits; obtain, maintain and renew all Environmental Permits necessary for its operations and properties; and conduct any investigation, study, sampling and testing, and undertake any cleanup, removal, remedial or other action necessary to prevent, remove and clean up all Hazardous Materials from any of its properties, in accordance with the requirements of all Environmental Laws; provided, however, that neither the Borrowers nor any of their Subsidiaries shall be required to undertake any such cleanup, removal, remedial or other action to the extent that its obligation to do so is being contested in good faith and by proper proceedings and appropriate reserves are being maintained with respect to such circumstances in accordance with GAAP.

Section 6.17 Title.

The Loan Parties shall, and shall cause each of their Subsidiaries to, maintain good title to, or a valid leasehold, easement or other interest in, all of its properties and assets, including those related to each Project, subject only to Permitted Liens.

Section 6.18 Compliance with Anti-Terrorism Laws.

(a) Each Loan Party hereby covenants and agrees that it will not conduct and will not permit any other Loan Party or any of the Borrowers' Subsidiaries to conduct business with or engage in any transaction with any person or entity named on any of the OFAC Lists or any persons or entities determined and publicly announced by the Secretary of the Treasury pursuant to Executive Order 13224 to be owned by, controlled by, acting for or on behalf of, providing assistance, support, sponsorship, or services of any kind to, or otherwise associated with any of the persons or entities referred to or described in the OFAC Lists; provided that such Loan Party or Subsidiary shall not have any liability under this provision arising out of the transactions with the Administrative Agent, the Lenders or its agents contemplated by this Agreement. Each Loan Party hereby covenants and agrees that it will comply at all times with the requirements of all Anti-Terrorism Laws.

(b) Each Loan Party hereby covenants and agrees that if it obtains knowledge or receives any written notice that any of the Borrowers' Subsidiaries or Affiliates is named on any of the OFAC Lists (such occurrence, an "OFAC Violation"), such Loan Party will immediately (i) give written notice to the Administrative Agent of such OFAC Violation and (ii) comply with all applicable Laws with respect to such OFAC Violation (regardless of whether the party included on any of the OFAC Lists is located within the jurisdiction of the United States of America), including, without limitation, the Anti-Terrorism Laws, and such Loan Party hereby authorizes and consents to the Administrative Agent's taking any and all steps it deems necessary, in its sole discretion, to comply with all applicable Laws with respect to any such OFAC Violation, including, without limitation, the requirements of the Anti-Terrorism Laws (including the "freezing" and/or "blocking" of assets).

(c) Upon the Administrative Agent's request from time to time during the term of this Agreement, each Loan Party agrees to deliver a certification confirming its compliance with the covenants set forth in this Section 6.18.

(d) Each Loan Party shall comply with the PATRIOT Act by promptly informing the Administrative Agent (by written notice) (i) if it is not or ceases to be the beneficiary of the Loans made or to be made hereunder and (ii) of any new beneficiary of the Loans made or to be made hereunder, which notice shall include such new beneficiary's name and address.

ARTICLE VII

NEGATIVE COVENANTS

Each of the Borrowers hereby covenants and agrees that on the Closing Date and thereafter until the Facility Termination Date, no Borrower shall, nor shall it permit any Loan Party or any of its Subsidiaries (but specifically excluding Excluded Subsidiaries except to the extent referenced below) to, directly or indirect do the following.

Section 7.01 Liens.

Create, incur, assume or suffer to exist any Lien upon the Collateral and any of its other property, assets or revenues, whether now owned or hereafter acquired, except for the following (the "Permitted Liens"):

(a) Liens pursuant to any Loan Document;

(b) Liens existing on the Closing Date and listed on Schedule 7.01 and any renewals or extensions thereof; provided that (i) the property, assets or revenues covered thereby is not changed, (ii) the amount secured or benefited thereby is not increased except as contemplated by Section 7.02(b), (iii) the direct or any contingent obligor with respect thereto is not changed, and (iv) any renewal or extension of the obligations secured or benefited thereby is permitted by Section 7.02(b);

(c) Liens for Taxes not yet due or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;

(d) statutory Liens such as carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business which are not overdue for a period of more than thirty (30) days or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person; provided that, a reserve or other appropriate provision shall have been made therefor;

(e) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;

(f) deposits to secure the performance of bids, trade contracts and leases (other than Indebtedness) that is not Indebtedness permitted under Section 7.02, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(g) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;

(h) Liens securing judgments for the payment of money (or appeal or other surety bonds relating to such judgments) not constituting an Event of Default under Section 8.01(h);

(i) Liens securing Indebtedness permitted under (x) Section 7.02(c)(i), provided that (i) such Liens do not at any time encumber any property, assets or revenues other than the property, assets or revenues financed by such Indebtedness and (ii) the Indebtedness secured thereby does not exceed the cost or fair market value at the time of the acquisition, whichever is lower, of the property being acquired on the date of acquisition and (y) Section 7.02(c)(ii), provided that such Liens do not at any time encumber any property other than property, assets or revenues that are the subject of the applicable repo transaction;

(j) Liens (i) securing Indebtedness permitted under Section 7.02(g) on the property, assets and revenues of Excluded Subsidiaries and (ii) securing obligations of the Excluded Subsidiaries pursuant to the Tax Equity Documents, in each case so long as such Liens do not attach to the net proceeds of any Available Take-Out;

(k) Liens securing Indebtedness permitted under Section 7.02(h) so long as such Liens attach only to the vehicles or computer systems financed thereby;

(l) Liens securing Indebtedness permitted under Section 7.02(j) so long as such Liens attach only to the assets financed thereby;

(m) bankers' Liens, rights of setoff and other similar Liens existing solely with respect to cash and Cash Equivalents on deposit in one or more accounts maintained by the Borrowers or any of their Subsidiaries, in each case in the ordinary course of business in favor of the bank or banks with which such accounts are maintained, securing solely the customary amounts owing to such bank with respect to cash management and operating account arrangements; provided, that in no case shall any such Liens secure (either directly or indirectly) the repayment of any Indebtedness;

(n) Liens arising out of judgments or awards not resulting in an Event of Default; provided the applicable Loan Party or Subsidiary shall in good faith be prosecuting an appeal or proceedings for review;

(o) Any interest or title of a lessor, licensor or sublessor under any lease, license or sublease entered into by any Loan Party or any Subsidiary thereof in the ordinary course of business and covering only the assets so leased, licensed or subleased;

(p) Liens of a collection bank arising under Section 4-210 of the UCC on items in the course of collection;

(q) Any zoning, building or similar laws or rights reserved to or vested in any Governmental Authority;

(r) [*Reserved*];

(s) Liens on SREC Excluded Property; and

(t) other Liens securing Indebtedness outstanding in an aggregate principal amount not to exceed $10,000,000; provided that no such Lien shall extend to or cover any Collateral.

Section 7.02 Indebtedness.

Create, incur, assume or suffer to exist, or prepay, redeem or repurchase, any Indebtedness, except:

(a) Indebtedness under the Loan Documents;

(b) Indebtedness outstanding on the date hereof and listed on Schedule 7.02 and any refinancings, refundings, renewals or extensions thereof; provided that the amount of such Indebtedness is not increased at the time of such refinancing, refunding, renewal or extension except by an amount equal to a reasonable premium or other reasonable amount paid, and fees and expenses reasonably incurred, in connection with such refinancing and by an amount equal to any existing commitments unutilized thereunder and the direct or any contingent obligor with respect thereto is not changed, as a result of or in connection with such refinancing, refunding, renewal or extension; and, still further, that the terms relating to principal amount, amortization, maturity, collateral (if any) and subordination, standstill and related terms (if any), and other material terms taken as a whole, of any such refinancing, refunding, renewing or extending Indebtedness, and of any agreement entered into and of any instrument issued in connection therewith, are no less favorable in any material respect to the Loan Parties or the Lenders than the terms of any agreement or instrument governing the Indebtedness being refinanced, refunded, renewed or extended and the interest rate applicable to any such refinancing, refunding, renewing or extending Indebtedness does not exceed the then applicable market interest rate;

(c) Indebtedness (i) in respect of Capitalized Leases, Synthetic Lease Obligations and purchase money obligations for fixed or capital assets within the limitations set forth in Section 7.01(i) or (ii) in respect of any repo transaction with respect to Indebtedness of an Excluded Subsidiary; provided, however, that the aggregate principal amount of all Indebtedness of the Loan Parties incurred (1) in reliance on the foregoing sub-clause (c)(i) and clause (p) below at any time outstanding shall not exceed $40,000,000 and (2) in reliance on the foregoing sub-clause (c)(ii) at

any time outstanding shall not exceed an amount equal to $75,000,000 *minus* the amount of Indebtedness outstanding pursuant to the foregoing sub-clause (c)(i) and clause (p) below;

(d) Unsecured Indebtedness of a Subsidiary of any Borrower owed to such Borrower or a Subsidiary of such Borrower, which Indebtedness shall (i) to the extent required by the Administrative Agent, be evidenced by promissory notes which shall be pledged to the Collateral Agent as Collateral for the Secured Obligations in accordance with the terms of the Security Agreement, (ii) be on terms (including subordination terms) reasonably acceptable to the Administrative Agent and (iii) be otherwise permitted under the provisions of Section 7.03 ("Intercompany Debt");

(e) Guarantees of any Borrower or any Subsidiary thereof in respect of Indebtedness otherwise permitted hereunder of such Borrower or any Guarantor;

(f) obligations (contingent or otherwise) existing or arising under any Swap Contract; provided that (i) such obligations are (or were) entered into by such Person in the ordinary course of business for the purpose of directly mitigating risks associated with fluctuations in interest rates or foreign exchange rates and (ii) such Swap Contract does not contain any provision exonerating the non-defaulting party from its obligation to make payments on outstanding transactions to the defaulting party;

(g) Non-Recourse Financings;

(h) Existing vehicle financing and other Indebtedness incurred for the acquisition or lease of vehicles or computer systems (so long as the amount of the Indebtedness does not exceed the purchase price of the vehicles or computer systems purchased with the proceeds thereof and sole recourse with respect to such Indebtedness is the vehicle or computer systems purchased with the proceeds thereof) and any refinancing of such other Indebtedness (so long as the amount of the Indebtedness is not increased in connection with such refinancing);

(i) any Borrower's limited guarantees, indemnification obligations, and obligations to make capital contributions to or repurchase assets of the Excluded Subsidiaries (including Equity Interests of Excluded Subsidiaries) as required under the documents evidencing the Tax Equity Commitments, Backlever Financings or System Refinancings, or SREC Transactions, as the case may be, so long as (i) such limited guarantees, indemnification and capital contribution obligations are not made in respect of obligations to repay debt for borrowed money and, (ii) if any Borrower is required to make a payment or contribution in connection with such obligations, after giving effect to such payment or contribution on a Pro Forma Basis, (x) the Loan Parties shall be in compliance with each of the financial covenants set forth in Section 7.11 and (y) no Borrowing Base Deficiency shall exist;

(j) vendor financing for the acquisition of Inventory incurred in the ordinary course of the Borrowers or any of their Subsidiaries' business and secured solely by the Inventory purchased with the proceeds thereof;

(k) Obligations of reimbursement owed to the issuers of surety bonds (including, without limitation, payment and performance bonds, operation and maintenance bonds, contractor license bonds, bid bonds, energy broker bonds, prevailing wage bonds, sweepstake bonds, permit bonds, electrical license bonds, notary public bonds and other similar bonds) to the extent such surety bonds are procured in the ordinary course of business;

(l) Indebtedness evidenced by warrants issued by the Borrowers in connection with their Equity Interests and stock options in the Borrowers, in each case issued in the ordinary course of business, so long as such Indebtedness is not for borrowed money;

(m) [*Reserved*];

(n) Indebtedness incurred in accordance with the applicable Tax Equity Documents in the ordinary course of business;

(o) Convertible Debt having a maximum conversion price equal to 150% of the trading price; provided, however, that (i) the maturity date for any such Convertible Debt shall occur after the Maturity Date of the Facility, (ii) all financial covenants in Section 7.11 would be satisfied on a Pro Forma Basis on the date of issuance of any such Convertible Debt, after giving effect to such Convertible Debt (and assuming such Convertible Debt were fully drawn), and (iii) the aggregate principal amount of all Indebtedness of the Loan Parties incurred in reliance on this clause (o) at any time outstanding shall not exceed $150,000,000; and

(p) other unsecured Indebtedness not contemplated by the above provisions, together with the aggregate principal amount of all Indebtedness incurred in reliance on clause (c)(i) above at any time outstanding, in an aggregate principal amount not to exceed $40,000,000 at any time outstanding.

Section 7.03 Investments.

Make or hold any Investments, except:

(a) Investments held by the Borrowers and their Subsidiaries (i) in the form of cash or Cash Equivalents, and (ii) pursuant to the investment policy of the Borrowers;

(b) loans from any Loan Party to any officer, director and/or employee of the Borrowers and Subsidiaries thereof in an aggregate amount not to exceed [***];

(c) (i) Investments by the Borrowers and their Subsidiaries in their respective Subsidiaries outstanding on the date hereof, (ii) Investments by the Borrowers and their Subsidiaries in Loan Parties, (iii) Investments by Excluded Subsidiaries in other Excluded Subsidiaries and (iv) so long as no Default has occurred and is continuing or would result from such Investment, additional Investments (other than Investments made under clause 7.03(j) below) by the Loan Parties in Excluded Subsidiaries in an aggregate amount invested from the date hereof together with any Investments made under clause 7.03(i) below not to exceed [***];

(d) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;

(e) Guarantees permitted by Section 7.02;

(f) Investments existing on the date hereof (other than those referred to in Section 7.03(c)(i)) and set forth on Schedule 7.03;

(g) Permitted Acquisitions (other than of CFCs and Subsidiaries held directly or indirectly by a CFC which Investments are covered by Section 7.03(c)(iv));

(h) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of suppliers and customers and in settlement of delinquent obligations of, and other disputes with, customers and suppliers arising in the ordinary course of business;

(i) Investments (x) in Excluded Subsidiaries or in Tax Equity Investors that would meet the requirements of clause (b) of the "Excluded Subsidiaries" definition if such Tax Equity Investors were deemed Excluded Subsidiaries (including any subsidiaries of such Tax Equity Investors created in connection with any tax equity transaction), in each case, in accordance with the applicable tax equity transaction or Non-Recourse Financing, as the case may be, in the ordinary course of business, (y) in Excluded Subsidiaries of PV Systems which are in operation as collateral to secure accounts receivable financing in which the net proceeds (after deduction of reasonable fees and expenses) are distributed to any Borrower or (z) in Excluded Subsidiaries as permitted pursuant to Section 7.02(i); and

(j) other Investments not contemplated by the above provisions not exceeding [***] in the aggregate invested from the date hereof after taking into account Investments under clause 7.03(c)(iv) above.

Section 7.04 Fundamental Changes.

Merge, dissolve, liquidate, consolidate with or into another Person, Dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to or in favor of any Person, or reorganize in a foreign jurisdiction, except:

(a) any Loan Party may Dispose of all or substantially all of its assets (upon voluntary liquidation or otherwise) to the Borrowers or to another Loan Party, so long as no Default exists or would result therefrom;

(b) any Excluded Subsidiary may (i) dispose of all or substantially all its assets (including any Disposition that is in the nature of a liquidation) as set forth in Section 7.05(e), or (ii) so long as no Default exists or would result therefrom, merge into or consolidate with any other Person or permit any other Person to merge into or consolidate with it, in each case so long as the Tax Equity Commitments or Backlever Financings of such Excluded Subsidiary are not included

in the calculation of Available Take-Out and the exclusion of such Tax Equity Commitments or Backlever Financings from the calculation of Available Take-Out does not result in a Borrowing Base Deficiency;

(c) in connection with any Permitted Acquisition, any Subsidiary of any Borrower may merge into or consolidate with any other Person or permit any other Person to merge into or consolidate with it; provided that (i) the Person surviving such merger shall be a wholly-owned Subsidiary of such Borrower and (ii) in the case of any such merger to which any Loan Party (other than any Borrower) is a party, such Loan Party is the surviving Person;

(d) so long as no Default has occurred and is continuing or would result therefrom, each of the Borrowers and any Loan Party may merge into or consolidate with any other Person or permit any other Person to merge into or consolidate with it; provided, however, that in each case, immediately after giving effect thereto (i) in the case of any such merger to which any Borrower is a party, such Borrower is the surviving Person and (ii) in the case of any such merger to which any Loan Party (other than any Borrower) is a party, such Loan Party is the surviving Person;

(e) any (i) initial Public Offering of Equity Interests in any Borrower, (ii) follow-on offerings thereafter, or (iii) private offerings of Equity Interests of any Borrower which are acceptable to the Administrative Agent and any other activities in connection therewith, so long as such offerings and activities described in clause (iii) could not be reasonably expected to have Material Adverse Effect or result in a Change of Control; and

(f) Disposition of Equity Interests in or assets of Excluded Subsidiaries as permitted by Section 7.05(e).

Section 7.05 Dispositions.

Make any Disposition or enter into any agreement to make any Disposition, except:

(a) Permitted Dispositions; provided that, upon any Permitted Disposition described in the clause (a) of the definition of such term, so long as no Default or Borrowing Base Deficiency shall have occurred and be continuing, or would occur after giving effect to such Permitted Disposition, any Lien on such Project(s) pursuant to the Loan Documents shall be released without the need for further action by any Person in accordance with such reborrowing and repayment mechanics with such setoff as provided hereunder (and the Collateral Agent shall execute and deliver any release and termination documents with respect to any Liens on any such Project(s) at the cost of and as reasonably requested by the Loan Parties);

(b) Dispositions of obsolete or worn out property, whether now owned or hereafter acquired, in the ordinary course of business;

(c) Dispositions of equipment or real property to the extent that (i) such property is exchanged for credit against the purchase price of similar replacement property or (ii) the proceeds of such Disposition are reasonably promptly applied to the purchase price of such replacement property;

(d) Dispositions permitted by Section 7.04 or Section 7.13;

(e) Dispositions of Equity Interests in, or assets of, Excluded Subsidiaries so long as (i) the Tax Equity Commitments or Backlever Financing of such Excluded Subsidiary and its partially or wholly-owned subsidiaries, if any, are not included in the calculation of Available Take-Out and the exclusion of such Tax Equity Commitments or Backlever Financing from the calculation of Available Take-Out does not result in a Borrowing Base Deficiency, (ii) consideration received for such Disposition is in cash or Cash Equivalents, and (iii) the net proceeds (after deduction of reasonable fees and expenses), if any, are distributed directly to the Borrowers;

(f) other Dispositions so long as (i) the consideration paid in connection therewith shall be cash or Cash Equivalents paid contemporaneously with consummation of the transaction and shall be in an amount not less than the fair market value of the property disposed of, (ii) such transaction does not involve the Disposition of Equity Interests in any Subsidiary, (iii) such transaction does not involve a Disposition of receivables other than receivables owned by or attributable to other property concurrently being disposed of in a transaction otherwise permitted under this Section, and (iv) the aggregate net book value of all of the assets sold or otherwise disposed of by the Loan Parties and their Subsidiaries in all such transactions in any fiscal year of the Borrowers shall not exceed [***];

(g) Disposition of Equity Interests in, or assets of, an Excluded Subsidiary as a result of a foreclosure of a Permitted Lien in connection with a Non-Recourse Financing so long as such foreclosure does not result in a Borrowing Base Deficiency;

(h) Dispositions made in the ordinary course of business in accordance with the applicable Tax Equity Documents; and

(i) Dispositions of Indebtedness of an Excluded Subsidiary.

Section 7.06 Restricted Payments.

Declare or make, directly or indirectly, any Restricted Payment, or incur any obligation (contingent or otherwise) to do so, except that, so long as no Default or Borrowing Base Deficiency shall have occurred and be continuing at the time of any action described below or would result therefrom:

(a) each Subsidiary may make Restricted Payments to any Person that owns Equity Interests in such Subsidiary, ratably according to their respective holdings of the type of Equity Interest in respect of which such Restricted Payment is being made;

(b) the Borrowers and each Subsidiary (including Excluded Subsidiaries) thereof may declare and make dividend payments or other distributions payable solely in common Equity Interests of such Person;

(c) the exercise of stock repurchase rights of the Borrowers in connection with shareholder's right of first refusal as set forth in Borrowers' stock option plan;

(d) the Borrowers may make other Restricted Payments in an aggregate amount during any fiscal year of the Borrowers not to exceed [***] (with unused amounts in any fiscal year being carried over to succeeding fiscal years subject to a maximum of $10,000,000 in any fiscal year);

(e) notwithstanding the foregoing, even if a Default or Borrowing Base Deficiency has occurred and is continuing, the Borrowers may make equity grants in the ordinary course of business in connection with the Borrowers' stock option plan; and

(f) the Borrowers may pay earnouts in connection with a Permitted Acquisition; provided, that, at any time a Default or Borrowing Base Deficiency exists, the Borrowers may only pay earnouts in Equity Interests of the Borrowers; provided, further, that, a Default set forth in Section 8.01(k) shall not be existing after giving effect to the payment of any such earnout in Equity Interests.

Section 7.07 Change in Nature of Business.

Engage in any material line of business substantially different from those lines of business conducted by the Borrowers and their Subsidiaries on the date hereof or any business substantially related or incidental thereto which could reasonably be expected to have a Material Adverse Effect.

Section 7.08 Transactions with Affiliates.

Enter into or permit to exist any transaction or series of transactions with any officer, director or Affiliate of such Person other than (a) advances of working capital to any Loan Party, (b) transfers of cash and assets to any Loan Party, (c) intercompany transactions expressly permitted by this Agreement, (d) normal and reasonable compensation (including grant of stock options in accordance with Borrowers' stock option plan) and reimbursement of expenses of officers and directors, (e) except as otherwise specifically limited in this Agreement, other transactions which are entered into in the ordinary course of such Person's business, (f) transactions contemplated by the Tax Equity Documents or Non-Recourse Financings, and (g) transactions approved by the board of directors of the Borrowers or any authorized committee thereof; provided that such approval shall have included a determination by the board of directors or such committee, as the case may be, that such transaction is fair to, and in the best interest of, the Borrowers, in each case, on fair and reasonable terms and conditions substantially as favorable to such Person as would be obtainable by it in a comparable arm's length transaction with a Person other than an officer, director or Affiliate.

Section 7.09 Burdensome Agreements.

Enter into, or permit to exist, any Contractual Obligation (except for this Agreement and the other Loan Documents) that (a) other than as set forth in any Tax Equity Documents or in respect of the documents governing any Non-Recourse Financing, restricts the ability of any such Loan Party or its Subsidiaries to (i) act as a Loan Party; (ii) make Restricted Payments to any Loan Party, (iii) pay any Indebtedness or other obligation owed to any Loan Party, (iv) make loans or advances to any Loan Party, or (v) create any Lien upon any of their properties or assets, whether now owned or hereafter acquired, except, in the case of clause (a)(v) only, for any document or instrument governing Indebtedness incurred pursuant to Section 7.02(c), provided that any such restriction

contained therein relates only to the asset or assets constructed or acquired in connection therewith or that is subject to a repo transaction permitted under Section 7.02(c)(ii) or (b) requires the grant of any Lien on property for any obligation if a Lien on such property is given as security for the Secured Obligations.

Section 7.10 Margin Stock.

Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulations T, U or X of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund Indebtedness originally incurred for such purpose.

Section 7.11 Financial Covenants.

(a) Unencumbered Liquidity. Permit the Unencumbered Liquidity of the Borrowers to be less than $25,000,000, measured monthly as of the last day of each month; provided, that an Event of Default shall not be deemed to have occurred solely as a result of Borrower's failure to maintain an Unencumbered Liquidity of at least $25,000,000 as of any month end unless its Unencumbered Liquidity is less than such amount on two (2) consecutive measurement dates; further provided, that Unencumbered Liquidity shall not be less than $20,000,000 as of the last day of any month;

(b) Minimum Interest Coverage Ratio. (i) For each fiscal quarter ending prior to March 31, 2018, permit an Interest Coverage Ratio below 2.0:1.0, (ii) for each fiscal quarter ending on or after March 31, 2018 and prior to December 31, 2019, permit an Interest Coverage Ratio below 3.0:1.0, in each case, and (iii) for each fiscal quarter ending on or after December 31, 2019, permit an Interest Coverage Ratio below 3.5:1.0, in each case measured quarterly as of the last day of each such fiscal quarter; and

(c) Quarter-End Liquidity. (i) For each fiscal quarter ending on or after March 31, 2018 and prior to December 31, 2019, permit the Quarter-End Liquidity of the Borrowers with respect to such fiscal quarter to be less than $30,000,000 and (ii) for each fiscal quarter ending on or after December 31, 2019, permit the Quarter-End Liquidity of the Borrowers with respect to such fiscal quarter to be less than $35,000,000, measured as of the last day of each such fiscal quarter.

Section 7.12 Amendments of Organization Documents and Material Contracts; Fiscal Year; Legal Name, State of Formation; Form of Entity and Accounting Changes.

(a) Amend any of its Organization Documents or Material Contracts in a manner that could reasonably be expected to lead to a Material Adverse Effect;

(b) change its fiscal year;

(c) without providing thirty (30) days prior written notice to the Administrative Agent (or such extended period of time as agreed to by the Administrative Agent), change its name, state of formation, form of entity or principal place of business; or

(d) make any change in accounting policies or reporting practices, except in accordance with GAAP or as required by the Loan Parties' external auditors.

Section 7.13 Sale and Leaseback Transactions.

Enter into any Sale and Leaseback Transaction other than (i) a Sale and Leaseback Transaction of vehicles pursuant to any existing vehicle financing, (ii) a Sale and Leaseback Transaction of office equipment and furnishings and computer equipment in the ordinary course of business, and (iii) a Sale and Leaseback Transaction for the sale of PV Systems in the ordinary course of the Borrowers' business pursuant to a Sale-Leaseback Structure.

Section 7.14 Disqualified Person.

Permit any Borrower or any of its Subsidiaries that directly or indirectly holds an interest in an Project for which an ITC or accelerated depreciation is included in the Borrowing Base to become a Disqualified Person, or permit any Project for which an ITC or accelerated depreciation is included in the Borrowing Base to be used within the meaning of Section 168(h) or Section 50 of the Code by a person described in Section 168(h)(2) of the Code (including by virtue of Section 168(h)(6)(F) of the Code) or Section 50(b)(3) or (4) of the Code.

Section 7.15 Amendments to Host Customer Agreements, Back-Log Spreadsheets or Take-Out Spreadsheets.

Make any amendments to its forms of Host Customer Agreements as disclosed to the Administrative Agent on the Closing Date, except to the extent that such amendments could not negatively affect compliance with applicable consumer law or could not reasonably be expected to have a Material Adverse Effect, or any amendments to any Back-Log Spreadsheet or Take-Out Spreadsheet delivered with any Borrowing Base Certificate, except to the extent that such amendments could not reasonably be expected to have a Material Adverse Effect.

Section 7.16 [Reserved].

Section 7.17 [Reserved].

Section 7.18 Partnerships and Joint Ventures.

Become, or cause or permit any Loan Party to become, a general or limited partner in any partnership or a joint venturer in any joint venture other than a Project Fund or Excluded Subsidiary.

Section 7.19 ERISA.

Sponsor, maintain, participate in, contribute to, or have any unsatisfied obligation to contribute to, or liability under, any active or terminated Pension Plan or Multiemployer Plan.

Section 7.20 Secured Hedge Agreements.

Enter into any Secured Hedge Agreements unless reasonably satisfactory to, and approved by, the Administrative Agent.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

Section 8.01 Events of Default.

Any of the following shall constitute an "Event of Default":

(a) Non-Payment. The Borrowers or any other Loan Party fail to pay (i) when and as required to be paid herein, any amount of principal of any Loan or any L/C Obligation or deposit any funds as Cash Collateral in respect of L/C Obligations, or (ii) within three (3) days after the same becomes due, any interest on any Loan or on any L/C Obligation, or any fee due hereunder, or (iii) within five (5) days after the same becomes due, any other amount payable hereunder or under any other Loan Document; or

(b) Specific Covenants. (i) Any Loan Party fails to perform or observe any term, covenant or agreement contained in any of Section 6.01, 6.02, 6.03(a), 6.05, 6.14(a)(ii), 6.14(d)(ii) or 6.16, Article VII or Article X or (ii) any of the Loan Parties fails to perform or observe any term, covenant or agreement contained in the Security Agreement; or

(c) Other Defaults. Any Loan Party fails to perform or observe any other covenant or agreement (not specified in Section 8.01(a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for thirty (30) days; or

(d) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Borrowers or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading when made or deemed made; or

(e) Cross-Default. (i) Any Loan Party (A) fails to make any payment when due (whether by scheduled maturity, required prepayment, acceleration, demand, or otherwise) in respect of any Indebtedness or Guarantee (other than Indebtedness hereunder and Indebtedness under Swap Contracts) having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount, or (B) fails to observe or perform any other agreement or condition relating to any such Indebtedness or Guarantee or contained in any instrument or agreement evidencing, securing or relating thereto, in each case having an aggregate principal amount (including undrawn committed or available amounts and including amounts owing to all creditors under any combined or syndicated credit arrangement) of more than the Threshold Amount or any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such Indebtedness or the beneficiary or beneficiaries of such Guarantee (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with

the giving of notice if required, such Indebtedness to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such Indebtedness to be made, prior to its stated maturity, or such Guarantee to become payable or Cash Collateral in respect thereof to be demanded; (ii) there occurs under any Swap Contract an Early Termination Date (as defined in such Swap Contract) resulting from (A) any event of default under such Swap Contract as to which a Loan Party thereof is the Defaulting Party (as defined in such Swap Contract) or (B) any Termination Event (as so defined) under such Swap Contract as to which a Loan Party thereof is an Affected Party (as so defined) and, in either event, the Swap Termination Value owed and unpaid by such Loan Party as a result thereof is greater than the Threshold Amount; or

(f) Insolvency Proceedings, Etc. Any Loan Party institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or applies for or consents to the appointment of any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer for it or for all or any material part of its property; or any receiver, trustee, custodian, conservator, liquidator, rehabilitator or similar officer is appointed without the application or consent of such Person and the appointment continues undischarged or unstayed for sixty (60) calendar days; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for sixty (60) calendar days, or an order for relief is entered in any such proceeding; or

(g) Inability to Pay Debts; Attachment. (i) Any Loan Party becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within thirty (30) days after its issue or levy; or

(h) Judgments. There is entered against any Loan Party (i) one or more final judgments or orders for the payment of money in an aggregate amount (as to all such judgments and orders) exceeding the Threshold Amount (to the extent not covered by independent third-party insurance as to which the insurer is rated at least "A" by A.M. Best Company, has been notified of the potential claim and does not dispute coverage), or (ii) any one or more non-monetary final judgments that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect and, in either case, (A) enforcement proceedings are commenced by any creditor upon such judgment or order, or (B) there is a period of ten (10) consecutive days during which a stay of enforcement of such judgment, by reason of a pending appeal or otherwise, is not in effect; or

(i) ERISA. (i) An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount in excess of the Threshold Amount, or (ii) any Borrower or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount in excess of the Threshold Amount; or

(j) Invalidity of Loan Documents. Any provision of any Loan Document, at any time after its execution and delivery and for any reason other than as expressly permitted hereunder or thereunder or satisfaction in full of all Obligations arising under the Loan Documents, ceases to be in full force and effect; or any Loan Party or any other Person contests in any manner the validity or enforceability of any provision of any Loan Document; or any Loan Party denies that it has any or further liability or obligation under any provision of any Loan Document, or purports to revoke, terminate or rescind any provision of any Loan Document; or

(k) Change of Control. There occurs any Change of Control of the Borrowers (except in connection with a Public Offering of the Borrowers); or

(l) Uninsured Loss. Any uninsured damage to or theft or destruction of any assets of the Loan Parties or any of their Subsidiaries shall occur that is in excess of $10,000,000 (excluding customary deductible thresholds established in accordance with historical past practices); or

(m) Subordination. The validity, binding effect or enforceability of any subordination provisions relating to any Subordinated Debt of any Loan Party shall be contested by any Person party thereto (other than any Lender, the Administrative Agent or the Collateral Agent), or such subordination provisions shall fail to be enforceable by the Administrative Agent, the Collateral Agent and the Lenders in accordance with the terms thereof, or the Indebtedness shall for any reason not have the priority contemplated by this Agreement or such subordination provisions.

Without limiting the provisions of Article IX, if a Default shall have occurred under the Loan Documents, then such Default will continue to exist until it either is cured (to the extent specifically permitted) in accordance with the Loan Documents or is otherwise expressly waived by Administrative Agent (with the approval of requisite Appropriate Lenders (in their sole discretion) as determined in accordance with Section 11.01; and once an Event of Default occurs under the Loan Documents, then such Event of Default will continue to exist until it is expressly waived by the requisite Appropriate Lenders or by the Administrative Agent with the approval of the requisite Appropriate Lenders, as required hereunder in Section 11.01.

Section 8.02 Remedies upon Event of Default.

If any Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(a) declare the Commitment of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such commitments and obligation shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Loan Parties;

(c) require that the Loan Parties Cash Collateralize the L/C Obligations (in an amount equal to the Minimum Collateral Amount with respect thereto); and

(d) exercise on behalf of itself, the Lenders and the L/C Issuer all rights and remedies available to it, the Lenders and the L/C Issuer under the Loan Documents or applicable Law or equity;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to the Loan Parties under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Loan Parties to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

For the avoidance of doubt, if any Event of Default occurs and is continuing, the Collateral Agent may take any or all of the remedial actions described in the Collateral Documents.

Section 8.03 Application of Funds.

After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02) or if at any time insufficient funds are received by and available to the Administrative Agent to pay fully all Secured Obligations then due hereunder, any amounts received on account of the Secured Obligations shall, subject to the provisions of Sections 2.13 and 2.14, be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Secured Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Secured Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the L/C Issuer (including fees, charges and disbursements of counsel to the respective Lenders and the L/C Issuer arising under the Loan Documents and amounts payable under Article III, ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Secured Obligations constituting accrued and unpaid Letter of Credit Fees and interest on the Loans, L/C Borrowings and other Secured Obligations arising under the Loan Documents, ratably among the Lenders and the L/C Issuer in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Secured Obligations constituting unpaid principal of the Loans, L/C Borrowings and Secured Obligations then owing under Secured Hedge Agreements and Secured Cash Management Agreements, ratably among the Lenders, the L/C Issuer, the Hedge Banks and the Cash Management Banks in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to the Administrative Agent for the account of the L/C Issuer, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit to the extent not otherwise Cash Collateralized by the Loan Parties pursuant to Sections 2.03 and 2.13; and

Last, the balance, if any, after all of the Secured Obligations have been indefeasibly paid in full, to the Loan Parties or as otherwise required by Law.

Subject to Sections 2.03(c) and 2.13, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Secured Obligations, if any, in the order set forth above. Excluded Swap Obligations with respect to any Guarantor shall not be paid with amounts received from such Guarantor or its assets, but appropriate adjustments shall be made with respect to payments from other Loan Parties to preserve the allocation to Secured Obligations otherwise set forth above in this Section.

Notwithstanding the foregoing, Secured Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements shall be excluded from the application described above if the Administrative Agent has not received a Secured Party Designation Notice, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be. Each Cash Management Bank or Hedge Bank not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article IX for itself and its Affiliates as if a "Lender" party hereto.

ARTICLE IX

ADMINISTRATIVE AGENT; COLLATERAL AGENT

Section 9.01 Appointment and Authority.

Each of the Lenders and the L/C Issuer hereby irrevocably appoints, designates and authorizes KeyBank 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 thereto. Each of the Lenders, the Administrative Agent and the L/C Issuer hereby irrevocably appoints, designates and authorizes

Silicon Valley Bank to act on its behalf as the Collateral Agent hereunder and under the other Loan Documents and authorizes the Collateral Agent to take such actions on its behalf and to exercise such powers as are delegated to the Collateral Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Without limiting the generality of the foregoing, each of the Administrative Agent and the Collateral Agent is hereby expressly authorized to (i) execute any and all documents (including releases) with respect to the Collateral and the rights of the Secured Parties with respect thereto, as contemplated by and in accordance with the provisions of this Agreement and the other Loan Documents and (ii) negotiate, enforce or the settle any claim, action or proceeding affecting the Lenders in their capacity as such, at the direction of the Required Lenders, which negotiation, enforcement or settlement will be binding upon each Lender. The provisions of this Article are solely for the benefit of the Administrative Agent, the Collateral Agent, the Lenders and the L/C Issuer, and neither the Borrowers nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent or the Collateral 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 9.02 Rights as a Lender.

The Person serving as the Administrative Agent or the Collateral 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 or the Collateral 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 or the Collateral 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 banking, trust, financial, advisory, underwriting or other business with any Loan Party or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent or the Collateral Agent hereunder and without any duty to account therefor to the Lenders or to provide notice to or consent of the Lenders with respect thereto.

Section 9.03 Exculpatory Provisions.

Neither the Administrative Agent nor the Collateral Agent shall 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, none of the Administrative Agent, the Collateral Agent and their respective Related Parties:

(a) shall be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall 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 or the Collateral 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 neither the Administrative Agent nor the Collateral Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent or the Collateral 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 or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law;

(c) shall, except as expressly set forth herein and in the other Loan Documents, have any duty or responsibility to disclose, and shall be liable for the failure to disclose, any information relating to any Borrower or any of its Subsidiaries or Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or the Collateral Agent or any of its Affiliates in any capacity; and

(d) shall be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided herein or in the other Loan Documents) or in the absence of its own gross negligence or willful misconduct.

None of the Administrative Agent, the Collateral Agent or any of their respective Related Parties shall be liable for any action taken or not taken by the Administrative Agent or the Collateral Agent under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby or thereby (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 or the Collateral Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 11.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. Any such action taken or failure to act pursuant to the foregoing shall be binding on all Lenders. Each of the Administrative Agent and the Collateral 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 or the Collateral Agent by any Borrower, a Lender or the L/C Issuer.

None of the Administrative Agent, the Collateral Agent or any of their respective Related Parties shall be responsible for, or have any duty or obligation to any Lender or any other Person to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) 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, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (v) the value or the sufficiency of any Collateral, or (vi) the satisfaction of any condition set forth in Article IV or elsewhere herein or in any other Loan Document, other than

to confirm receipt of items expressly required to be delivered to the Administrative Agent or the Collateral Agent.

Section 9.04 Reliance by Administrative Agent and Collateral Agent.

Each of the Administrative Agent and the Collateral Agent shall be entitled to rely upon, and shall be fully protected in relying and shall not incur any liability for relying upon, any notice, request, certificate, communication, 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 to have been signed, sent or otherwise authenticated by the proper Person. Each of the Administrative Agent and the Collateral 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 be fully protected in relying and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or the L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or the L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. Each of the Administrative Agent and the Collateral Agent may consult with legal counsel (who may be counsel for the Loan Parties), 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. For purposes of determining compliance with the conditions specified in Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent or the Collateral Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objections.

Section 9.05 Delegation of Duties.

Each of the Administrative Agent and the Collateral 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 it. Each of the Administrative Agent, the Collateral 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 shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and the Collateral Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Facility as well as activities as Administrative Agent or Collateral Agent. Neither the Administrative Agent nor the Collateral Agent shall be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non-appealable judgment that the Administrative Agent or the Collateral Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

Section 9.06 Resignation of Administrative Agent or Collateral Agent.

(a) Notice. Each of the Administrative Agent or the Collateral Agent may at any time give notice of its resignation to the Lenders, the L/C Issuer and the Borrowers. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrowers, 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. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent or the Collateral Agent gives notice of its resignation (or such earlier days as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent or the Collateral Agent may (but shall not be obligated to) on behalf of the Lenders and the L/C Issuer, appoint a successor Administrative Agent or Collateral Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with the notice on the Resignation Effective Date. If no successor Administrative Agent or Collateral Agent has been appointed by the Resignation Effective Date, the Required Lenders shall thereafter perform all the duties of the Administrative Agent or Collateral Agent hereunder and/or under any other Loan Document until such time, if any, as the Required Lenders appoint a successor Administrative Agent and/or Collateral Agent, as the case may be.

(b) Defaulting Lender. If the Person serving as Administrative Agent or Collateral Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable Law, by notice in writing to the Borrowers and such Person remove such Person as Administrative Agent or Collateral Agent and, in consultation with the Borrowers, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) Effect of Resignation or Removal. Any such resignation by the Administrative Agent or the Collateral Agent hereunder shall also constitute, to the extent applicable, its resignation as an L/C Issuer, in which case such resigning Administrative Agent or Collateral Agent (x) shall not be required to issue any further Letters of Credit hereunder and (y) shall maintain all of its rights as L/C Issuer with respect to any Letters of Credit issued by it prior to the Resignation Effective Date. With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (i) the retiring or removed Administrative Agent or Collateral Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Collateral Agent on behalf of the Lenders or the L/C Issuer under any of the Loan Documents, the retiring or removed Collateral Agent shall continue to hold such collateral security until such time as a successor Collateral Agent is appointed and shall continue to receive its current level of remuneration for such continuation of service) and (ii) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent or Collateral Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent or the Collateral Agent shall instead be made by or to each Lender and the L/C Issuer directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent or Collateral Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent or Collateral Agent hereunder, such successor

shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Administrative Agent or Collateral Agent (other than as provided in Section 3.01(g) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent or Collateral Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent or Collateral Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrowers to a successor Administrative Agent or Collateral Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrowers and such successor. After the retiring or removed Administrative Agent's or Collateral Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 11.04 shall continue in effect for the benefit of such retiring or removed Administrative Agent or Collateral Agent, its sub agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent or Collateral Agent was acting as Administrative Agent or Collateral Agent.

(d) L/C Issuer. Any resignation by Silicon Valley Bank as Collateral Agent pursuant to this Section shall also constitute its resignation as L/C Issuer. If Silicon Valley Bank or Comerica Bank resigns as an L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit issued by it outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto, including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c). Upon the appointment by the Borrowers of a successor L/C Issuer hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender and shall be subject to the consent of the Administrative Agent (which consent shall not be unreasonably withheld or delayed) and such Lender), (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer, (ii) the retiring L/C Issuer shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents, and (iii) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit issued by the retiring L/C Issuer, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuer to effectively assume the obligations of the retiring L/C Issuer with respect to such Letters of Credit.

Section 9.07 Non-Reliance on Administrative Agent and Other Lenders.

Each Lender and the L/C Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent, the Collateral Agent, 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 and the L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent, the Collateral Agent, 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 9.08 No Other Duties, Etc.

Anything herein to the contrary notwithstanding, none of the titles listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent, the Collateral Agent, a Lender or the L/C Issuer hereunder. Notwithstanding any other provision of this Agreement or any provision of any other Loan Document, each Arranger is named as such for recognition purposes only, and in its capacity as such shall have no duties, responsibilities or liabilities with respect to this Agreement or any other Loan Document; it being understood and agreed that each Arranger shall be entitled to all indemnification and reimbursement rights in favor of the Administrative Agent and the Collateral Agent provided herein and in the other Loan Documents. Without limitation of the foregoing, each Arranger in its capacity as such shall not, by reason of this Agreement or any other Loan Document, have any fiduciary relationship in respect of any Lender, Loan Party or any other Person.

Section 9.09 Administrative Agent May File Proofs of Claim; Credit Bidding.

(a) In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation 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 Borrowers) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(i) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Secured 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, the L/C Issuer and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuer and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuer and the Administrative Agent under Sections 2.03(h) and (i), 2.08, and 11.04) allowed in such judicial proceeding; and

(ii) 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 and the L/C Issuer 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 and the L/C Issuer, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.08 and 11.04.

Nothing contained herein shall be deemed to authorize the Administrative Agent or the Collateral Agent to authorize or consent to or accept or adopt on behalf of any Lender or the L/C

Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Secured Obligations or the rights of any Lender or the L/C Issuer or to authorize the Administrative Agent or the Collateral Agent to vote in respect of the claim of any Lender or the L/C Issuer or in any such proceeding.

(b) The Loan Parties and the Secured Parties hereby irrevocably authorize the Collateral Agent, based upon the instruction of the Required Lenders, to (a) credit bid and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral at any sale thereof conducted under the provisions of the Bankruptcy Code of the United States, including under Section 363 of the Bankruptcy Code of the United States or any similar Laws in any other jurisdictions to which a Loan Party is subject, or (b) credit bid and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral at any other sale or foreclosure conducted by (or with the consent or at the direction of) the Collateral Agent (whether by judicial action or otherwise) in accordance with applicable Law. In connection with any such credit bid and purchase, the Secured Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid on a ratable basis (with Secured Obligations with respect to contingent or unliquidated claims being estimated for such purpose if the fixing or liquidation thereof would not unduly delay the ability of the Collateral Agent to credit bid and purchase at such sale or other disposition of the Collateral and, if such claims cannot be estimated without unduly delaying the ability of the Collateral Agent to credit bid, then such claims shall be disregarded, not credit bid, and not entitled to any interest in the asset or assets purchased by means of such credit bid) and the Secured Parties whose Secured Obligations are credit bid shall be entitled to receive interests (ratably based upon the proportion of their Secured Obligations credit bid in relation to the aggregate amount of Secured Obligations so credit bid) in the asset or assets so purchased (or in the Equity Interests of the acquisition vehicle or vehicles that are used to consummate such purchase). Except as provided above and otherwise expressly provided for herein or in the other Collateral Documents, the Collateral Agent will not execute and deliver a release of any Lien on any Collateral. Upon request by the Collateral Agent or the Borrowers at any time, the Secured Parties will confirm in writing the Collateral Agent's authority to release any such Liens on particular types or items of Collateral pursuant to this Section 9.09.

Section 9.10 Collateral and Loan Party Guarantee Matters.

Each of the Lenders (including in its capacities as a potential Cash Management Bank and a potential Hedge Bank) and the L/C Issuer irrevocably authorize the Collateral Agent, at its option and in its discretion,

(a) to release any Lien on any property granted to or held by the Collateral Agent under any Loan Document (i) upon the Facility Termination Date, (ii) that is sold or otherwise disposed of or to be sold or otherwise disposed of as part of or in connection with any sale or other disposition permitted hereunder or under any other Loan Document, or (iii) if approved, authorized or ratified in writing by the Required Lenders in accordance with Section 11.01;

(b) to subordinate any Lien on any property granted to or held by the Collateral Agent under any Loan Document to the holder of any Lien on such property that is permitted by Section 7.01(i);

(c) to release any Guarantor from its obligations under the Loan Party Guarantee if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents or if such person becomes an Excluded Subsidiary;

(d) to release any Lien on the assets or Equity Interests of a Subsidiary that becomes an Excluded Subsidiary.

Upon request by the Collateral Agent at any time, the Required Lenders will confirm in writing the Collateral Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Loan Party Guarantee pursuant to this Section 9.10. In each case as specified in this Section 9.10, the Collateral Agent will, at the Borrowers' expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Collateral Documents or to subordinate its interest in such item, or to release such Guarantor from its obligations under the Loan Party Guarantee, in each case in accordance with the terms of the Loan Documents and this Section 9.10.

Neither the Administrative Agent nor the Collateral Agent shall be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Collateral Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent or the Collateral Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

Section 9.11 Secured Cash Management Agreements and Secured Hedge Agreements.

Except as otherwise expressly set forth herein, no Cash Management Bank or Hedge Bank that obtains the benefit of the provisions of Section 8.03, the Loan Party Guarantee or any Collateral by virtue of the provisions hereof or any Collateral Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) (or to notice of or to consent to any amendment, waiver or modification of the provisions hereof or of the Loan Party Guarantee or any Collateral Document) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article IX to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Secured Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements except to the extent expressly provided herein and unless the Administrative Agent has received a Secured Party Designation Notice of such Secured Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be. The Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Secured Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements in the case of the Facility Termination Date.

Section 9.12 Field Examinations.

After any field examination is conducted by or on behalf of the Collateral Agent, within ten (10) days of sign-off from the Collateral Agent on the results of such field examination, the Collateral Agent shall deliver a report of the results of such field examination to the Administrative Agent for distribution to each Lender.

ARTICLE X

CONTINUING GUARANTY

Section 10.01 Loan Party Guarantee.

Each Guarantor hereby absolutely and unconditionally, jointly and severally guarantees, as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment when due, whether at stated maturity, by required prepayment, upon acceleration, demand or otherwise, and at all times thereafter, of any and all Obligations and Additional Secured Obligations (for each Guarantor, subject to the proviso in this sentence, its "Guaranteed Obligations"); provided that liability of each Guarantor individually with respect to this Loan Party Guarantee shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the Bankruptcy Code of the United States or any comparable provisions of any applicable state law. The Administrative Agent's books and records showing the amount of the Secured Obligations shall be admissible in evidence in any action or proceeding, and shall be binding upon each Guarantor, and conclusive for the purpose of establishing the amount of the Secured Obligations. This Loan Party Guarantee shall not be affected by the genuineness, validity, regularity or enforceability of the Secured Obligations or any instrument or agreement evidencing any Secured Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Secured Obligations which might otherwise constitute a defense to the obligations of the Guarantors, or any of them, under this Loan Party Guarantee, and each Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing.

Section 10.02 Rights of Lenders.

Each Guarantor consents and agrees that the Secured Parties may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (a) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Secured Obligations or any part thereof; (b) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security for the payment of this Loan Party Guarantee or any Secured Obligations; (c) apply such security and direct the order or manner of sale thereof as the Collateral Agent, the L/C Issuer and the Lenders in their sole discretion may determine; and (d) release or substitute one or more of any endorsers or other guarantors of any of the Secured Obligations. Without limiting the generality of the foregoing, each Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of such Guarantor under this Loan Party Guarantee or which, but for this provision, might operate as a discharge of such Guarantor.

Section 10.03 Certain Waivers.

Each Guarantor waives (a) any defense arising by reason of any disability or other defense of the Borrowers or any other Guarantor, or the cessation from any cause whatsoever (including any act or omission of any Secured Party) of the liability of the Borrowers or any other Loan Party; (b) any defense based on any claim that such Guarantor's obligations exceed or are more burdensome than those of the Borrowers or any other Loan Party; (c) the benefit of any statute of limitations affecting any Guarantor's liability hereunder; (d) any right to proceed against the Borrowers or any other Loan Party, proceed against or exhaust any security for the Secured Obligations, or pursue any other remedy in the power of any Secured Party whatsoever; (e) any benefit of and any right to participate in any security now or hereafter held by any Secured Party; and (f) to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by applicable Law limiting the liability of or exonerating guarantors or sureties. Each Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Secured Obligations, and all notices of acceptance of this Loan Party Guarantee or of the existence, creation or incurrence of new or additional Secured Obligations.

Section 10.04 Obligations Independent.

The obligations of each Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Secured Obligations and the obligations of any other guarantor, and a separate action may be brought against each Guarantor to enforce this Loan Party Guarantee whether or not the Borrowers or any other person or entity is joined as a party.

Section 10.05 Subrogation.

No Guarantor shall exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Loan Party Guarantee until all of the Secured Obligations and any amounts payable under this Loan Party Guarantee have been indefeasibly paid and performed in full and the Commitments and the Facility are terminated. If any amounts are paid to a Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Secured Parties to reduce the amount of the Secured Obligations, whether matured or unmatured.

Section 10.06 Termination; Reinstatement.

This Loan Party Guarantee is a continuing and irrevocable guaranty of all Secured Obligations now or hereafter existing and shall remain in full force and effect until the Facility Termination Date. Notwithstanding the foregoing, this Loan Party Guarantee shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of the Borrowers or a Guarantor is made, or any of the Secured Parties exercises its right of setoff, in respect of the Secured Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including

pursuant to any settlement entered into by any of the Secured Parties in their discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Secured Parties are in possession of or have released this Loan Party Guarantee and regardless of any prior revocation, rescission, termination or reduction. The obligations of each Guarantor under this paragraph shall survive termination of this Loan Party Guarantee.

Section 10.07 Stay of Acceleration.

If acceleration of the time for payment of any of the Secured Obligations is stayed, in connection with any case commenced by or against a Guarantor or the Borrowers under any Debtor Relief Laws, or otherwise, all such amounts shall nonetheless be payable by each Guarantor, jointly and severally, immediately upon demand by the Secured Parties.

Section 10.08 Condition of Borrowers.

Each Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from the Borrowers and any other Guarantor such information concerning the financial condition, business and operations of the Borrowers and any such other Guarantor as such Guarantor requires, and that none of the Secured Parties has any duty, and such Guarantor is not relying on the Secured Parties at any time, to disclose to it any information relating to the business, operations or financial condition of the Borrowers or any other Guarantor (each Guarantor waiving any duty on the part of the Secured Parties to disclose such information and any defense relating to the failure to provide the same).

Section 10.09 Appointment of Borrowers.

Each of the Guarantors hereby appoints the Borrowers to act as its agent for all purposes of this Agreement and the other Loan Documents and agrees that (a) the Borrowers may execute such documents on behalf of such Guarantor as the Borrowers deem appropriate in its sole discretion and each Guarantor shall be obligated by all of the terms of any such document executed on its behalf, (b) any notice or communication delivered by the Administrative Agent, the Collateral Agent or the Lenders to the Borrowers shall be deemed delivered to each Guarantor and (c) the Administrative Agent, the Collateral Agent or the Lenders may accept, and be permitted to rely on, any document, instrument or agreement executed by the Borrowers on behalf of each Guarantor.

Section 10.10 Right of Contribution.

The Guarantors agree among themselves that, in connection with payments made hereunder, each Guarantor shall have contribution rights against the other Guarantors as permitted under applicable Law.

Section 10.11 Keepwell.

Each Loan Party that is a Qualified ECP Guarantor at the time the Loan Party Guarantee or the grant of a Lien under the Loan Documents, in each case, by any Specified Loan Party becomes

effective with respect to any Swap Obligation, hereby jointly and severally, absolutely, unconditionally and irrevocably undertakes to provide such funds or other support to each Specified Loan Party with respect to such Swap Obligation as may be needed by such Specified Loan Party from time to time to honor all of its obligations under the Loan Documents in respect of such Swap Obligation (but, in each case, only up to the maximum amount of such liability that can be hereby incurred without rendering such Qualified ECP Guarantor's obligations and undertakings under this Article X voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations and undertakings of each Qualified ECP Guarantor under this Section shall remain in full force and effect until the Secured Obligations have been indefeasibly paid and performed in full. Each Loan Party intends this Section to constitute, and this Section shall be deemed to constitute, a guarantee of the obligations of, and a "keepwell, support, or other agreement" for the benefit of, each Specified Loan Party for all purposes of the Commodity Exchange Act.

ARTICLE XI

MISCELLANEOUS

Section 11.01 Amendments, Etc.

No amendment or waiver of any provision of this Agreement or any other Loan Document (other than such amendments or waivers which are administrative or ministerial in nature), and no consent to any departure by the Borrowers or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrowers or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, 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 amendment, waiver or consent shall:

(a) waive any condition set forth in Section 4.01, or, in the case of the initial Credit Extension, Section 4.02, without the written consent of each Lender;

(b) without limiting the generality of clause (a) above, waive any condition set forth in Section 4.02 as to any Credit Extension without the written consent of the Required Lenders;

(c) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender (it being understood and agreed that a waiver of any condition precedent in Section 4.02 or of any Default or a mandatory reduction in Commitments is not considered an extension or increase in Commitments of any Lender);

(d) postpone any date fixed by this Agreement or any other Loan Document for any payment (excluding mandatory prepayments) of principal, interest, fees, reimbursement obligations or other amounts due to the Lenders (or any of them) hereunder or under such other Loan Document without the written consent of each Lender entitled to such payment;

(e) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (iv) of the second proviso to this Section 11.01) any fees or other amounts payable or required to be reimbursed hereunder or under any other Loan Document without the written consent of each Lender entitled to such amount; provided, however, that only the consent of the Required Lenders shall be necessary to amend the definition of "Default Rate" or to waive any obligation of the Loan Parties to pay interest or Letter of Credit Fees at the Default Rate;

(f) change any provision of Section 11.06 in a manner that imposes any additional restriction on any Lender's ability to assign any of its rights or obligations hereunder without the written consent of such Lender;

(g) change Section 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender;

(h) change any provision of this Section 11.01 or the definition of "Required Lenders" or any other provision of any Loan Document specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or thereunder or make any determination or grant any consent hereunder, without the written consent of each Lender;

(i) release all or substantially all of the Collateral in any transaction or series of related transactions (except with respect to Permitted Dispositions and Investments permitted under Section 7.03), without the written consent of each Lender;

(j) release all or substantially all of the value of the Loan Party Guarantee, without the written consent of each Lender, except to the extent the release of any Guarantor from the Loan Party Guarantee is permitted pursuant to Section 9.10 (in which case such release may be made by the Administrative Agent acting alone);

(k) release the Loan Parties from any of its obligations under this Agreement or the other Loan Documents, or permit the Loan Parties to assign or transfer any of their rights or obligations under this Agreement or the other Loan Documents, without the consent of each Lender;

(l) change the percentages of the formula for calculation of the Borrowing Base as set forth in the definition of "Borrowing Base" in a manner that is intended to increase the availability under the Borrowing Base in any material respect, without the written consent of the Supermajority Lenders; provided that this clause (l) shall not limit the ability of the Collateral Agent and the Borrowers to revise the amounts and percentages of the formula for calculation of the Borrowing Base as described in clause (z) of the definition of the term "Borrowing Base"; or

(m) change or otherwise modify the eligibility criteria, eligible asset classes, reserves or sublimits in respect of the Borrowing Base, or add new asset categories to the Borrowing Base, including "Eligible Project Back-Log" and "Eligible Take-Out", if such change, modification or addition is intended to increase availability under the Borrowing Base, in each case without the written consent of the Supermajority Lenders; provided that this clause (m) shall not limit the ability of the Collateral Agent and the Borrowers to revise the amounts and percentages of the formula for

calculation of the Borrowing Base as described in clause (z) of the definition of the term "Borrowing Base";

and provided, further, that (i) no amendment, waiver or consent shall, unless in writing and signed by the L/C Issuer in addition to the Lenders required above, affect the rights or duties of the L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it; (ii) no amendment, waiver or consent shall, unless in writing and signed by the Collateral Agent in addition to the Lenders required above, affect the rights or duties of the Collateral Agent under this Agreement; (iii) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document; and (iv) the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto. Notwithstanding anything to the contrary herein, (A) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender, or all Lenders or each affected Lender under the Facility, may be effected with the consent of the applicable Lenders other than Defaulting Lenders, except that (1) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (2) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender, or all Lenders or each affected Lender under the Facility, that by its terms affects any Defaulting Lender disproportionately adversely relative to other affected Lenders shall require the consent of such Defaulting Lender; (B) each Lender is entitled to vote as such Lender sees fit on any bankruptcy reorganization plan that affects the Loans, and each Lender acknowledges that the provisions of Section 1126(c) of the Bankruptcy Code of the United States supersedes the unanimous consent provisions set forth herein; and (C) the Required Lenders shall determine whether or not to allow a Loan Party to use cash collateral in the context of a bankruptcy or insolvency proceeding and such determination shall be binding on all of the Lenders.

Notwithstanding anything to the contrary herein the Administrative Agent may, with the prior written consent of the Borrowers only, amend, modify or supplement this Agreement or any of the other Loan Documents to cure any ambiguity, omission, mistake, defect or inconsistency.

Notwithstanding any provision herein to the contrary, this Agreement may be amended with the written consent of the Required Lenders, the Administrative Agent and the Borrowers (I) to add one or more additional revolving credit or term loan facilities to this Agreement and to permit the extensions of credit and all related obligations and liabilities arising in connection therewith from time to time outstanding to share ratably (or on a basis subordinated to the existing facilities hereunder) in the benefits of this Agreement and the other Loan Documents with the obligations and liabilities from time to time outstanding in respect of the existing facilities hereunder, and (II) in connection with the foregoing, to permit, as deemed appropriate by the Administrative Agent and approved by the Required Lenders, the Lenders providing such additional credit facilities to obtain comparable tranche voting rights with respect to each such new facility and to participate in any required vote or action required to be approved by the Required Lenders or by any other number, percentage or class of Lenders hereunder.

If any Lender does not consent to a proposed amendment, waiver, consent or release with respect to any Loan Document that requires the consent of each Lender and that has been approved by the Required Lenders, the Borrowers may replace such Non-Consenting Lender in accordance with Section 11.13; provided that, such amendment, waiver, consent or release can be effected as a result of the assignment contemplated by such Section (together with all other such assignments required by the Borrowers to be made pursuant to this paragraph).

Section 11.02 Notices; Effectiveness; Electronic Communications.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by fax transmission or e-mail transmission as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to any Borrower or any other Loan Party, the Administrative Agent, the Collateral Agent or the L/C Issuer, to the address, facsimile number, e-mail address or telephone number specified for such Person on Schedule 1.01(a); and

(ii) if to any other Lender, to the address, facsimile number, e-mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Borrowers).

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 (fax transmission or e-mail transmission 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 subsection (b) below shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders and the L/C Issuer hereunder may be delivered or furnished by electronic communication (including e-mail address 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 or the L/C Issuer pursuant to Article II if such Lender or the L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent, the Collateral Agent, the L/C Issuer or any Loan Party 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 address 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 communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent, the Collateral Agent or any of their respective Related Parties (collectively, the "Agent Parties") have any liability to the Loan Parties, any Lender, the L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of any Borrower's, any Loan Party's, the Administrative Agent's or the Collateral Agent's transmission of Borrower Materials or any other Information through the Internet, telecommunications, electronic or other information transmission systems.

(d) Change of Address, Etc. Each of the Loan Parties, the Administrative Agent, the Collateral Agent and the L/C Issuer may change its address, facsimile number or telephone number or e-mail address for notices and other communications hereunder by notice to the other parties hereto. Each Lender may change its address, facsimile number or telephone number or e-mail address for notices and other communications hereunder by notice to the Loan Parties, the Administrative Agent, the Collateral Agent and the L/C Issuer. 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 e-mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one (1) individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable Law, including United States federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Borrowers or their securities for purposes of United States federal or state securities laws.

(e) Reliance by Administrative Agent, Collateral Agent, L/C Issuer and Lenders . The Administrative Agent, the Collateral Agent, the L/C Issuer and the Lenders shall be entitled to rely and act upon any notices (including telephonic or electronic Loan Notices and Letter of Credit Applications) purportedly given by or on behalf of any Loan Party 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. The Loan Parties shall indemnify the Administrative Agent, the Collateral Agent, the L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a Loan Party. All telephonic notices to and other telephonic communications with the Administrative Agent or the Collateral Agent may be recorded by the Administrative Agent or the Collateral Agent, and each of the parties hereto hereby consents to such recording.

Section 11.03 No Waiver; Cumulative Remedies; Enforcement.

No failure by any Lender, the L/C Issuer, the Administrative Agent or the Collateral 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 or under any other Loan Document 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.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders and the L/C Issuer; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) the L/C Issuer from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 11.08 (subject to the terms of Section 2.12), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.12, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

Section 11.04 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Loan Parties shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent, each Arranger, the Collateral Agent and the L/C Issuer and their respective Affiliates (including the reasonable fees, charges and disbursements of counsel for such Persons), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated); (ii) all reasonable out-of-pocket expenses incurred by the L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder; and (iii) all out-of-pocket expenses incurred by the Administrative Agent, each Arranger, the Collateral Agent, any Lender or the L/C Issuer and their respective Affiliates (including the reasonable fees, charges and disbursements of any counsel for such Persons) (x) in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with Loans made or Letters of Credit issued hereunder, including all such reasonable out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit, and (y) in connection with any documentary taxes associated with the Facility.

(b) Indemnification by the Loan Parties. The Loan Parties shall indemnify the Administrative Agent and the Collateral Agent (and any sub-agent thereof), each Lender and the L/C Issuer, and each Related Party, successor and assign of any of the foregoing Persons (each such Person being called an "Indemnitee") against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the reasonable fees, charges and disbursements of counsel, which shall include the fees of one firm of counsel for all Indemnitees, taken as a whole (and, if necessary, the fees of a single firm of local counsel in each appropriate jurisdiction for all Indemnitees, taken as a whole (and, in the case of an actual or perceived conflict of interest, the fees of another firm of counsel (and local counsel, if applicable) for such affected Indemnitee))), incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Borrowers or any other Loan Party) arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan 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, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.01), (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the L/C Issuer 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), (iii) any actual or alleged presence or Release of Hazardous Materials on or from any property owned or operated by a Loan Party or any of its Subsidiaries or related to any of the Projects, or any Environmental Liability related in any way to a Loan Party or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Borrower or any other Loan Party or any

of such Borrower's or such Loan Party's Affiliates, directors, equity holders or creditors, and regardless of whether any Indemnitee is a party thereto; provided that, such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted primarily from the gross negligence or willful misconduct of such Indemnitee. Without limiting the provisions of Section 3.01(c), this Section 11.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Loan Parties for any reason fail to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Administrative Agent or the Collateral Agent (or any sub-agent thereof), the L/C Issuer or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent or the Collateral Agent (or any such sub-agent), the L/C Issuer 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 each Lender's share of the Total Credit Exposure at such time) 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 the Collateral Agent (or any such sub-agent) or the L/C Issuer in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent or the Collateral Agent (or any such sub-agent) or the L/C Issuer in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.11(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable Law, no Loan Party shall assert, and each Loan Party hereby waives, and acknowledges that no other Person shall have, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) 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 Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above 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 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 direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section shall be payable not later than ten (10) Business Days after demand therefor.

(f) Survival. The agreements in this Section and the indemnity provisions of Section 11.02(e) shall survive the resignation of the Administrative Agent, the Collateral Agent and

the L/C Issuer, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

Section 11.05 Payments Set Aside.

To the extent that any payment by or on behalf of the Loan Parties is made to the Administrative Agent, the Collateral Agent, the L/C Issuer or any Lender, or the Administrative Agent, the Collateral Agent, the L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, the Collateral Agent, the L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and the L/C Issuer severally agrees to pay to the Administrative Agent or the Collateral Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent or the Collateral Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Federal Funds Rate from time to time in effect. The obligations of the Lenders and the L/C Issuer under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

Section 11.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of the parties hereto and thereto and their respective successors and assigns permitted hereby, except neither the Borrowers nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section (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 subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Collateral Agent, the L/C Issuer 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 and the other Loan Documents (including all or a portion of its Commitment(s) and the Loans (including for purposes of this subsection (b), participations in L/C Obligations) at the time owing to it); provided that (in each case with respect to the Facility), 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 Commitment under the Facility and/or the Loans at the time owing to it (in each case with respect to the Facility) or contemporaneous assignments to related Approved Funds that equal at least the amount specified in paragraph (b)(i)(B) of this Section 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 subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is 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 $5,000,000 (and shall be in an amount of an integral multiple of $1,000,000), in the case of any assignment in respect of the Facility, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrowers otherwise consent (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 and the other Loan Documents with respect to the Loans and/or the Commitment assigned.

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrowers (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that, (i) in no event shall any such assignment be made to any Competitor of the Loan Parties and (ii) the Borrowers shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within five (5) Business Days after having received notice thereof;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of any Commitment if such assignment is to a Person that is not a Lender with a Commitment in respect of the applicable Facility, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(C) the consent of the L/C Issuer (such consent not to be unreasonably withheld or delayed) shall be required for any assignment in respect of the Facility.

(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

and recordation fee in the amount of $3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive or reduce such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire and all applicable tax forms.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to any Borrower or any of the Borrowers' Affiliates or Subsidiaries, (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), or (C) to a natural Person.

(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 Borrowers 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, the L/C Issuer or any Lender hereunder (and interest accrued thereon) and (B) acquire (and fund as appropriate) such Defaulting Lender's full pro rata share of all Revolving Borrowings and participations in Letters of Credit in accordance with its Applicable Percentage of each Revolving Borrowing and of each participation in a Letter of Credit. 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 paragraph, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, 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 3.01, 3.04, 3.05 and 11.04 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. Upon request, each Borrower (at its expense) shall execute and deliver a Revolving Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection 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 subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrowers (and such agency being solely for tax purposes), shall maintain at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, absent manifest error, and the Borrowers, 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 Borrowers and any Lender, at any reasonable time and from time to time upon reasonable prior notice. Upon its receipt of, and consent to, a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, an Administrative Questionnaire completed in respect of the assignee (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) above, if applicable, and the written consent of the Administrative Agent and the L/C Issuer and, if required, the Borrowers, to such assignment and any applicable tax forms, the Administrative Agent shall (i) accept such Assignment and Assumption and (ii) promptly record the information contained therein in the Register. No assignment shall be effective unless it has been recorded in the Register as provided in this paragraph (c).

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrowers, the Administrative Agent or the L/C Issuer, sell participations to any Person (other than a natural Person, a Defaulting Lender or the Borrowers or any of the Borrowers' Affiliates or Subsidiaries) (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 Commitment and/or the Loans (including such Lender's participations in L/C Obligations) owing to it); provided that, (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrowers, the Administrative Agent, the Lenders and the L/C Issuer shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement; and provided, further, that in no event shall any such participation be sold to any Competitor of the Loan Parties. For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 11.04(c) without regard to the existence of any participations.

Any agreement or instrument pursuant to which a Lender sells such a 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, waiver or other modification described in clauses (c), (d), (e), (i) and (j) of the first proviso to Section 11.01 that affects such Participant. The Borrowers agree that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05, subject to the requirements and limitations herein, including the requirements under Section 3.01(e) (it being

understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section; provided that, such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 11.13 as if it were an assignee under paragraph (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrowers' request and expense, to use reasonable efforts to cooperate with the Borrowers to effectuate the provisions of Section 3.06 with respect to any Participant. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 11.08 as though it were a Lender; provided that, such Participant agrees to be subject to Section 2.12 as though it were a Lender. Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrowers, 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 or other obligations under the Loan Documents (the "Participant Register"); provided that, no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Loan Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the 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. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(e) Certain Pledges. Any Lender may at any time, without consent of the Loan Parties or the Administrative Agent, pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Revolving Note or Revolving Notes, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations, to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Resignation as L/C Issuer after Assignment. Notwithstanding anything to the contrary contained herein, if at any time a Lender assigns all of its Commitment and Revolving Loans pursuant to subsection (b) above, such Lender may, (i) upon ten (10) days' notice to the Borrowers and the Lenders, resign as L/C Issuer. In the event of any such resignation as L/C Issuer, the Borrowers shall be entitled to appoint from among the Lenders a successor L/C Issuer hereunder with the consent of the Administrative Agent (which consent shall not be unreasonably withheld or delayed) and such Lender; provided, however, that no failure by the Borrowers to appoint any such successor shall affect the resignation of such Lender as L/C Issuer. If such Lender resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with

respect to all Letters of Credit issued by such Lender outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Lenders to make Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). Upon the appointment of a successor L/C Issuer, (A) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer, (B) the retiring L/C Issuer shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents and (C) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit issued by the retiring L/C Issuer, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuer to effectively assume the obligations of the retiring L/C Issuer with respect to such Letters of Credit.

Section 11.07 Treatment of Certain Information; Confidentiality.

(a) Treatment of Certain Information. Each of the Administrative Agent, the Collateral Agent, the Lenders and the L/C Issuer agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (i) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (ii) to the extent required or requested by any regulatory authority having jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (iii) to the extent required by applicable Laws or regulations or by any subpoena or similar legal process, (iv) to any other party hereto, (v) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (vi) subject to an agreement containing provisions substantially the same as those of this Section, to (A) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights and obligations under this Agreement or (B) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to any Borrower and its obligations, this Agreement or payments hereunder, (vii) on a confidential basis to (1) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder or (2) any administration, management or settlement service providers, (viii) with the consent of the Borrowers or to the extent such Information (1) becomes publicly available other than as a result of a breach of this Section or (2) becomes available to the Administrative Agent, the Collateral Agent, any Lender, the L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrowers or any Subsidiary thereof. For purposes of this Section, "Information" means all information received from the Borrowers or any Subsidiary thereof relating to the Borrowers or any Subsidiary thereof or any of their respective businesses, other than any such information that is available to the Administrative Agent, the Collateral Agent, any Lender or the L/C Issuer on a nonconfidential basis prior to disclosure by any Borrower or any Subsidiary thereof; all information received from any Borrower or any Subsidiary thereof relating to any Borrower or any Subsidiary thereof or any of their respective businesses shall be deemed "Information" for purposes of this Section 11.07(a) unless marked "Public." Any Person required to maintain the confidentiality of 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 Information as such Person would accord to its own confidential information.

(b) Non-Public Information. Each of the Administrative Agent, the Collateral Agent, the Lenders and the L/C Issuer acknowledges that (i) the Information may include material non-public information concerning a Loan Party or a Subsidiary thereof, as the case may be, (ii) it has developed compliance procedures regarding the use of material non-public information and (iii) it will handle such material non-public information in accordance with applicable Law, including United States federal and state securities Laws.

(c) Press Releases. The Loan Parties and their Affiliates agree that they will not in the future issue any press releases or other public disclosure using the name of the Administrative Agent, the Collateral Agent or any Lender or their respective Affiliates or referring to this Agreement or any of the Loan Documents without the prior written consent of the Administrative Agent, unless (and only to the extent that) the Loan Parties or such Affiliates are required to do so under law and then, in any event the Loan Parties or such Affiliates will consult with such Person before issuing such press release or other public disclosure.

(d) Customary Advertising Material. The Loan Parties consent to the publication by the Administrative Agent, the Collateral Agent or any Lender of customary advertising material relating to the transactions contemplated hereby using the name, product photographs, logo or trademark of the Loan Parties; provided that, if any such advertising materials include Borrowers' results of operating or other non-public Information that is to be treated as confidential under this Section 11.07, the Borrowers' consent shall be required prior to use of such Information.

(e) FOIL. NOTWITHSTANDING ANY PROVISION OF THIS SECTION 11.07 TO THE CONTRARY, THE LOAN PARTIES ACKNOWLEDGE AND AGREE THAT ALL INFORMATION, IN ANY FORMAT, SUBMITTED TO NYGB SHALL BE SUBJECT TO AND TREATED IN ACCORDANCE WITH THE NYS FREEDOM OF INFORMATION LAW ("FOIL," PUBLIC OFFICERS LAW, ARTICLE 6). PURSUANT TO FOIL, NYGB IS REQUIRED TO MAKE AVAILABLE TO THE PUBLIC, UPON REQUEST, RECORDS OR PORTIONS THEREOF WHICH IT POSSESSES, UNLESS THAT INFORMATION IS STATUTORILY EXEMPT FROM DISCLOSURE. THEREFORE, UNLESS THIS AGREEMENT SPECIFICALLY REQUIRES OTHERWISE, THE LOAN PARTIES SHOULD SUBMIT INFORMATION TO NYGB IN A NON-CONFIDENTIAL, NON-PROPRIETARY FORMAT. FOIL DOES PROVIDE THAT NYGB MAY DENY ACCESS TO RECORDS OR PORTIONS THEREOF THAT "ARE TRADE SECRETS OR ARE SUBMITTED TO AN AGENCY BY A COMMERCIAL ENTERPRISE OR DERIVED FROM INFORMATION OBTAINED FROM A COMMERCIAL ENTERPRISE AND WHICH IF DISCLOSED WOULD CAUSE SUBSTANTIAL INJURY TO THE COMPETITIVE POSITION OF THE SUBJECT ENTERPRISE." [SEE PUBLIC OFFICERS LAW, § 87(2)(D)]. ACCORDINGLY, IF THIS AGREEMENT SPECIFICALLY REQUIRES SUBMISSION OF INFORMATION IN A FORMAT THE LOAN PARTIES CONSIDER A PROPRIETARY AND/OR CONFIDENTIAL TRADE SECRET, THE LOAN PARTIES SHALL FULLY IDENTIFY AND PLAINLY LABEL THE INFORMATION "CONFIDENTIAL" OR "PROPRIETARY" AT THE TIME OF DISCLOSURE.

BY SO MARKING SUCH INFORMATION, THE LOAN PARTIES REPRESENT THAT THE INFORMATION HAS ACTUAL OR POTENTIAL SPECIFIC COMMERCIAL OR COMPETITIVE VALUE TO THE COMPETITORS OF THE LOAN PARTIES. WITHOUT LIMITATION, INFORMATION WILL NOT BE CONSIDERED CONFIDENTIAL OR PROPRIETARY IF IT IS OR HAS BEEN (I) GENERALLY KNOWN OR AVAILABLE FROM OTHER SOURCES WITHOUT OBLIGATION CONCERNING ITS CONFIDENTIALITY; (II) MADE AVAILABLE BY THE OWNER TO OTHERS WITHOUT OBLIGATION CONCERNING ITS CONFIDENTIALITY; OR (III) ALREADY AVAILABLE TO NYGB WITHOUT OBLIGATION CONCERNING ITS CONFIDENTIALITY. IN THE EVENT OF A FOIL REQUEST, IT IS NYGB'S POLICY TO CONSIDER RECORDS AS MARKED ABOVE PURSUANT TO THE TRADE SECRET EXEMPTION PROCEDURE SET FORTH IN 21 NEW YORK CODES RULES & REGULATIONS § 501.6 AND ANY OTHER APPLICABLE LAW OR REGULATION. HOWEVER, NYGB CANNOT GUARANTEE THE CONFIDENTIALITY OF ANY INFORMATION SUBMITTED. MORE INFORMATION ON FOIL, AND THE RELEVANT STATUTORY LAW AND REGULATIONS, CAN BE FOUND AT THE WEBSITE FOR THE COMMITTEE ON OPEN GOVERNMENT (HTTP://WWW.DOS.STATE.NY.US/COOG/FOIL2.HTML) AND NYGB'S REGULATIONS, PART 501.

Section 11.08 Right of Setoff.

If an Event of Default shall have occurred and be continuing, each Lender, the L/C Issuer and each of their respective 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, the L/C Issuer or any such Affiliate to or for the credit or the account of the Borrowers or any other Loan Party against any and all of the obligations of the Borrowers or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or the L/C Issuer or their respective Affiliates, irrespective of whether or not such Lender, the L/C Issuer or Affiliate shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrowers or such Loan Party may be contingent or unmatured, secured or unsecured, or are owed to a branch, office or Affiliate of such Lender or the L/C Issuer different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness; provided that, in the event that any Defaulting Lender shall exercise any such right of setoff, (a) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.14 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the L/C Issuer and the Lenders, and (b) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Secured Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, the L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, the L/C Issuer or their respective Affiliates may have. Each Lender and the L/C Issuer agrees to notify the Borrowers or such Loan Party 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 11.09 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 Borrowers. 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 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, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

Section 11.10 Counterparts; Integration; Effectiveness.

This Agreement and each of the other Loan Documents may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which taken together shall constitute a single contract. This Agreement, the other Loan Documents, and any separate letter agreements with respect to fees payable to the Administrative Agent, the Collateral Agent or the L/C Issuer, constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, 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 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 or any other Loan Document, or any certificate delivered thereunder, by fax transmission or other e-mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of an original executed counterpart of this Agreement or such other Loan Document or certificate. Without limiting the foregoing, to the extent an original executed counterpart is not specifically required to be delivered under the terms of any Loan Document, upon the request of any party, such fax transmission or e-mail transmission shall be promptly followed by delivery of such original executed counterpart.

Section 11.11 Survival of Representations and Warranties.

All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

Section 11.12 Severability.

If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent or the L/C Issuer, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

Section 11.13 Replacement of Lenders.

If the Borrowers are entitled to replace a Lender pursuant to the provisions of Section 3.06, or if any Lender is a Defaulting Lender or a Non-Consenting Lender or if any other circumstance exists hereunder that gives the Borrowers the right to replace a Lender as a party hereto, then the Borrowers may, at their sole expense and effort, 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 11.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that:

(a) the Borrowers shall have paid to the Administrative Agent the assignment fee (if any) specified in Section 11.06(b);

(b) such Lender shall have received payment of an amount equal to 100% of the outstanding principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrowers (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws; and

(e) in the case of an assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

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 Borrowers to require such assignment and delegation cease to apply.

Section 11.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) 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 (EXCEPT, AS TO ANY OTHER LOAN DOCUMENT, AS EXPRESSLY SET FORTH THEREIN) AND THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. THE BORROWERS AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREE 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, THE L/C ISSUER, 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 OR FOR THE RECOGNITION AND ENFORCEMENT OF ANY JUDGMENT IN RESPECT THEREOF, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY, AND ANY APPELLATE COURT THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY, IN ACCORDANCE WITH THE PROVISIONS OF NY CLS CPLR § 505, SUBMITS TO THE EXCLUSIVE GENERAL JURISDICTION OF SUCH 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. 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. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, THE COLLATERAL AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWERS OR ANY OTHER LOAN PARTY OR THEIR PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVE, 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 11.14. 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 11.15 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, 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 11.15.

Section 11.16 Subordination.

Each Loan Party (a "Subordinating Loan Party") hereby subordinates the payment of all obligations and indebtedness of any other Loan Party owing to it, whether now existing or hereafter arising, including but not limited to any obligation of any such other Loan Party to the Subordinating Loan Party as subrogee of the Secured Parties or resulting from such Subordinating Loan Party's performance under this Loan Party Guarantee, to the indefeasible payment in full in cash of all Obligations. If the Secured Parties so request, any such obligation or indebtedness of any such other Loan Party to the Subordinating Loan Party shall be enforced and performance received by the Subordinating Loan Party as trustee for the Secured Parties and the proceeds thereof shall be paid over to the Secured Parties on account of the Secured Obligations, but without reducing or affecting in any manner the liability of the Subordinating Loan Party under this Agreement. Without limitation of the foregoing, so long as no Default has occurred and is continuing, the Loan Parties may make and receive payments with respect to Intercompany Debt; provided, that in the event that any Loan Party receives any payment of any Intercompany Debt at a time when such payment is prohibited by this Section, such payment shall be held by such Loan Party, in trust for the benefit of, and shall be paid forthwith over and delivered, upon written request, to the Administrative Agent.

Section 11.17 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 Borrowers and each other Loan Party acknowledge and agree, and acknowledge their respective Affiliates' understanding, that: (a) (i) the arranging and other services regarding this Agreement provided by the Administrative Agent and any Affiliate thereof, each Arranger and the Lenders are arm's-length commercial transactions between the Borrowers, each other Loan Party and their respective Affiliates, on the one hand, and the Administrative Agent and its Affiliates, the L/C Issuer and its Affiliates, the Collateral Agent and its Affiliates and the Lenders and their Affiliates (including in the case of any such Affiliate as an Arranger), on the other hand, (ii) each of the Borrowers and the other Loan Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (iii) the Borrowers and each other Loan Party are 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 Administrative Agent and its Affiliates, the L/C Issuer and its Affiliates, the Collateral Agent and its Affiliates and each Lender and its Affiliates (including in the case of any such Affiliate as an Arranger) each are and have been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, have not been, are not, and will not be acting as an advisor, agent or fiduciary, for the Borrowers, any other Loan Party or any of their respective Affiliates, or any other Person and (ii) none the Administrative Agent and any of its Affiliates, the L/C Issuer and any of its Affiliates, the Collateral Agent and any of its Affiliates, or any Lender and any of its Affiliates (including in the case of any such Affiliate as an Arranger) has any obligation to the Borrowers, any other Loan Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (c) the Administrative Agent and its Affiliates, the L/C Issuer and its Affiliates, the Collateral Agent and its Affiliates, and the Lenders and their Affiliates (including in the case of any such Affiliate as an Arranger) may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers, the other Loan Parties and their respective Affiliates, and none the Administrative Agent and any of its Affiliates, the L/C Issuer and any of its Affiliates, the Collateral Agent and any of its Affiliates, or any Lender and any of its Affiliates (including in the case of any such Affiliate as an Arranger) has any obligation to disclose any of such interests to the Borrowers, any other Loan Party or any of their respective Affiliates. To the fullest extent permitted by law, each of the Borrowers and each other Loan Party hereby waives and releases any claims that it may have against the Administrative Agent and any of its Affiliates, the L/C Issuer and any of its Affiliates, the Collateral Agent and any of its Affiliates, or any Lender and any of its Affiliates (including in the case of any such Affiliate as an Arranger) with respect to any breach or alleged breach of agency or fiduciary duty in connection with any aspect of any transactions contemplated hereby.

Section 11.18 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.

Section 11.19 USA PATRIOT Act Notice.

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 Borrowers and the other Loan Parties that pursuant to the requirements of PATRIOT Act, it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Loan Party in accordance with the PATRIOT Act. The Borrowers and the other Loan Parties agree to, promptly following a request by the Administrative Agent or any Lender and no later than five (5) Business Days prior to the Closing Date, provide all such other documentation and information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including the PATRIOT Act.

Section 11.20 Time of the Essence.

Time is of the essence of the Loan Documents.

Section 11.21 No Novation.

The Loan Parties, the Administrative Agent and the Lenders hereby agree that, effective upon the execution and delivery of this Agreement by each such party, the terms and provisions of the Existing Credit Agreement shall be and hereby are amended, restated and superseded in their entirety by the terms and provisions of this Agreement. Nothing herein contained shall be construed as a substitution or novation of the obligations of the Loan Parties outstanding under the Existing Credit Agreement or instruments securing the same, which obligations shall remain in full force and effect, except to the extent that the terms thereof are modified hereby or by instruments executed concurrently herewith. Nothing expressed or implied in this Agreement shall be construed as a release or other discharge of the Loan Parties, or any guarantor from any of its obligations or liabilities under the Existing Credit Agreement or any of the notes, security agreements, pledge agreements, mortgages, guaranties or other loan documents executed in connection therewith. The Loan Parties hereby (i) confirm and agree that each Loan Document to which it is a party is, and shall continue to be, in full force and effect and is hereby ratified and confirmed in all respects except that on and after the Closing Date all references in any such Loan Document to "the Credit Agreement", "thereto", "thereof", "thereunder" or words of like import referring to the Existing Credit Agreement shall mean the Existing Credit Agreement as amended and restated by this Agreement; and (ii) confirm and agree that to the extent that the Existing Credit Agreement or any Loan Document executed in connection therewith purports to assign or pledge to the Administrative Agent, for the benefit of Lenders, or to grant to Administrative Agent, for the benefit of the Lenders, a security interest in or lien on, any collateral as security for the Obligations of the Loan Parties from time to time existing in respect of the Existing Credit Agreement, such pledge, assignment or

grant of the security interest or lien is hereby ratified and confirmed in all respects and shall remain effective as of the first date it became effective.

Section 11.22 Iran Divestment Act.

In accordance with Section 2879-c of the Public Authorities Law, by signing this Agreement, each of the Borrowers certifies, for itself, each other Loan Party and their respective Affiliates, under penalty of perjury, to the best of its knowledge and belief, that none of the Borrowers, the other Loan Parties or any of their respective 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).

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

[*Signature blocks intentionally omitted*]

Schedules and Exhibits Provided in Separate Files

SCHEDULE 1.01(a)

Certain Addresses for Notices

Borrowers:

Sunrun Inc.
225 Bush Street, Suite 1400
San Francisco, CA 94104
Attn: General Counsel
Phone: 415-580-6900
Email: legalteam@sunrun.com
Facsimile: 415-727-3500

AEE Solar, Inc.
225 Bush Street, Suite 1400
San Francisco, CA 94104
Attn: General Counsel
Phone: 415-580-6900
Email: legalteam@sunrun.com
Facsimile: 415-727-3500

Sunrun Installation Services Inc.
225 Bush Street, Suite 1400
San Francisco, CA 94104
Attn: General Counsel
Phone: 415-580-6900
Email: legalteam@sunrun.com
Facsimile: 415-727-3500

Sunrun South LLC
225 Bush Street, Suite 1400
San Francisco, CA 94104
Attn: General Counsel
Phone: 415-580-6900
Email: legalteam@sunrun.com
Facsimile: 415-727-3500

Guarantors:

Clean Energy Experts LLC
225 Bush Street, Suite 1400
San Francisco, CA 94104
Attn: General Counsel
Phone: 415-580-6900
Email: legalteam@sunrun.com
Facsimile: 415-727-3500

Administrative Agent:

KeyBank National Association
127 Public Square
Cleveland, OH 44114-1306
Attn: [***]
Tel: [***]
Fax: [***]
Email: [***]

With a copy to:

KeyBank National Association
4900 Tiedeman Road
Cleveland, OH 44114
Attn: KeyBank Servicing
Tel.: 216-813-1950
Fax: 216-370-5997
Email: Renewables.ProjectFinance@KeyBank.com

Administrative Agent's Wire Instructions:

Name of Bank: KeyBank National Association
ABA#: 041001039
Account #: [***]
Beneficiary: [***]
Reference: [***]

Collateral Agent:

Silicon Valley Bank
3003 Tasman Drive
Santa Clara, CA 95054

Primary
Attn: [***]
Phone: [***]
Email: [***]

Secondary
Attn: [***]
Phone: [***]
Email: [***]

L/C Issuer:
Silicon Valley Bank
3003 Tasman Drive
Santa Clara, CA 95054

Primary
Attn: [***]
Phone: [***]
Email: [***]

Secondary
Attn: [***]
Phone: [***]
Email: [***]

SCHEDULE 1.01(b)

Commitments and Unadjusted Applicable Percentages

Lender	Commitment	Unadjusted Applicable Percentage
Credit Suisse AG, Cayman Islands Branch	$**[***]**	**[***]**%
Morgan Stanley Senior Funding, Inc.	$[***]	[***]%
KeyBank National Association	$[***]	[***]%
Silicon Valley Bank	$[***]	[***]%
NY Green Bank	$[***]	[***]%
Royal Bank of Canada	$[***]	[***]%
Deutsche Bank AG, New York Branch	$[***]	[***]%

SCHEDULE 1.01(c)

Authorized Officers

Name	Title
Lynn Jurich	Chief Executive Officer
Edward Fenster	Chairman
Jeanna Steele	General Counsel and Corporate Secretary
Robert Komin, Jr.	Chief Financial Officer

SCHEDULE 1.01(d)

Existing Letters of Credit

Letter of Credit No.	Amount	Beneficiary
661266	[***]	[***]
660497	[***]	[***]
660496	[***]	[***]
662146	[***]	[***]
655547	[***]	[***]

SCHEDULE 1.01(e)

Mortgaged Property Support Documentation

"Mortgaged Property Support Documents" means the following, all in form and substance satisfactory to the Collateral Agent:

Mortgages and Assignment of Leases and Rents. Fully executed and notarized Mortgages and, to the extent required by the Collateral Agent, Assignment of Leases and Rents for each property required to become a Mortgaged Property pursuant to the terms of the Loan Documents.

Mortgage Policies. Fully paid American Land Title Association Lender's Extended Coverage title insurance policies in form and substance reasonably acceptable to the Collateral Agent (the "Mortgage Policies"), with endorsements and in amounts acceptable to the Collateral Agent, issued, coinsured and reinsured by title insurers acceptable to the Collateral Agent, insuring the Mortgages to be valid first and subsisting Liens on the property described therein, free and clear of all defects (including, but not limited to, mechanics' and materialmen's Liens) and encumbrances, excepting only Permitted Liens, and providing for such other affirmative insurance (including endorsements for future advances under the Loan Documents, for mechanics' and materialmen's Liens and for zoning of the applicable property) and such coinsurance and direct access reinsurance as the Collateral Agent may deem necessary or desirable. Further, each Loan Party agrees to provide or obtain any customary affidavits and indemnities as may be required or necessary to obtain title insurance satisfactory to the Collateral Agent.

Survey. American Land Title Association/American Congress on Surveying and Mapping form as-built surveys, for which all necessary fees (where applicable) have been paid, and dated, certified to the Collateral Agent and the issuer of the Mortgage Policies (the "Title Insurance Company") in a manner satisfactory to each of the Collateral Agent and the Title Insurance Company by a land surveyor duly registered and licensed in the States in which the property described in such surveys is located and acceptable to each of the Collateral Agent and the Title Insurance Company, showing all buildings and other improvements, any off-site improvements, the location of any easements, parking spaces, rights of way, building set-back lines and other dimensional regulations and the absence of encroachments, either by such improvements or on to such property, and other defects, other than encroachments and other defects acceptable to the Collateral Agent.

Flood Hazard Information. (i) Flood hazard certificates and evidence of flood insurance, both as required by The National Flood Insurance Reform Act of 1994, as amended, and as required by the Collateral Agent. (ii) The information required to be delivered pursuant to Schedule 5.21(g)(i) no later than fifteen (15) days prior to the Closing Date (or, with respect to any Person to be joined as a Loan Party, such joinder date).

Insurance. Evidence of the insurance required by the terms of the Mortgages and the Loan Documents.

Appraisal. An appraisal of each of the properties described in the Mortgages complying with the requirements of the Federal Financial Institutions Reform, Recovery and Enforcement Act of 1989,

which appraisals shall be in form and substance reasonably satisfactory to the Collateral Agent and from a Person acceptable to the Collateral Agent.

Legal Opinions. To the extent requested by the Collateral Agent, favorable opinions of counsel to the Loan Parties for each jurisdiction in which the Mortgaged Properties are located which opinions shall be in form and substance reasonably acceptable to Collateral Agent and its counsel.

Property Reports. Satisfactory third-party engineering, soils, environmental reports/reviews and other reports of all owned Mortgaged Properties, and to the extent requested by the Collateral Agent, all leased Mortgaged Properties, from professional firms acceptable to the Collateral Agent, including, but not limited to Phase I environmental assessments, together with reliance letters in favor of the Lenders.

Leased Real Property Documents. To the extent requested by the Collateral Agent, all lease agreements between the applicable leasing entity and each of the lessors of the leased real properties listed on Schedule 5.21(g)(i) and Schedule 5.21(g)(ii) (as applicable) and estoppel and consent agreements executed by each of the lessors of the leased real properties listed on Schedule 5.21(g)(i) and Schedule 5.21(g)(ii) (as applicable), along with (i) a memorandum of lease in recordable form with respect to such leasehold interest, executed and acknowledged by the owner of the affected real property, as lessor, or (ii) evidence that the applicable lease with respect to such leasehold interest or a memorandum thereof has been recorded in all places necessary or desirable, in the Collateral Agent's reasonable judgment, to give constructive notice to third-party purchasers of such leasehold interest, or (iii) if such leasehold interest was acquired or subleased from the holder of a recorded leasehold interest, the applicable assignment or sublease document, executed and acknowledged by such holder, in each case in form sufficient to give such constructive notice upon recordation and otherwise in form and substance reasonably satisfactory to the Collateral Agent.

Estoppels and SNDA. To the extent requested by the Collateral Agent, as to owned properties, copies of the leases listed on Schedule 5.21(g)(i) and Schedule 5.21(g)(ii) (as applicable), along with (i) estoppel certificates, from the lessees for such leased properties and (ii) subordination, non-disturbance and attornment agreements in form and substance reasonably satisfactory to the Collateral Agent from those tenants of such leased properties.

Other Real Property Information. The Collateral Agent shall have received such other certificates, documents and information as are reasonably requested by the Lenders, including, without limitation, landlord agreements/waivers, engineering and structural reports, permanent certificates of occupancy and evidence of zoning compliance, each in form and substance reasonably satisfactory to the Collateral Agent.

Collateral / Further Assurances / Additional Evidence. At any time, and from time to time, upon reasonable request by the Collateral Agent or any Lender, each Loan Party will, at such Loan Party's expense, (i) correct any defect, error or omission which may be discovered in the form or content of any of the Loan Documents, and (ii) make, execute, deliver and record, or cause to be made, executed, delivered and recorded, any and all further instruments, certificates and other documents as may, in the reasonable opinion of Collateral Agent or any Lender, be necessary or desirable in order to complete, perfect or continue and preserve the Liens and security interests of the Mortgages. Upon any failure by such Loan Party to do so, the Collateral Agent may make, execute and record any and all such instruments, certificates and other documents for and in the name of such Loan Party, all at the sole expense of such

Loan Party, and such Loan Party hereby appoints the Collateral Agent the agent and attorney-in-fact of such Loan Party to do so, this appointment being coupled with an interest and being irrevocable. Without limitation of the foregoing, each Loan Party irrevocably authorizes the Collateral Agent at any time and from time to time to file any financing statements, amendments thereto and continuation statements deemed necessary or desirable by the Collateral Agent to establish or maintain the validity, perfection and priority of the Liens and security interests granted in the Mortgages, and each Loan Party ratifies any such filings made by the Collateral Agent prior to the date hereof. From and after the time any Mortgage is recorded and encumbers a Mortgaged Property pursuant to the terms hereof, such Loan Party shall promptly deliver to the Collateral Agent a copy of each such instrument and evidence of its proper filing or recording, as necessary. From and after the time any Mortgage is recorded and encumbers a Mortgaged Property pursuant to the terms hereof, such Loan Party will cause all of the applicable Collateral to be subject at all times to first priority, perfected Liens in favor of the Collateral Agent for the benefit of the Lenders to secure the Secured Obligations pursuant to the terms and conditions of the Loan Documents. Further, Borrower shall provide such other assurances, certificates, documents, consents or opinions as Collateral Agent or any Lender may reasonably require.

SCHEDULE 4.01(t)

No Litigation

See attached.

Litigation Schedule As of March 31, 2015

[***]

SCHEDULE 5.06

Litigation

1. On November 20, 2015, a putative class action captioned *Slovin et al. v. Sunrun Inc. and Clean Energy Experts, LLC*, Case No. 4:15-cv-05340, was filed in the United States District Court, Northern District of California. The complaint generally alleged violations of the Telephone Consumer Protection Act (the "TCPA") on behalf of an individual and putative classes of persons alleged to be similarly situated. Plaintiffs filed a First Amended Complaint on December 2, 2015, and a Second Amended Complaint on March 25, 2016, also asserting individual and putative class claims under the TCPA. By Order entered on April 28, 2016, the Court granted Sunrun's motion to strike the class allegations set forth in the Second Amended Complaint, and granted leave to amend. Plaintiffs filed a Third Amended Complaint on July 12, 2016 asserting individual and putative class claims under the TCPA. On October 12, 2016, the Court denied Sunrun's motion to again strike the class allegations set forth in the Third Amended Complaint. On October 3, 2017, plaintiffs filed a motion for leave to file a Fourth Amended Complaint, seeking to, among other things, revise the definitions of the classes that plaintiffs seek to represent. In each iteration of their complaint, plaintiffs seek statutory damages, equitable and injunctive relief, and attorneys' fees and costs, on behalf of themselves and the absent classes. On April 12, 2018, Sunrun and plaintiffs advised the Court that they reached a settlement in principle, and the Court vacated all deadlines relating to the motion for class certification. On September 27, 2018, Plaintiffs filed a motion for preliminary approval to settle all claims against Sunrun for $5.5 million, which was accrued as of March 31, 2018. On November 27, 2018, a hearing was held on Plaintiff's motion for preliminary approval. The Court requested certain clarifications be made to the proposed settlement agreement and notice documents. On January 11, 2019, Plaintiffs filed revised settlement documents reflecting the changes requested by the Court, and on July 19, 2019, the Court granted final approval of the settlement. Most, if not all, of the claims asserted in the lawsuit relate to activities allegedly engaged in by third-party vendors, for which Sunrun denies any responsibility. The vendors are contractually obligated to indemnify Sunrun for losses related to the conduct alleged. Sunrun has denied, and continues to deny, the claims alleged and the settlement does not reflect any admission of fault, wrongdoing or liability.

2. On June 29, 2017, a shareholder derivative complaint captioned *Barbara Sue Sklar Living Trust v. Sunrun Inc. et al.*, was filed in the United States District Court, Northern District of California, against Sunrun and certain of Sunrun's directors and officers. The complaint generally alleges that the defendants violated Section 14(a) of the Exchange Act by making false or misleading statements in connection with public filings, including proxy statements, made between September 10, 2015 and May 3, 2017 regarding the number of customers who cancelled contracts after signing up for Sunrun's home solar energy system. The Plaintiff seeks, among other things, damages in favor of Sunrun, certain corporate actions to purportedly improve Sunrun's corporate governance, and an award of costs and expenses to the putative plaintiff stockholder, including attorneys' fees.

On April 5, 2018, a stockholder derivative complaint captioned *Leonard Olsen v. Sunrun Inc. et al*., was filed in the United States District Court, District of Delaware, against Sunrun and certain of the Sunrun's directors and officers. The *Olsen* complaint is substantially similar to the *Sklar* complaint, alleges that the defendants breached their fiduciary duties and violated Section 14(a) of the Exchange Act in connection with public statements made between September 16, 2015 and May 21, 2017, and seeks similar relief.

On January 28, 2019, Sunrun reached an agreement in principle to settle all claims asserted in the *Sklar* and *Olsen* derivative actions against all defendants. Under the terms of the proposed settlement, Sunrun agreed to adopt certain corporate governance measures in the future. Sunrun and all defendants have denied, and continue to deny, the claims alleged in the derivative actions and the settlement does not reflect any admission of fault, wrongdoing or liability as to any defendant. The settlement is subject to definitive documentation and court approval.

SCHEDULE 5.10

Insurance

Carrier	**Policy Number**	**Expiration Date**	**Type**	**Coverage Amount**	**Deductibles/Retentions**
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]

SCHEDULE 5.20(a)

Sunrun Inc. - Subsidiaries, Partnerships and Other Equity Investments

(as of June 30, 2019)

[***]

SCHEDULE 5.20(b)

Sunrun Inc. - Loan Parties

(as of June 30, 2019)

Legal Name	Former Name	Domestic Jurisdiction	Type	Jurisdictions Qualified to do Business	Registered Address	Principal Place of Business	EIN	Corporate ID	Public / Private	Business
Sunrun Inc.	SunRun, Inc. SunRun Generation, LLC	Delaware	Corp.	AZ, CA, CO, CT, DC, DE, FL, HI, IL, KS, MA, MD, MI, MN, MO, NC, NE, NH, NJ, NM, NV, NY, OH, OR, PA, RI, SC, TX, UT, VA, VT, WA, WI, Guam, Puerto Rico	595 Market Street 29th Floor San Francisco, CA 94105	595 Market Street 29th Floor San Francisco, CA 94105	[***]	[***]	Public	Provision of solar energy services
Sunrun Installation Services Inc.	REC Solar, Inc. Renewable Energy Concepts, Incorporated	Delaware	Corp.	AZ, CA, CO, CT, DC, DE, FL, HI, IL, IN, KY, MA, MD, ME, MI, MN, MO, NC, NH, NJ, NM, NV, NY, OH, OR, PA, RI, SC, TX, UT, VA, VT, WA, WI, Puerto Rico	595 Market Street 29th Floor San Francisco, CA 94105	775 Fiero Lane Suite 200 San Lui Obispo, CA 93401	[***]	[***]	Public through ultimate owner Sunrun Inc.	Provision of solar energy services
Sunrun South LLC	MS Energy Surviving LLC	Delaware	LLC	AZ, CA, CT, DE, MA, NJ	595 Market Street 29th Floor San Francisco, CA 94105	775 Fiero Lane Suite 200 San Luis Obispo, CA 93401	[***]	[***]	Public through ultimate owner Sunrun Inc.	Provision of solar energy services
AEE Solar, Inc.	Renewable Energy Assets, Inc.	California	Corp.	AL, CA, IN, KY, LA, NC, OH, OK, PA, WV	595 Market Street 29th Floor San Francisco, CA 94105	775 Fiero Lane Suite 200 San Luis Obispo, CA 93401	[***]	[***]	Public through ultimate owner Sunrun Inc.	Provision of solar energy services
Clean Energy Experts LLC	LH Merger Sub 1, Inc. Clean Energy Experts LLC LH Merger Sub 2, LLC	California	LLC	CA, HI, KS, NC, NJ, NM, NY, UT	595 Market Street, 29th Floor San Francisco, CA 94105	1601 N. Sepulveda Blvd. #227 Manhattan Beach, CA 90266	[***]	[***]	Public through ultimate owner Sunrun Inc.	Generation of solar energy customer leads

SCHEDULE 5.21(c)

Documents, Instrument, and Tangible Chattel Paper

NONE

SCHEDULE 5.21(d)(i)

Deposit Accounts & Securities Accounts

Account Name/Entity	Bank	Account #	Avg. Bal as of Sept. 2019	ZBA (Y/N)	DACA (Y/N)
Sunrun South LLC					
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
AEE Solar Inc.					
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
Sunrun Installations Services, Inc.					
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
Sunrun Inc.					
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]

[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
Clean Energy Experts					
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]

SCHEDULE 5.21(d)(ii)

Electronic Chattel Paper & Letter of Credit Rights

NONE

SCHEDULE 5.21(e)

Commercial Tort Claims

NONE

SCHEDULE 5.21(f)

Pledged Equity Interests

Grantor	Percentage of Shares Pledged	Certificate Number	Percentage Ownership of Outstanding Shares	Class of Shares
Sunrun Inc.	N/A	N/A	N/A	N/A
AEE Solar, Inc.	100%	AEE-1	100%	Voting
Sunrun Installation Services Inc.	100%	SIS-1	100%	Voting
Sunrun South LLC	100%	Cert. No. 1	100%	Membership Interests
Clean Energy Experts LLC	100%	Certificate No. 1	100%	Membership Interests

SCHEDULE 5.21(g)(i)

Mortgaged Properties

NONE

SCHEDULE 5.21(g)(ii)

Other Properties

No Mortgaged Properties exist.

Locations of Loan Parties are as follows:

Loan Party	Registered Address	Principal Place of Business
Sunrun Inc.	595 Market Street, 29th Floor, San Francisco, CA 94105	595 Market Street, 29th Floor, San Francisco, CA 94105
AEE Solar, Inc.	595 Market Street, 29th Floor, San Francisco, CA 94105	775 Fiero Lane, Suite 200, San Luis Obispo, CA 93401
Sunrun Installation Services Inc.	595 Market Street, 29th Floor, San Francisco, CA 94105	775 Fiero Lane, Suite 200, San Luis Obispo, CA 93401
Sunrun South LLC	595 Market Street, 29th Floor, San Francisco, CA 94105	775 Fiero Lane, Suite 200, San Luis Obispo, CA 93401
Clean Energy Experts LLC	595 Market Street, 29th Floor, San Francisco, CA 94105	595 Market Street, 29th Floor, San Francisco, CA 94105

Location of personal property Collateral with value in excess of $1,000,000:

[***]

SCHEDULE 5.21(h)

Material Contracts

Agreement of Sublease between Sunrun Inc. and Visa U.S.A. Inc., dated as of April 1, 2013, as amended on April 29, 2013.

Amended and Restated Credit Agreement among Sunrun Hera Portfolio 2015-A, LLC, Investec Bank PLC (as Administrative Agent), Investec Bank PLC (as Issuing Bank) and the Lenders from time to time as party thereto, dated January 15, 2016 and amended and restated as of June 23, 2017

Amendment to Separation and Consulting Agreement between Mina Kim and Sunrun Inc., dated as of June 15, 2018

Board Services Agreement between Sunrun Inc. and Gerald Risk, dated as of February 1, 2014

Consent and First Amendment to Amended and Restated Credit Agreement and First Amendment to Amended and Restated Cash Diversion and Commitment Fee Guaranty, dated as of December 28, 2017

Consent and first amendment to amended and restated credit agreement and first amendment to amended and restated cash diversion and commitment fee guaranty, dated as of December 28, 2017

Consent and First Amendment to Second Amended and Restated Credit Agreement and Third Amendment to Amended and Restated Cash Diversion and Commitment Fee Guaranty dated as of July 18, 2018, among Sunrun Hera Portfolio 2015-A, Sunrun Inc., Investec Bank Plc (as administrative agent, issuing bank and as lender), and each of the additional lenders identified on the signature pages thereto

Consent and Fourth Amendment to Credit Agreement and First Amendment to Guaranty and Security Agreement among Sunrun Hera Portfolio 2015-A, LLC, Sunrun [*] Manager [*], LLC, Sunrun [*] Manager [*], LLC, Sunrun [*] Manager [*], LLC, Sunrun [*] Manager [*], LLC, Sunrun [*] Manager [*], LLC, Sunrun [*] Manager [*], LLC, Sunrun [*] Manager [*], LLC, Investec Bank Plc (as administrative agent, issuing bank and as lender), Deutsche Bank Trust Company Americas, and each of the additional lenders identified on the signature pages thereto, dated as of January 31, 2017

Consent and Second Amendment to Credit Agreement among Sunrun Hera Portfolio 2015-A, LLC, Investec Bank PLC (as administrative agent, issuing bank and as lender) and each of the additional lenders identified on the signature pages thereto, dated of as June 29, 2016

Consent and Second Amendment to Second Amended and Restated Credit Agreement and Fourth Amendment to Amended and Restated Cash Diversion and Commitment Fee Guaranty dated as of August 22, 2018, among Sunrun Hera Portfolio 2015-A, LLC, Sunrun Inc., Investec Bank Plc

(as administrative agent, issuing bank and as lender) and each of the additional lenders identified on the signature pages thereto

Consent and Third Amendment to Amended and Restated Credit Agreement and Sixth Amendment to Cash Diversion and Commitment Fee Guaranty dated as of August 22, 2018, among Sunrun Hera Portfolio 2015-A, LLC, Sunrun Inc,, Investec Bank Plc (as administrative agent, issuing bank and as lender) and each of the additional lenders identified on the signature pages thereto

Consent and Third Amendment to Credit Agreement and First Amendment to Cash Diversion and Commitment Fee Guaranty among the Company, Sunrun Hera Portfolio 2015-A, LLC, Investec Bank Plc (as administrative agent, issuing bank and as lender) and each of the additional lenders identified on the signature pages thereto, dated as of November 30, 2016

Consent, Waiver and Fifth Amendment to Second Amended and Restated Credit Agreement and Sixth Amendment to Amended and Restated Cash Diversion and Commitment Fee Guaranty dated as of February 28, 2019, among Sunrun Hera Portfolio 2015-A, LLC, Sunrun Inc., Investec Bank PLC and each of the additional lenders identified on the signature pages thereto.

Credit Agreement among Sunrun Aurora Portfolio 2014-A, LLC, Investec Bank PLC, Keybank National Association and the Lenders from time to time as party thereto, dated December 31, 2014

Credit Agreement among Sunrun Hera Portfolio 2015-A, LLC, Investec Bank PLC (as Administrative Agent), Investec Bank PLC (as Issuing Bank) and the Lenders from time to time as party thereto, dated January 15, 2016

Credit Agreement among Sunrun Neptune Portfolio 2016-A, LLC, as Borrower, Suntrust Bank as Administrative Agent, ING Capital LLC as LC Issuer, and The Lenders from Time to Time Party Hereto dated as of May 9, 2017 and Exhibits

Credit Agreement among Sunrun Scorpio Portfolio 2017-A, LLC, as Borrower, Keybank National Association, as Administrative Agent, Keybank National Association, as LC Issuer, and The Lenders from Time to Time Party Hereto dated as of October 20, 2017 and Exhibits

Credit Agreement among Sunrun Inc., Credit Suisse Securities (USA) LLC and the other parties thereto, dated as of April 1, 2015

Employment Letter between Sunrun Inc. and Bob Komin, dated as of May 8, 2015

Employment Letter between Christopher Dawson and Sunrun Inc. dated as of November 28, 2017

Employment Letter between Sunrun Inc. and Edward Fenster, dated as of May 8, 2015

Employment Letter between Sunrun Inc. and Lynn Jurich, dated as of May 8, 2015

Employment Letter between Sunrun Inc. and Paul Winnowski, dated as of May 8, 2015

Employment Letter between Sunrun Inc. and Thomas Holland, dated as of May 8, 2015

First Amendment to Credit Agreement among the Company, Sunrun Neptune Portfolio 2016-A, LLC, SunTrust Bank (as administrative agent and as lender), ING Capital LLC (as issuer and as lender), and each of the additional Lenders from time to time party thereto, dated as of March 26, 2018

First Amendment to Credit Agreement and Collateral Agency Agreement among Sunrun Hera Portfolio 2015-A, LLC, Investec Bank PLC (as administrative agent, issuing bank and as lender), each of the additional lenders identified on the signature pages thereto and Deutsche Bank Trust Company Americas, dated as of May 12, 2016

First Amendment to Credit Agreement and First Amendment to Cash Diversion Guaranty dated as of June 28, 2019 among Sunrun Scorpio Portfolio 2017-A, LLC, as Borrower, Keybank National Association, as Administrative Agent, Keybank National Association, as LC Issuer, and each of the additional lenders identified on the signature page thereto.

Form of Indemnification Agreement between Sunrun Inc. and each of its directors and executive officers

Fourth Amendment to Second Amended and Restated Credit Agreement among Sunrun Hera Portfolio 2015-A, LLC, Investec Bank Plc (as administrative agent and issuing bank), and each of the additional Lenders identified on the signature pages thereto, dated as of November 30, 2018

Incremental Facility Agreement among the Company, AEE Solar, Inc., Sunrun South LLC, Sunrun Installation Services Inc., Clean Energy Experts, LLC, Credit Suisse AG and Comerica Bank, dated as of July 21, 2016

Indenture between Sunrun Athena Issuer 2018-1, LLC and Wells Fargo Bank, National Association, dated as of December 20, 2018

Indenture between Sunrun Xanadu Issuer 2019-1, LLC and Wells Fargo Bank, National Association, dated as of June 6, 2019.

Key Employee Change in Control and Severance Plan and Summary Plan Description

Mainstream Energy Corporation 2009 Stock Plan.

Second Amended and Restated Credit Agreement among Sunrun Hera Portfolio 2015-A, LLC, Investec Bank PLC (as administrative agent, issuing bank and as lender), and each of the additional lenders identified on the signature pages thereto, dated January 15, 2016, amended and restated as of June 23, 2017 and further amended and restated as of March 27, 2018

Separation and Consulting Agreement between Mina Kim and Sunrun Inc., dated as of April 4, 2018

Sixth Amendment to Second Amended and Restated Credit Agreement and Seventh Amendment to Amended and Restated Cash Division and Commitment Fee Guaranty dated as of February 28, 2019, among Sunrun Hera Portfolio 2015-A, LLC, Sunrun Inc., Investec Bank PLC and each of the additional lenders identified on the signature pages thereto.

Sunrun Inc. 2008 Equity Incentive Plan and related form agreements

Sunrun Inc. 2013 Equity Incentive Plan and related form agreements

Sunrun Inc. 2014 Equity Incentive Plan

Sunrun Inc. 2015 Employee Stock Purchase Plan and related form agreements

Sunrun Inc. 2015 Equity Incentive Plan and related form agreements

Sunrun Inc. Amended and Restated Employee Stock Purchase Plan and related form agreements

Sunrun Inc. Executive Incentive Compensation Plan

Transition, Separation and General Release Agreement with Paul Winnowski, effective 12/6/2017

Transition, Separation and General Release Agreement, dated December 7, 2015 between Tom Holland and Sunrun Inc.

SCHEDULE 6.14(d)(i)(D)

Excluded Deposit Accounts

Account Name/Entity	Bank	Account #	Avg. Bal as of Sept 2019	ZBA (Y/N)	DACA (Y/N)
Sunrun Inc					
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
Tax Equity Fund Accounts					
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]

SCHEDULE 7.01

Existing Liens

Sunrun Inc.

- LEAF Capital Funding, LLC UCC-1 filing: related to copiers, toner and printers file number 127314575378 filed on May 23, 2012, in California
- Union Leasing Corp. UCC-1 filing: for storage equipment, software licenses and support services file number 1797739 filed on May 9, 2012, in Delaware

Sunrun Installation Services Inc.

- Toyota Motor Credit Corporation UCC-1 filing: Four branch operations use forklifts in their warehouse; file number 2014 33115645, filed on August 18, 2014, in Delaware; file number 2014 4104345, filed on October 13, 2014, in Delaware; file number 2014 5063102, filed on December 12, 2014, in Delaware; file number 2015 0811041, filed on February 26, 2015, in Delaware

Sunrun South LLC

- AT&T Capital Services, Inc. UCC-1 filings: AT&T financed the equipment purchase for the new corporate telephone system; file number 2014 0961961, filed on March 12, 2014, in Delaware and amended on May 6, 2014; file number 2014 2918399, filed on July 23, 2014, in Delaware
- Gelco Fleet Trust UCC-1 filings: related to certain leased Isuzu box trucks and used to carry equipment and materials to job sites; file number 2014 2703866, filed on July 9, 2014, in Delaware; file number 2014 3166857, filed on August 7, 2014, in Delaware; file number 2014 3531803, filed on September 4, 2014, in Delaware; file number 2014 3944774, filed on October 1, 2014, in Delaware

AEE Solar, Inc.

- Raymond Leasing Corporation UCC-1 filings: warehouse equipment/forklifts used in our Sacramento warehouse; file number 11-7257283541, filed on January 1, 2011, in California; file number 11-7263125826, filed on March 11, 2011, in California; file number 11-7274934462, filed on June 28, 2011, in California; file number 12- 7308327962, filed on April 11, 2012, in California
- Fronius USA, LLC UCC-1 filing: Fronius is an ongoing supplier of PV inverters that we buy and sell in the ordinary course of business; file number 14-7404035533, filed on March 20, 2014, in California

Clean Energy Experts LLC

- None

SCHEDULE 7.02

Existing Indebtedness

NONE

SCHEDULE 7.03

Existing Investments

Sunrun Inc. holds an undilutable minority interest in LGCY Power, LLC ("LGCY") pursuant to that certain Amended and Restated Limited Liability Company Agreement of LGCY, dated August 27, 2014. Sunrun does not have rights to either direct the daily operation of LGCY or to take profit distributions from ongoing operations. Sunrun's interest affords it a right of first refusal and a distribution right upon the sale of LGCY, as well as certain veto rights over financing and major business decisions of LGCY.

EXHIBIT A

TO CREDIT AGREEMENT

Form of
Administrative Questionnaire

See attached.

EXHIBIT B

TO CREDIT AGREEMENT

Form of
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][each][1] Assignor identified in item 1 below ([the] [each, an] "Assignor") and [the] [each][2] Assignee identified in item 2 below ([the] [each, an] "Assignee"). [It is understood and agreed that the rights and obligations of [the Assignors][the Assignees][3] hereunder are several and not joint.][4] Capitalized terms used but not defined herein shall have the meanings given to them in the below defined Credit Agreement (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] [each] Assignor hereby irrevocably sells and assigns to [the Assignee] [the respective Assignees], and [the] [each] Assignee hereby irrevocably purchases and assumes from [the Assignor][the respective Assignors], 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 (a) all of [the Assignor's] [the respective Assignors'] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Credit Agreement and any other Loan Documents in the amount[s] and equal to the percentage interest[s] identified below of all the outstanding rights and obligations under the respective facilities identified below (including, without limitation, the Letters of Credit included in such facilities) and (b) 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)] [the respective Assignors (in their respective capacities as Lenders)] against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other Loan Documents 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 (a) above (the rights and obligations sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clauses (a) and (b) above being referred to herein collectively as [the][an] "Assigned Interest"). Each such sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by [the] [any] Assignor.

1 Assignor[s]: _____

_____

2 Assignee[s]: _____

_____

[1] For bracketed language here and elsewhere in this form relating to the Assignor(s), if the assignment is from a single Assignor, choose the first bracketed language. If the assignment is from multiple Assignors, choose the second bracketed language.

[2] For bracketed language here and elsewhere in this form relating to the Assignee(s), if the assignment is to a single Assignee, choose the first bracketed language. If the assignment is to multiple Assignees, choose the second bracketed language.

[3] Select as appropriate.

[4] Include bracketed language if there are either multiple Assignors or multiple Assignees.

[for each Assignee, indicate [Affiliate] [Approved Fund] of [identify Lender]]

3. Borrowers: Sunrun Inc., a Delaware corporation
   AEE Solar, Inc., a California corporation
   Sunrun South LLC, a Delaware limited liability company
   Sunrun Installation Services Inc., a Delaware corporation

4. Administrative Agent: KeyBank National Association, as the Administrative Agent under the Credit Agreement

5. Collateral Agent: Silicon Valley Bank, as the Collateral Agent under the Credit Agreement

6. Credit Agreement: Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among the Borrowers, the Guarantors, the Lenders, KeyBank National Association, as the Administrative Agent, Silicon Valley Bank, as the Collateral Agent[, and the Joint Lead Arrangers and Joint Book Runners]

7. Assigned Interest:

Assignor[s][5]	Assignee[s][6]	Facility Assigned[7]	Aggregate Amount of Commitment/ Loans for all Lenders[8]	Amount of Commitment/ Loans Assigned	Percentage Assigned of Commitment/ Loans[9]	CUSIP Number
			$	$	%	
			$	$	%	
			$	$	%	

[5] List each Assignor, as appropriate.

[6] List each Assignee, as appropriate.

[7] Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment (e.g., "Revolving Commitment," etc.).

[8] Amounts in this column and in the column immediately to the right to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

[9] Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

[7. Trade Date: __][10]

Effective Date: _____, 20 __[TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[10] To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined as of the Trade Date.

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____

Name: _____

Title: _____

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____

Name: _____

Title: _____

[Consented to and] [11]Accepted:

KEYBANK NATIONAL ASSOCIATION, as Administrative Agent

By: _____

Name: _____

Title: _____

[Consented to:][12]

By: _____

Name: _____

Title: _____

[11] To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.

[12] To be added only if the consent of the Borrowers and/or other parties (e.g., L/C Issuer) is required by the terms of the Credit Agreement.

ANNEX 1 TO ASSIGNMENT AND ASSUMPTION

Standard Terms and Conditions for Assignment and Assumption

1. Representations and Warranties.

1.1. Assignor. [The] [Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the] [the relevant] Assigned Interest, (ii) [the] [such] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (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 (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 Borrowers, any of their Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrowers, any of their Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. [The][Each] 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 the terms of the Credit Agreement (subject to such consents, if any, as may be required under the terms of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement and the other Loan Documents as a Lender thereunder and, to the extent of [the] [the relevant] 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] [such] Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire [the] [such] Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to the terms of the Credit Agreement, 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] [such] 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] [such] 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, duly completed and executed by [the][such] Assignee; and (b) agrees that (i) it will, independently and without reliance upon the Administrative Agent, [the][any] 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 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] [each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignor for amounts which have accrued to but excluding the Effective Date and to [the][the relevant] Assignee for amounts which have accrued from and after the Effective Date.

3. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and 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 fax transmission or other electronic mail transmission (e.g., "pdf" or "tiff") 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.

EXHIBIT C

TO CREDIT AGREEMENT

Form of
Compliance Certificate

Financial Statement Date: [_____,_____]

TO: KeyBank National Association, as Administrative Agent

RE: Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, KeyBank National Association, as Administrative Agent, and Silicon Valley Bank, as Collateral Agent (as further, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement)

DATE: [Date]

The undersigned Responsible Officer[1] hereby certifies as of the date hereof that [he/she] is the [_____] of Sunrun, and that, as such, [he/she] is authorized to execute and deliver this Compliance Certificate (this "Certificate") to the Administrative Agent on the behalf of Sunrun and the other Loan Parties, and that:

[Use following paragraph 1 for fiscal year-end financial statements]

1. The Loan Parties have delivered the year-end audited financial statements required by Section 6.01(a) of the Credit Agreement for the fiscal year of Sunrun ended as of the above date, together with the report and opinion of an independent certified public accountant required by Section 6.01(a) of the Credit Agreement.

[Use following paragraph 1 for fiscal quarter-end financial statements]

1. The Loan Parties have delivered the unaudited financial statements required by Section 6.01(b) of the Credit Agreement for the fiscal quarter of Sunrun ended as of the above date, which Consolidated financial statements fairly present the financial condition, results of operations and cash flows of Sunrun in accordance with GAAP as of such date and for such period, subject only to normal year-end audit adjustments and the absence of footnotes.

2. The undersigned has reviewed and is familiar with the terms of the Credit Agreement and has made, or has caused to be made under [his/her] supervision, a detailed review of the transactions and condition (financial or otherwise) of Sunrun and its Subsidiaries during the accounting period covered by such financial statements.

[1] This Certificate should be from the chief executive officer, chief financial officer, treasurer or controller of the Borrowers, as applicable.

3. A review of the activities of Sunrun and its Subsidiaries during such fiscal period has been made under the supervision of the undersigned with a view to determining whether during such fiscal period Sunrun and each of the other Loan Parties performed and observed all their obligations under the Loan Documents, and

[select one:]

[to the best knowledge of the undersigned, during such fiscal period each of the Loan Parties performed and observed each covenant and condition of the Loan Documents applicable to it, and no Default has occurred and is continuing.]

—or—

[to the best knowledge of the undersigned, the following covenants or conditions have not been performed or observed and the following is a list of each such Default and its nature and status:]

4. The representations and warranties of the Borrowers and each other Loan Party contained in Article V of the Credit Agreement or any other Loan Document, or which are contained in any document furnished at any time under or in connection therewith are (i) with respect to representations and warranties that contain a materiality qualification, true and correct in all respects on and as of the date hereof and (ii) with respect to representations and warranties that do not contain a materiality qualification, true and correct in all material respects on and as of the date hereof, and except that for purposes of this Compliance Certificate, the representations and warranties contained in subsections (a) and (b) of Section 5.05 of the Credit Agreement shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 6.01 of the Credit Agreement, including the statements in connection with which this Compliance Certificate is delivered.

5. The financial covenant analyses and information set forth on Schedule A attached hereto are true and accurate on and as of the date of this Certificate.

Delivery of an executed counterpart of a signature page of this Certificate by fax transmission or other electronic mail transmission (e.g., “pdf” or “tiff”) shall be effective as delivery of a manually executed counterpart of this Certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SUNRUN INC.,
a Delaware corporation, as Borrower

By: _____
Name: _____
Title: _____

Schedule A

Financial Statement Date: [_____,___] ("Statement Date")

to the Compliance Certificate
($ in 000's)

I. Section 7.11(a) - Unencumbered Liquidity

A. Sum of the Borrowers' cash and Cash Equivalents (determined as of the last day of each month based on the average daily balance thereof during such month) held in deposit accounts and securities accounts in which the Collateral Agent has obtained a perfected first priority Lien subject to no other Lien: $_____

Compliance

The Borrowers [are] [are not] in compliance with Section 7.11(a) of the Credit Agreement as the Unencumbered Liquidity of $_____ [1], which has been measured as of the last day of the month ended [_____, 201_], [is] [is not] greater than or equal to the minimum permitted Unencumbered Liquidity amount of $25,000,000 required as of such month end.[2]

II. Section 7.11(b) - Interest Coverage Ratio

A.	Numerator (for the prior trailing 12-month period then ending on the most recent fiscal quarter end available):		
i.	Operating income (measured in accordance with GAAP) plus depreciation and amortization included in COGS	$	_____
ii.	[***] of general and administration costs (G&A, as measured in accordance with GAAP)	$	_____
iii.	[***] percent of sales and marketing costs (S&M, as measured in accordance with GAAP)	$	_____
iv.	[***] percent of research and development costs (R&D, as measured in accordance with GAAP)	$	_____
v.	Sum of Line II.A.i + Line II.A.ii + Line II.A.iii + Line II.A.iv	$	_____
B.	Denominator (for the prior trailing 12-month period then ending on the most recent fiscal quarter end available, which is to be paid in cash, in each case, of or by the Borrowers and		_____
i.	all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP	$	_____
ii.	all interest paid or payable with respect to discontinued operations	$	_____
iii.	the portion of rent expense under Capitalized Leases that is treated as interest in accordance with GAAP	$	_____
iv.	Aggregate cash Interest Charges of the Borrowers and their Subsidiaries, other than Excluded Subsidiaries (which Interest Charges shall not be determined on a Consolidated basis): Sum of Line II.B.i + Line II.B.ii + Line II.B.iii	$	_____

[1] Insert Line I.A.

[2] Pursuant to Section 7.11(a), an Event of Default shall not be deemed to have occurred solely as a result of the Borrowers' failure to maintain an Unencumbered Liquidity of at least $25,000,000 as of any month end unless its Unencumbered Liquidity is less then such amount on two consecutive measurement dates; provided that Unencumbered Liquidity shall not be less than $20,000,000 as of the last day of any month.

C. **Interest Coverage Ratio** (Line II.A.iii ÷ Line II.B.iv): _____ to 1.00

Compliance

The Borrowers [are] [are not] in compliance with Section 7.11(b) of the Credit Agreement as the Interest Coverage Ratio of _____ [3] to 1.00 [is][is not] greater than or equal to the minimum permitted Interest Coverage Ratio of [2.00][3.00][3.50] [4] to 1.00.

[III. Section 7.11(c) - Quarter-End Liquidity [5]

A. Sum of the Borrowers' cash and Cash Equivalents (determined as of the last day of the most recently ended fiscal quarter based on the balances thereof on such date) held in deposit accounts and securities accounts maintained at a bank reasonably acceptable to the Administrative Agent, in which the Collateral Agent has obtained a perfected first priority Lien subject to no other Liens:

Compliance

The Borrowers [are] [are not] in compliance with Section 7.11(c) of the Credit Agreement as the Quarter-End Liquidity of $_____ [6], which has been measured as of the last day of the fiscal quarter ended [_____, 201_], [is][is not] greater than or equal to the minimum permitted Quarter-End Liquidity amount of [$30,000,000][$35,000,000][7] Minimum Quarter-End Liquidity amount of $30,000,000 required for quarters ending on or after March 31, 2018 but prior to December 31, 2019; Minimum Quarter-End Liquidity amount of $35,000,000 required for quarters ending on or after December 31, 2019. required as of such fiscal quarter end.]

---

[3] Insert Line II.C.

[4] Ratio of 2.00 to 1.00 required for quarters ending prior to March 31, 2018; ratio of 3:00 to 1.00 required for quarters ending on or after March 31, 2018 but prior to December 31, 2019; ratio of 3:50 to 1.00 required for quarters ending on or after December 31, 2019.

[5] Item III concerning Quarter-End Liquidity to be included only in certificates delivered for months ending on or after March 31, 2018.

[6] Insert Line III.A.

[7] Minimum Quarter-End Liquidity amount of $30,000,000 required for quarters ending on or after March 31, 2018 but prior to December 31, 2019; Minimum Quarter-End Liquidity amount of $35,000,000 required for quarters ending on or after December 31, 2019.

EXHIBIT D

TO CREDIT AGREEMENT

Form of
Joinder Agreement

THIS JOINDER AGREEMENT (this "Agreement"), dated as of [_____], [_____], is by and among [_____, a_____] (the "Subsidiary Guarantor"), Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), KeyBank National Association, in its capacity as administrative agent (in such capacity, the "Administrative Agent"), and Silicon Valley Bank, in its capacity as collateral agent (in such capacity, the " Collateral Agent") under that certain Amended and Restated Credit Agreement, dated as of November 12, 2019 (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"), by and among the Borrowers, the Guarantors, the Lenders, the Administrative Agent, the Collateral Agent, and the Joint Lead Arrangers and Joint Book Runners. Capitalized terms used but not otherwise defined herein shall have the meaning provided in the Credit Agreement.

The Subsidiary Guarantor is an additional Loan Party, and, consequently, the Loan Parties are required by Section 6.13 of the Credit Agreement to cause the Subsidiary Guarantor to become a "Guarantor" thereunder.

Accordingly, the Subsidiary Guarantor and the Borrowers hereby agree as follows with the Administrative Agent and the Collateral Agent, for the benefit of the Lenders:

1. The Subsidiary Guarantor hereby acknowledges, agrees and confirms that, by its execution of this Agreement, the Subsidiary Guarantor will be deemed to be a party to and a "Guarantor" under the Credit Agreement and shall have all of the obligations of a Guarantor thereunder as if it had executed the Credit Agreement. The Subsidiary Guarantor hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the applicable Loan Documents, including, without limitation (a) all of the representations and warranties set forth in Article V of the Credit Agreement and (b) all of the affirmative and negative covenants set forth in Articles VI and VII of the Credit Agreement. Without limiting the generality of the foregoing terms of this Paragraph 1, the Subsidiary Guarantor hereby guarantees, jointly and severally together with the other Guarantors, the prompt payment of the Secured Obligations in accordance with Article X of the Credit Agreement.

2. Each of the Subsidiary Guarantor and the Borrowers hereby agrees that all of the representations and warranties contained in Article V of the Credit Agreement and each other Loan Document to which it is a party are true and correct as of the date hereof.

3. The Subsidiary Guarantor hereby acknowledges, agrees and confirms that, by its execution of this Agreement, the Subsidiary Guarantor will be deemed to be a party to the Security Agreement, and shall have all the rights and obligations of a "Grantor" (as such term is

defined in the Security Agreement) thereunder as if it had executed the Security Agreement. The Subsidiary Guarantor hereby ratifies, as of the date hereof, and agrees to be bound by, all of the terms, provisions and conditions contained in the Security Agreement. Without limiting the generality of the foregoing terms of this Paragraph 3, the Subsidiary Guarantor hereby grants, pledges and assigns to the Collateral Agent, for the benefit of the Lenders, a continuing security interest in, and a right of set off, to the extent applicable, against any and all right, title and interest of the Subsidiary Guarantor in and to the Collateral (as such term is defined in Section 2 of the Security Agreement) of the Subsidiary Guarantor.

4. The Subsidiary Guarantor acknowledges and confirms that it has received a copy of the Credit Agreement and the schedules and exhibits thereto and each Collateral Document and the schedules and exhibits thereto. The information on the schedules to the Credit Agreement and the Collateral Documents are hereby supplemented (to the extent permitted under the Credit Agreement or Collateral Documents) to reflect the information shown on the attached Schedule A.

5. The Borrowers confirm that the Credit Agreement is, and upon the Subsidiary Guarantor becoming a Guarantor, shall continue to be, in full force and effect. The parties hereto confirm and agree that immediately upon the Subsidiary Guarantor becoming a Guarantor the term "Obligations," as used in the Credit Agreement, shall include all obligations of the Subsidiary Guarantor under the Credit Agreement and under each other Loan Document to which it is a party.

6. Each of the Borrowers and the Subsidiary Guarantor agrees that at any time and from time to time, upon the written request of the Administrative Agent or the Collateral Agent, it will execute and deliver such further documents and do such further acts as the Administrative Agent or the Collateral Agent may reasonably request in accordance with the terms and conditions of the Credit Agreement and the other Loan Documents in order to effect the purposes of this Agreement.

7. This Agreement 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 Agreement by fax transmission or other electronic mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement.

8. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of New York. The terms of Sections 11.14 and 11.15 of the Credit Agreement are incorporated herein by reference, mutatis mutandis, and the parties hereto agree to such terms.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, each of the Borrowers and the Subsidiary Guarantor has caused this Agreement to be duly executed by its authorized officer, and each of the Administrative Agent and the Collateral Agent, for the benefit of the Lenders, has caused the same to be accepted by its authorized officer, as of the day and year first above written.

[SUBSIDIARY GUARANTOR]

SUBSIDIARY GUARANTOR:

By: _____

Name: _____

Title: _____

BORROWERS:

SUNRUN INC.,
a Delaware corporation

By:

_____

Name:

_____

Title:

_____

SUNRUN SOUTH LLC,
a Delaware limited liability company

By:

_____

Name:

_____

Title:

_____

SUNRUN INSTALLATION SERVICES
a Delaware Corporation

By:

_____

Name:

_____

Title:

_____

Acknowledged, accepted and agreed:

KEYBANK NATIONAL ASSOCIATION, as Administrative Agent

By: _____

Name: _____

Title: _____

SILICON VALLEY BANK,
as Collateral Agent

By: _____

Name: _____

Title: _____

Schedule A

Schedules to Credit Agreement and Collateral Documents

[TO BE COMPLETED BY BORROWERS]

ANNEX III

EXHIBIT E

TO CREDIT AGREEMENT

Form of
Loan Notice

TO: KeyBank National Association, as Administrative Agent

RE: Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, KeyBank National Association, as Administrative Agent, and Silicon Valley Bank, as Collateral Agent (as further, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement)

DATE: [Date]

The undersigned hereby requests (select one):

☐ A Borrowing of the Revolving Loan

☐ A [conversion] or [continuation] of Revolving Loans

---

1. On _____ (the "Credit Extension Date")

2. In the amount of $_____

3. Comprised of: ☐ Base Rate Loans

☐ Eurodollar Rate Loans

4. For Eurodollar Rate Loans: with an Interest Period of _____ months

5. The Revolving Borrowing requested herein is subject to the most recently delivered Borrowing Base Certificate, dated as of _____, 20__ (the "Current Borrowing Base Certificate").

6. The Borrowing Base set forth in the Current Borrowing Base Certificate is $_____.

7. The NYGB Borrowing Base set forth in the Current Borrowing Base Certificate is $_____.

8. The amount of the NYGB Borrowing Base Availability as of the Credit Extension Date is $_____.

9. The Lenders will be required to fund the Revolving Borrowing requested herein based on:

- ☐ Unadjusted Applicable Percentage

- ☐ Adjusted Applicable Percentage

10. Below sets forth each Lender's Applicable Percentage of the Revolving Borrowing requested herein, the amount of such Revolving Borrowing corresponding to such Applicable Percentage and the amount of such Lender's Revolving Exposure after giving effect to such Revolving Borrowing.

Lender	[Unadjusted] [Adjusted] Applicable Percentage	Amount of Revolving Borrowing	Revolving Exposure
[Insert Lender]			
[Insert Lender]			
[Insert Lender]			
[Insert Lender]			
[Insert Lender]			
[Insert Lender]			
[Insert Lender]			

The Revolving Borrowing requested herein complies with the proviso to the first sentence of Section 2.01(a) and the requirements of Section 2.01(c) of the Credit Agreement.

Each of the Borrowers hereby represents and warrants that the conditions specified in Section 4.02 of the Credit Agreement shall be satisfied on and as of the Credit Extension Date.

Delivery of an executed counterpart of a signature page of this notice by fax transmission or other electronic mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this notice.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SUNRUN INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

AEE SOLAR, INC.,
a California corporation, as Borrower

By: _____
Name: _____
Title: _____

SUNRUN SOUTH LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

SUNRUN INSTALLATION SERVICES
a Delaware Corporation

By: _____
Name: _____
Title: _____

AEE SOLAR, INC.,
a California corporation, as Borrower

By:
Name:
Title:

SUNRUN SOUTH LLC,
a Delaware limited liability company, as Borrower

By:
Name:
Title:

SUNRUN INSTALLATION SERVICES INC.,
a Delaware corporation, as Borrower

By:
Name:
Title:

ANNEX IV

EXHIBIT F

TO CREDIT AGREEMENT

Form of
Permitted Acquisition Certificate

TO: KeyBank National Association, as Administrative Agent

RE: Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, KeyBank National Association, as Administrative Agent, and Silicon Valley Bank, as Collateral Agent (as further, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement)

DATE: [Date]

[Loan Party] intends to make an Acquisition of [_____] (the "Target"). The undersigned Responsible Officer of [Loan Party] hereby certifies that:

(a) The Acquisition is an acquisition of a type of business (or assets used in a type of business) permitted to be engaged in by the Borrowers and their Subsidiaries pursuant to the terms of the Credit Agreement.

(b) No Default or Event of Default exists or would exist after giving effect to the Acquisition.

(c) [After giving effect to the Acquisition on a Pro Forma Basis, the Loan Parties are in compliance with (x) each of the financial covenants set forth in Section 7.11 of the Credit Agreement (as demonstrated on Schedule A attached hereto) and (y) the most recently delivered Borrowing Base Certificate.][1]

(d) The Loan Parties have complied with Sections 6.13 and 6.14 of the Credit Agreement, to the extent required to do so thereby.

(e) [Attached hereto as Schedule B is a description of the material terms of the Acquisition (including a description of the business and the form of consideration).][2]

(f) [Attached hereto as Schedule C are the [audited financial statements] [management-prepared financial statements[3]] of the Target for its two most recent fiscal years][4]

---

1 Only applicable to Acquisitions with a Cost of Acquisition in excess of $15,000,000.

2 Only applicable to Acquisitions with a Cost of Acquisition greater than or equal to $5,000,000.

3 Audited financial statements are to be provided unless unavailable, in which case management prepared financial statements can be provided.

4 Only applicable to Acquisitions with a Cost of Acquisition in excess of $15,000,000.

(g) [Attached hereto as Schedule D are the unaudited financial statements of the Target for any fiscal quarters ended within the fiscal year to date.][5]

(j) [The Acquisition is not a "hostile" Acquisition and has been duly authorized by the board of directors (or equivalent) and/or shareholders (or equivalent) of the applicable Loan Party and the Target, in each case where such authorization is required.][6]

(k) With respect to the Cost of Acquisition paid by the Loan Parties and their Subsidiaries for all Acquisitions made after the Closing Date and during the term of the Credit Agreement, on a fully diluted basis with respect to all such Acquisitions, the aggregate Cost of Acquisition (excluding Equity Consideration) shall not exceed $[***].

[5] Only applicable to Acquisitions with a Cost of Acquisition in excess of $15,000,000.

[6] Only applicable to Acquisitions with a Cost of Acquisition greater than or equal to $5,000,000.

Delivery of an executed counterpart of a signature page of this Certificate by fax transmission or other electronic mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SUNRUN INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

AEE SOLAR, INC.,
a California corporation, as Borrower

By: _____
Name: _____
Title: _____

SUNRUN SOUTH LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

SUNRUN INSTALLATION SERVICES
a Delaware Corporation

By: _____
Name: _____
Title: _____

[Schedule A][1]
Financial Covenant Calculations

Financial Statement Date: [_____,____] ("Statement Date")

to the Compliance Certificate
($ in 000's)

I. Section 7.11(a) - Unencumbered Liquidity

A. Sum of the Borrowers' cash and Cash Equivalents (determined as of the last day of each month based on the average daily balance thereof during such month) held in deposit accounts and securities accounts in which the Collateral Agent has obtained a perfected first priority Lien subject to no other Lien:	$

Compliance

The Borrowers [are] [are not] in compliance with Section 7.11(a) of the Credit Agreement as the Unencumbered Liquidity of $_____ [2], which has been measured as of the last day of the month ended [_____, 201_], [is] [is not] greater than or equal to the minimum permitted Unencumbered Liquidity amount of $25,000,000 required as of such month end.[3]

II. Section 7.11(b) - Interest Coverage Ratio

A.	Numerator (for the prior trailing 12-month period then ending on the most recent fiscal quarter end available):		
i.	Operating income (measured in accordance with GAAP) plus depreciation and amortization included in COGS	$	
ii.	[***] of general and administration costs (G&A, as measured in accordance with GAAP)	$	
iii.	[***] percent of sales and marketing costs (S&M, as measured in accordance with GAAP)	$	
iv.	[***] percent of research and development costs (R&D, as measured in accordance with GAAP)	$	
v.	Sum of Line II.A.i + Line II.A.ii + Line II.A.iii + Line II.A.iv	$	
B.	Denominator (for the prior trailing 12-month period then ending on the most recent fiscal quarter end available, which is to be paid in cash, in each case, of or by the Borrowers and their Subsidiaries, other than Excluded Subsidiaries, for such period of measurement):		
i.	all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP	$	
ii.	all interest paid or payable with respect to discontinued operations	$	
iii.	the portion of rent expense under Capitalized Leases that is treated as interest in accordance with GAAP	$	
iv.	Aggregate cash Interest Charges of the Borrowers and their Subsidiaries, other than Excluded Subsidiaries (which Interest Charges shall not be determined on a Consolidated basis): Sum of Line II.B.i + Line II.B.ii + Line II.B.iii	$	

[1] Only applicable to Acquisitions with a Cost of Acquisition in excess of $5,000,000.

[2] Insert Line I.A.

[3] Pursuant to Section 7.11(a), an Event of Default shall not be deemed to have occurred solely as a result of the Borrowers' failure to maintain an Unencumbered Liquidity of at least $25,000,000 as of any month end unless its Unencumbered Liquidity is less then such amount on two consecutive measurement dates; provided that Unencumbered Liquidity shall not be less than $20,000,000 as of the last day of any month.

C. **Interest Coverage Ratio** (Line II.A.iii ÷ Line II.B.iv): _____ to 1.00

Compliance

The Borrowers [are] [are not] in compliance with Section 7.11(b) of the Credit Agreement as the Interest Coverage Ratio of _____[4] Insert Line II.C. to 1.00 [is][is not] greater than or equal to the minimum permitted Interest Coverage Ratio of [2.00][3.00][3.50] [5] to 1.00.

[III. Section 7.11(c) - Quarter-End Liquidity [6]

A. Sum of the Borrowers' cash and Cash Equivalents (determined as of the last day of the most recently ended fiscal quarter based on the balances thereof on such date) held in deposit accounts and securities accounts maintained at a bank reasonably acceptable to the Administrative Agent, in which the Collateral Agent has obtained a perfected first priority Lien subject to no other Liens:

Compliance

The Borrowers [are] [are not] in compliance with Section 7.11(c) of the Credit Agreement as the Quarter-End Liquidity of $_____[7], which has been measured as of the last day of the fiscal quarter ended [_____, 201_], [is][is not] greater than or equal to the minimum permitted Quarter-End Liquidity amount of [$30,000,000][$35,000,000][8] required as of such fiscal quarter end.]

---

4 Insert Line II.C.

5 Ratio of 2.00 to 1.00 required for quarters ending prior to March 31, 2018; ratio of 3:00 to 1.00 required for quarters ending on or after March 31, 2018 but prior to December 31, 2019; ratio of 3:50 to 1.00 required for quarters ending on or after December 31, 2019.

6 Item III concerning Quarter-End Liquidity to be included only in certificates delivered for months ending on or after March 31, 2018.

7 Insert Line III.A.

8 Minimum Quarter-End Liquidity amount of $30,000,000 required for quarters ending on or after March 31, 2018 but prior to December 31, 2019; Minimum Quarter-End Liquidity amount of $35,000,000 required for quarters ending on or after December 31, 2019.

[Schedule B]

Description of Material Terms

[TO BE COMPLETED BY BORROWERS][1]

[Schedule C]

[Audited Financial Statements] [Management-Prepared Financial Statements]

[TO BE COMPLETED BY BORROWERS][1]

[1] Only applicable to Acquisitions with a Cost of Acquisition in excess of $5,000,000.

[1] Only applicable to Acquisitions with a Cost of Acquisition in excess of $5,000,000.

[Schedule D]

Consolidated Projected Income Statements

[TO BE COMPLETED BY BORROWERS][1]

[1] Only applicable to Acquisitions with a Cost of Acquisition in excess of $5,000,000.

EXHIBIT G

TO CREDIT AGREEMENT

Form of
Revolving Note

[_____,_____]

FOR VALUE RECEIVED, the undersigned (collectively, the "Borrowers"), hereby jointly and severally promise to pay to [_____] or its registered assigns (the "Lender"), in accordance with the provisions of the Credit Agreement (as hereinafter defined), the principal amount of each Revolving Loan from time to time made by the Lender to the Borrowers under that certain Amended and Restated Credit Agreement, dated as of November 12, 2019 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "Credit Agreement;" capitalized terms being used but undefined herein as therein defined), by and among the Borrowers, the Guarantors, the Lenders from time to time party thereto, KeyBank National Association, as Administrative Agent, Silicon Valley Bank, as Collateral Agent, and the Joint Lead Arrangers and the Joint Book Runners.

The Borrowers jointly and severally promise to pay interest on the unpaid principal amount of each Revolving Loan from the date of such Revolving Loan until such principal amount is paid in full, at such interest rates and at such times as provided in the Credit Agreement. All payments of principal and interest shall be made to the Administrative Agent for the account of the Lender in Dollars in immediately available funds at the Administrative Agent's Office. If any amount is not paid in full when due hereunder, such unpaid amount shall bear interest, to be paid upon demand, from the due date thereof until the date of actual payment (and before as well as after judgment) computed at the per annum rate set forth in the Credit Agreement.

This Revolving Note is one of the Revolving Notes referred to in the Credit Agreement, and the holder is entitled to the benefits thereof. Revolving Loans made by the Lender shall be evidenced by one or more loan accounts or records maintained by the Lender in the ordinary course of business. The Lender may also attach schedules to this Revolving Note and endorse thereon the date, amount and maturity of its Revolving Loans and payments with respect thereto.

Each Borrower, for itself, its successors and assigns, hereby waives diligence, presentment, protest and demand and notice of protest, demand, dishonor and non-payment of this Revolving Note.

Delivery of an executed counterpart of a signature page of this Revolving Note by fax transmission or other electronic mail transmission (e.g., "pdf" or "tiff") shall be effective as delivery of a manually executed counterpart of this Revolving Note.

THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SUNRUN INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

AEE SOLAR, INC.,
a California corporation, as Borrower

By: _____
Name: _____
Title: _____

SUNRUN SOUTH LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

SUNRUN INSTALLATION SERVICES
a Delaware Corporation

By: _____
Name: _____
Title: _____

EXHIBIT H

TO CREDIT AGREEMENT

Form of
Secured Party Designation Notice

TO:	KeyBank National Association, as Administrative Agent
RE:	Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, Silicon Valley Bank, as the Collateral Agent (the "Collateral Agent"), and KeyBank National Association, as the Administrative Agent (the "Administrative Agent") (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement)
DATE:	[Date]

[Name of Cash Management Bank/Hedge Bank] (the "Secured Party") hereby notifies you, pursuant to the terms of the Credit Agreement, that the Secured Party meets the requirements of a [Cash Management Bank] [Hedge Bank] under the terms of the Credit Agreement and is a [Cash Management Bank] [Hedge Bank] under the Credit Agreement and the other Loan Documents.

Delivery of an executed counterpart of a signature page of this notice by fax transmission or other electronic mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this notice.

A duly authorized officer of the undersigned has executed this notice as of the day and year set forth above.

_____,
as a [Cash Management Bank] [Hedge Bank]

By: _____
Name: _____
Title: _____

EXHIBIT I

TO CREDIT AGREEMENT

Form of
Solvency Certificate

TO: Credit Suisse AG, Cayman Islands Branch, as Administrative Agent

RE: Credit Agreement, dated as of April 1, 2015, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, Credit Suisse AG, Cayman Islands Branch, as Administrative Agent, and Silicon Valley Bank, as Collateral Agent (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement)

DATE: [Date]

The undersigned Responsible Officer of the Borrowers is familiar with the properties, businesses, assets and liabilities of the Borrowers and their Subsidiaries and is duly authorized to execute this certificate on behalf of the Borrowers and their Subsidiaries.

The undersigned certifies that [he/she] has made such investigation and inquiries as to the financial condition of the Borrowers and their Subsidiaries as the undersigned deems necessary and prudent for the purpose of providing this Solvency Certificate (this "Certificate"). The undersigned acknowledges that the Administrative Agent and the Lenders are relying on the truth and accuracy of this Certificate in connection with the making of Credit Extensions and the other transactions contemplated under the Credit Agreement.

The undersigned certifies that the financial information, projections and assumptions which underlie and form the basis for the representations made in this Certificate were reasonable when made and were made in good faith and continue to be reasonable as of the date hereof.

BASED ON THE FOREGOING, the undersigned certifies that, both before and after giving effect to the transactions contemplated by the Credit Agreement:

(a) The fair value of the property of each Borrower, individually and together with its Subsidiaries on a Consolidated basis, is greater than the total amount of liabilities, including contingent liabilities, of such Borrower, individually and together with its Subsidiaries on a Consolidated basis.

(b) The present fair salable value of the assets of each Borrower, individually and together with its Subsidiaries on a Consolidated basis, is not less than the amount that will be required to pay the probable liability of such Borrower, individually and together with its Subsidiaries on a Consolidated basis, on their debts as they become absolute and matured.

(c) Each Borrower, individually and together with its Subsidiaries on a Consolidated basis, does not intend to, and does not believe that it will, incur debts or liabilities

beyond such Person's individual or consolidated ability to pay such debts and liabilities as they mature.

(d) Neither any Borrower nor any of its Subsidiaries is engaged in business or a transaction, or is about to engage in business or a transaction, for which such Borrower's or Subsidiary's property would constitute an unreasonably small capital.

(e) Each Borrower, individually and together with its Subsidiaries on a Consolidated basis, is able to pay its individual and consolidated debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business.

(f) The amount of contingent liabilities at any time have been computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

Delivery of an executed counterpart of a signature page of this Certificate by fax transmission or other electronic mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SUNRUN INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

AEE SOLAR, INC.,
a California corporation, as Borrower

By: _____
Name: _____
Title: _____

SUNRUN SOUTH LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

SUNRUN INSTALLATION SERVICES
a Delaware Corporation

By: _____
Name: _____
Title: _____

EXHIBIT J

TO CREDIT AGREEMENT

Form of
Officer's Certificate

TO: Credit Suisse AG, Cayman Islands Branch, as Administrative Agent

RE: Credit Agreement, dated as of April 1, 2015, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, Credit Suisse AG, Cayman Islands Branch, as Administrative Agent, and Silicon Valley Bank, as Collateral Agent (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement)

DATE: [Date]

The undersigned Responsible Officer of [LOAN PARTY] (the "Company") hereby certifies as follows:

1. Attached hereto as Exhibit A is a true and complete copy of the [articles of incorporation] [certificate of formation] [certificate of limited partnership] of the Company, and all amendments thereto, as in effect on the date hereof certified as a recent date by the appropriate Governmental Authority of the state of [incorporation] [formation] [organization] of the Company.

2. Attached hereto as Exhibit B is a true and complete copy of the [bylaws] [operating agreement] [partnership agreement] of the Company, and all amendments thereto, as in effect on the date hereof.

3. Attached hereto as Exhibit C is a true and complete copy of resolutions duly adopted by the [board of directors] [members] [managers] [partners] of the Company on [_____]. Such resolutions have not in any way been rescinded or modified and have been in full force and effect since their adoption to and including the date hereof, and such resolutions are the only corporate proceedings of the Company now in force relating to or affecting the matters referred to therein.

4. Attached hereto as Exhibit D are true and complete copies of the certificates of good standing, existence or its equivalent of the Company certified as of a recent date by the appropriate Governmental Authority of the state of [incorporation] [formation] [organization] of the Company and each other state in which the failure to so qualify and be in good standing could reasonably be expected to have a Material Adverse Effect.

5. The following persons listed on Annex A attached hereto are the duly elected and qualified officers of the Company, holding the offices appearing next to their names on the date hereof, and the signatures appearing opposite the names of the officers below are their true and genuine signatures, and each of such officers is duly authorized to execute and deliver, on behalf of the Company, the Credit Agreement, the Notes, the other Loan Documents and such other

documents, agreements, deeds, certificates and instruments as specified or contemplated by the Loan Documents.

Delivery of an executed counterpart of a signature page of this Certificate by fax transmission or other electronic mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has executed this Officer's Certificate as of the date set forth above.

By: _____

[Name]

[Title]

The undersigned, the duly appointed, qualified and acting [_____] of the Company, hereby certifies that the signature immediately above is the true, correct and genuine signature of [_____], the duly appointed, qualified and acting [_____] of the Company.

By: _____

[Name]

[Title]

ANNEX A

INCUMBENCY FOR COMPANY

Name	Title	Signature

EXHIBIT K-1

TO CREDIT AGREEMENT

Form of
U.S. Tax Compliance Certificate

(For Foreign Lenders That Are Not Partnerships
For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, Silicon Valley Bank, as the Collateral Agent (the "Collateral Agent"), and KeyBank National Association, as the Administrative Agent (the "Administrative Agent") (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"). Pursuant to the provisions of Section 3.01 of the Credit Agreement, the undersigned hereby certifies that (a) 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, (b) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (c) it is not a ten percent shareholder of any of the Borrowers within the meaning of Section 871(h)(3)(B) of the Code, and (d) it is not a controlled foreign corporation related to any of the Borrowers as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrowers with a certificate of its non-U.S. Person status on a properly completed and executed original of IRS Form W-8BEN. By executing this certificate, the undersigned agrees that (a) if the information provided on IRS Form W-8BEN changes, the undersigned shall so inform the Borrowers and the Administrative Agent by providing a newly completed and executed original of IRS Form W-8BEN with the updated information no later than the date of the next interest payment on the Loan, and (b) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective IRS Form W-8BEN 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.

Unless otherwise defined herein, capitalized terms used herein shall have the meaning given to them in the Credit Agreement.

[NAME OF FOREIGN LENDER]

By: _____

Name: _____

Title: _____

Date: _____ __, ___

EXHIBIT K-2

TO CREDIT AGREEMENT

Form of
U.S. Tax Compliance Certificate

(For Foreign Participants That Are Not Partnerships
For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, Silicon Valley Bank, as the Collateral Agent (the "Collateral Agent"), and KeyBank National Association, as the Administrative Agent (the "Administrative Agent") (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"). Pursuant to the provisions of Section 3.01 of the Credit Agreement, the undersigned hereby certifies that (a) it is the sole record and beneficial owner of the participation in respect of which it is providing this certificate, (b) it is not a bank within the meaning of Section 881(c)(3)(A) of the Code, (c) it is not a ten percent shareholder of any of the Borrowers within the meaning of Section 871(h)(3)(B) of the Code, and (d) it is not a controlled foreign corporation related to any of the Borrowers as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a certificate of its non-U.S. Person status on a properly completed and executed original of IRS Form W-8BEN. By executing this certificate, the undersigned agrees that (a) if the information provided on IRS Form W-8BEN changes, the undersigned shall so inform such Lender by providing a newly completed and executed original of IRS Form W-8BEN with the updated information no later than the date of the next interest payment on the Loan, and (b) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective IRS Form W-8BEN 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.

Unless otherwise defined herein, capitalized terms used herein shall have the meaning given to them in the Credit Agreement.

[NAME OF PARTICIPANT]

By: _____
Name: _____
Title: _____
Date: _____ __, ___

EXHIBIT K-3

TO CREDIT AGREEMENT

Form of
U.S. Tax Compliance Certificate

(For Foreign Participants That Are Partnerships
For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, Silicon Valley Bank, as the Collateral Agent (the "Collateral Agent"), and KeyBank National Association, as the Administrative Agent (the "Administrative Agent") (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"). Pursuant to the provisions of Section 3.01 of the Credit Agreement, the undersigned hereby certifies that (a) it is the sole record owner of the participation in respect of which it is providing this certificate, (b) its direct or indirect partners or members are the sole beneficial owners of such participation, (c) with respect to such participation, neither the undersigned nor any of its direct or indirect partners or members 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, (d) none of its direct or indirect partners or members is a ten percent shareholder of any of the Borrowers within the meaning of Section 871(h)(3)(B) of the Code, and (e) none of its direct or indirect partners or members is a controlled foreign corporation related to any of the Borrowers as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished its participating Lender with a properly completed and executed original of IRS Form W-8IMY, a withholding statement as described in the regulations under section 1441 of the Code, and one of the following forms from each of its partners or members that is claiming the portfolio interest exemption: (a) a properly completed and executed original of IRS Form W-8BEN or (b) a properly completed and executed IRS Form W-8IMY accompanied by an IRS Form W-8BEN from each of such partner's or member's beneficial owners that is claiming the portfolio interest exemption (or if one of such partner's or member's beneficial owners is itself a partnership ("Upper-Tier Partnership"), then a properly completed and executed original of IRS Form W-8IMY from the Upper-Tier Partnership accompanied by a properly completed and executed original of IRS Form W-8BEN from each of the Upper-Tier Partnership's partners or members that is claiming the portfolio interest exemption, and so on). By executing this certificate, the undersigned agrees that (i) if the information provided on IRS Form W-8IMY and accompanying documentation changes, the undersigned shall so inform such Lender by providing newly completed and executed originals of IRS Form W-8IMY or any of the accompanying documentation (as appropriate) with the updated information no later than

the date of the next interest payment on the Loan and (ii) the undersigned shall have at all times furnished such Lender with a properly completed and currently effective IRS Form W-8IMY and accompanying documentation 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.

Unless otherwise defined herein, capitalized terms used herein shall have the meaning given to them in the Credit Agreement.

[NAME OF PARTICPANT]

By: _____
Name: _____
Title: _____

Date: _____ __, ___

EXHIBIT K-4

TO CREDIT AGREEMENT

Form of
U.S. Tax Compliance Certificate

(For Foreign Lenders That Are Partnerships
For U.S. Federal Income Tax Purposes)

Reference is hereby made to the Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, Silicon Valley Bank, as the Collateral Agent (the "Collateral Agent"), and KeyBank National Association, as the Administrative Agent (the "Administrative Agent") (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"). Pursuant to the provisions of Section 3.01 of the Credit Agreement, the undersigned hereby certifies that (a) 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, (b) its direct or indirect partners or members are the sole beneficial owners of such Loan(s) (as well as any Note(s) evidencing such Loan(s)), (c) with respect to the extension of credit pursuant to the Credit Agreement or any other Loan Document, neither the undersigned nor any of its direct or indirect partners or members 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, (d) none of its direct or indirect partners or members is a ten percent shareholder of any of the Borrowers within the meaning of Section 871(h)(3)(B) of the Code and (e) none of its direct or indirect partners or members is a controlled foreign corporation related to any of the Borrowers as described in Section 881(c)(3)(C) of the Code.

The undersigned has furnished the Administrative Agent and the Borrowers with a properly completed and executed original of IRS Form W-8IMY, a withholding statement as described in the regulations under section 1441 of the Code, and one of the following forms from each of its partners or members that is claiming the portfolio interest exemption: (a) a properly completed and executed original of IRS Form W-8BEN or (b) a properly completed and executed original of IRS Form W-8IMY accompanied by an IRS Form W-8BEN from each of such partner's or member's beneficial owners that is claiming the portfolio interest exemption (or if one of such partner's or member's beneficial owners is itself a partnership ("Upper-Tier Partnership"), then a properly completed and executed original of IRS Form W-8IMY from the Upper-Tier Partnership accompanied by a properly completed and executed original of IRS Form W-8BEN from each of the Upper-Tier Partnership's partners or members that is claiming the portfolio interest exemption, and so on). By executing this certificate, the undersigned agrees that (i) if the information provided on IRS Form W-8IMY or the accompanying documentation changes, the undersigned shall so inform the Borrowers

and the Administrative Agent by providing newly completed and executed originals of IRS Form W-8IMY or any of the accompanying documentation (as appropriate) with the updated information no later than the date of the next interest payment on the Loan, and (ii) the undersigned shall have at all times furnished the Borrowers and the Administrative Agent with a properly completed and currently effective IRS Form W-8IMY and accompanying documentation 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.

Unless otherwise defined herein, capitalized terms used herein shall have the meaning given to them in the Credit Agreement.

[NAME OF LENDER]

By: _____
Name: _____
Title: _____

Date: _____ __, ___

EXHIBIT L

TO CREDIT AGREEMENT

Form of
Funding Indemnity Letter

TO: Credit Suisse AG, Cayman Islands Branch, as Administrative Agent
Lenders to the Credit Agreement

RE: Credit Agreement, dated as of April 1, 2015, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, Credit Suisse AG, Cayman Islands Branch, as Administrative Agent, and Silicon Valley Bank, as Collateral Agent (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement")

DATE: [Date]

This letter is delivered in anticipation of the closing of the above-referenced Credit Agreement. Capitalized terms used and not otherwise defined herein shall have the meaning assigned to them in the most recent draft of the Credit Agreement circulated to the Borrowers and the Lenders.

The Borrowers anticipate that all conditions precedent to the effectiveness of the Credit Agreement will be satisfied on April 1, 2015 (the "Effective Date"). The Borrowers wish to borrow the initial Revolving Loans, described in the Loan Notice delivered in connection with this letter agreement, on the Effective Date as Eurodollar Rate Loans (the "Effective Date Eurodollar Rate Loans").

The Borrowers acknowledge that (a) in order to accommodate the foregoing request, the Lenders are making funding arrangements for value on the Effective Date, (b) there can be no assurance that the Credit Agreement will become effective as of the Effective Date, (c) the Lenders will not make such Effective Date Eurodollar Rate Loans unless the Credit Agreement has been fully executed and the requirements set forth in Article IV of the Credit Agreement are satisfied (the "Funding Requirements"), and (d) if the Funding Requirements are not satisfied on or before the Effective Date, the Lenders may sustain funding losses as a result of such failure to close on such date.

In order to induce the Lenders to make the funding arrangements necessary to make the Effective Date Eurodollar Rate Loans on the Effective Date, the Borrowers agree promptly upon demand to compensate each Lender and hold each Lender harmless from any loss, cost or expense (including the cost of counsel) which such Lender may incur (a) as a consequence of any failure to (i) satisfy the Funding Requirements or (ii) borrow the Effective Date Eurodollar Rate Loans on the Effective Date from such Lender for any reason whatsoever (including the failure of the Credit Agreement to become effective) or (b) in connection with the preparation, administration or enforcement of, or any dispute arising under, this Funding Indemnity Letter. For purposes of calculating amounts payable by the Borrowers to any Lender under this paragraph, the provisions of Section 3.05 of the Credit Agreement shall apply as if the Credit Agreement were in effect with respect to the Effective

Date Eurodollar Rate Loans (regardless of whether the Credit Agreement ever becomes effective).

This letter agreement 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 letter agreement by fax transmission or other electronic mail transmission (e.g., "pdf" or "tiff") shall be effective as delivery of a manually executed counterpart of this letter agreement. This letter agreement shall be governed by, and construed in accordance with, the law of the State of New York.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

SUNRUN INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

AEE SOLAR, INC.,
a California corporation, as Borrower

By: _____
Name: _____
Title: _____

SUNRUN SOUTH LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

SUNRUN INSTALLATION SERVICES
a Delaware Corporation

By: _____
Name: _____
Title: _____

EXHIBIT M-1

TO CREDIT AGREEMENT

Form of
Bailee Agreement

BAILEE AGREEMENT

THIS BAILEE AGREEMENT is entered into as of _____, by and among SILICON VALLEY BANK, in its capacity as collateral agent for the Lenders (in such capacity, the "Collateral Agent"), _____ ("Custodian"), and SUNRUN INC., a Delaware corporation, AEE SOLAR, INC., a California corporation, SUNRUN SOUTH LLC, a Delaware limited liability company, and SUNRUN INSTALLATION SERVICES INC., a Delaware corporation (collectively, the "Borrowers").

WHEREAS, Custodian has warehouse facilities at _____ ("Warehouse"), in which it stores or handles inventory of the Borrowers ("Inventory") from time to time; and from time to time pursuant to that certain [*describe applicable agreement*], dated as of [_____ __], 20[__] (the "Custodian Agreement"), between Custodian and the Borrowers;

WHEREAS, pursuant to that certain Amended and Restated Credit Agreement, dated as of November 12, 2019 (as amended, modified, extended, restated, replaced, or supplemented from time to time, "Credit Agreement"), by and among the Borrowers, the guarantors from time to time party thereto, the lenders and other financial institutions from time to time party thereto (the "Lenders"), KeyBank National Association, in its capacity as administrative agent for the Lenders (in such capacity, the "Administrative Agent") and the Collateral Agent, the Administrative Agent and the Lenders have agreed to provide advances and other financial accommodations to the Borrowers, and the Administrative Agent and the Lenders agree to provide such financing only if Custodian and the Borrowers agree upon the storage and handling of the Inventory as set forth herein; and

WHEREAS, as security for the payment and performance of the Obligations (as defined in the Credit Agreement), the Borrowers have granted a security interest to the Collateral Agent in certain of the inventory that will be stored at the Warehouse (together with all additions, substitutions, replacements and improvements to, and proceeds of, the foregoing, collectively, the "Collateral Agent Collateral");

NOW, THEREFORE, for valuable consideration hereby acknowledged, the parties agree as follows:

1. Custodian is hereby notified that Collateral Agent has a security interest in the Collateral Agent Collateral. Custodian agrees not to claim any ownership of any Collateral Agent Collateral, agrees not to encumber, lease, transfer or otherwise dispose of any Collateral Agent Collateral except as permitted hereunder or otherwise

instructed in writing by Collateral Agent, and agrees that it holds all Collateral Agent Collateral as agent for Collateral Agent for the purpose of perfecting Collateral Agent's security interest therein. Custodian hereby subordinates all of its present and future rights of levy, distraint, demand, lien, encumbrance or seizure with respect to such Collateral Agent Collateral, to Collateral Agent's security interest and rights in the Collateral Agent Collateral.

2. Custodian shall institute, supervise, control and maintain records and procedures in order to control the receipt, storage and delivery of the Collateral Agent Collateral. Custodian shall fully supervise, control and protect, the Collateral Agent Collateral and its records of same at the Warehouse and shall sufficiently label such Collateral Agent Collateral so as to be identifiable as being Collateral Agent Collateral.

3. Custodian shall allow Collateral Agent at its discretion, from time to time during normal business hours, to examine the Collateral Agent Collateral, to verify that all Collateral Agent Collateral has been properly accounted for and that Custodian and Borrowers are in compliance with this Agreement, and to obtain copies of Custodian's records relating to the Collateral Agent Collateral and this Agreement. Custodian agrees to give Collateral Agent at least 20 days advance written notice of any change in address or location of the Warehouse.

4. Custodian will be bonded at all times, which bond shall be issued by a company and on terms reasonably acceptable to Collateral Agent. Custodian will at all times keep the Collateral Agent Collateral insured for full value against all insurable risks, on terms acceptable to Collateral Agent. Custodian will notify Collateral Agent in writing at least 10 days before changing or canceling any such insurance.

5. Custodian shall report to Collateral Agent immediately, or as soon as is reasonably possible, if any Inventory is missing, lost, damaged or destroyed, or if Custodian receives notice of any attachment, lien or other claim affecting the Collateral Agent Collateral.

6. Custodian acknowledges and agrees that the Collateral Agent Collateral shall at all times be moveable personal property. From time to time, Collateral Agent may enter the Warehouse to enforce its rights in and to the Collateral Agent Collateral, and Custodian will not interfere with any such actions; provided that Collateral Agent is escorted by an employee or agent of Custodian at all times while in the Warehouse.

7. If Borrowers are ever in material default under the Custodian Agreement, Custodian will promptly notify Collateral Agent in writing and provide at least 30 days thereafter for Collateral Agent to cure such default. If, as a result of any default by Borrowers or otherwise, Custodian decides to terminate the Custodian Agreement, then Custodian shall so notify Collateral Agent in writing and Collateral Agent shall have 30 days after receipt of such notice to remove Collateral Agent Collateral from the Warehouse, prior to any exercise of rights by Custodian. Notwithstanding anything herein to the contrary, in no event shall Collateral Agent be responsible for any

obligations of Borrowers to Custodian under the Custodian Agreement or otherwise, unless Collateral Agent specifically agrees in writing to accept same.

8. Upon Collateral Agent's request, Custodian will promptly provide to Collateral Agent a copy of Borrowers' monthly statement of charges.

9. Custodian agrees not to issue any warehouse receipts or other document of title relating to Collateral Agent Collateral.

10. This Agreement shall remain in full force and effect until all obligations of Borrowers owing to Collateral Agent have been indefeasibly paid or performed in full, or until all Collateral Agent Collateral has been removed from the Warehouse. Any notices or other communications under this Agreement shall be made to the notice address the recipient party has set forth on the signature page hereto or such other notice address as the recipient party shall hereafter designate in writing to the other parties and shall be deemed given when received if delivered personally, via electronic mail or by facsimile transmission with completed transmission acknowledgment, or when delivered or when delivery is refused if mailed by overnight delivery via a nationally recognized courier or registered or certified first class mail (return receipt requested), postage prepaid.

11. This Agreement shall be governed by and construed in accordance with the laws of the State of [California], and may be modified only in writing signed by both parties. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Bailee Agreement as of the date set forth above.

Notice address:

3003 Tasman Drive
Santa Clara, CA 95054
Attn: [***]

COLLATERAL AGENT:

SILICON VALLEY BANK

By: _____
Name:
Title:

Notice address:

_____
Attn:
_____

CUSTODIAN:

_____

By: _____
Name:
Title:

Notice address:

225 Bush Street, Suite 1400
San Francisco, CA 94104
Attn: General Counsel

BORROWERS:

SUNRUN INC.

By: _____
Name:
Title:

Notice address:

225 Bush Street, Suite 1400
San Francisco, CA 94104
Attn: General Counsel

BORROWERS:

SUNRUN INC.

By: _____
Name:
Title:

Notice address:

BORROWERS:

SUNRUN SOUTH LLC

225 Bush Street, Suite 1400
San Francisco, CA 94104
Attn: General Counsel

By: _____

Name:
Title:

Notice address:

BORROWERS:

SUNRUN INSTALLATION SERVICES INC.

225 Bush Street, Suite 1400
San Francisco, CA 94104
Attn: General Counsel

By: _____

Name:
Title:

EXHIBIT M-2

TO CREDIT AGREEMENT

Form of
Landlord Waiver

Drawn by and return to:
Silicon Valley Bank
3003 Tasman Drive
Santa Clara, CA 95054
Attn: [***]

THIS LANDLORD AGREEMENT (this "Agreement") is entered as of this [___] day of [_____, 20 __] by and between [_____], a [_____] ("Landlord"), the owner of certain real property, buildings and improvements located in [_____], and Silicon Valley Bank, in its capacity as collateral agent (the "Collateral Agent") for the lenders (the "Lenders") providing certain credit facilities pursuant to that certain Amended and Restated Credit Agreement, dated as of November 12, 2019 (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement), by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the guarantors from time to time party thereto (the "Guarantors" and, together with the Borrowers, the "Loan Parties"), the Lenders, the Collateral Agent and KeyBank National Association, in its capacity as administrative agent.

Recitals:

A. The Lenders have agreed to provide the Borrowers with certain loan facilities and other financial accommodations (the "Loan Facilities") under the terms and conditions of the Credit Agreement, which Loan Facilities are guaranteed by the Guarantors. The Loan Parties have secured the repayment of the Loan Facilities and certain other obligations (collectively, the "Secured Obligations") by granting the Collateral Agent, for the ratable benefit of the Secured Parties, a security interest in all of the Loan Parties' personal property, whether now owned or hereafter acquired, including all proceeds of any of the foregoing (collectively, the "Collateral").

B. Whereas Landlord is the lessor under the lease described in Exhibit A attached hereto (the "Lease") with [_____] (the "Tenant") as lessee pursuant to which Landlord has leased certain premises to Tenant located at [_____] (the "Premises").

C. As a condition to extending the Loan Facilities, the Lenders and the Collateral Agent have requested that the Loan Parties obtain, and cause the Landlord to provide, a waiver and subordination, pursuant to the terms of this Agreement, of all of its rights against any of the Collateral until the Facility Termination Date.

NOW, THEREFORE, in consideration of the foregoing, and the mutual benefits accruing to the Collateral Agent and Landlord as a result of the Loan Facilities provided by the Lenders pursuant to the Credit Agreement, the sufficiency and receipt of such consideration being hereby acknowledged, the parties hereto agree as follows:

1. Landlord hereby subordinates in favor of the Collateral Agent, for the benefit of the Secured Parties, any and all rights or interests that Landlord, or its successors and assigns, may now or hereafter have in or to the Collateral, including, without limitation, any lien, claim, charge or encumbrance of any kind or nature, arising by statute, contract, common law or otherwise.

2. Landlord hereby agrees that the liens and security interests existing in favor of the Collateral Agent, for the ratable benefit of the Secured Parties, shall be prior and superior to (a) any and all rights of distraint, levy, and execution which Landlord may now or hereafter have against the Collateral, (b) any and all liens and security interests which Landlord may now or hereafter have on and in the Collateral, and (c) any and all other rights, demands and claims of every nature whatsoever which Landlord may now or hereafter have on or against the Collateral for any reason whatsoever, including, without limitation, rent, storage charge, or similar expense, cost or sum due or to become due Landlord by Tenant under the provisions of any lease, storage agreement or otherwise, and Landlord hereby subordinates all of its foregoing rights and interests in the Collateral to the security interest of the Collateral Agent in the Collateral. Landlord deems the Collateral to be personal property, not fixtures.

3. Upon the advance written notice from the Collateral Agent that an event of default has occurred and is continuing under the Credit Agreement, Landlord agrees that the Collateral Agent or its delegates or assigns may enter upon the Premises at any time or times, during normal business hours, to inspect or remove the Collateral, or any part thereof, from the Premises, without charge, either prior to or subsequent to the termination of the Lease; provided that in any event such removal shall occur no later than forty-five (45) days after the termination of the Lease. The Collateral Agent shall repair or pay reasonable compensation to Landlord for damage, if any, to the Premises caused by the removal of the Collateral. In addition to the above removal rights, the Landlord will permit the Collateral Agent to remain on the Premises for forty-five (45) days after the Collateral Agent gives the Landlord notice of its intention to do so and to take such action as the Collateral Agent deems necessary or appropriate in order to liquidate the Collateral; provided that the Collateral Agent shall pay to the Landlord the basic rent due under the Lease pro-rated on a per diem basis determined on a 30-day month (provided, that such rent shall exclude any rent adjustments, indemnity payments or similar amounts payable under the Lease for default, holdover status or similar charges).

4. Landlord represents and warrants: (a) that it has not assigned its claims for payment, if any, nor its right to perfect or assert a lien of any kind whatsoever against Tenant's Collateral; (b) that it has the right, power and authority to execute this Agreement; (c) that it holds legal title to the Premises; (d) that it is not aware of any breach or default by the Tenant of its obligations under the Lease with respect to the Premises; and (e) the Lease, together with all assignments, modifications, supplementations and amendments set forth in Exhibit A, represents, as of the date hereof, the entire agreement between the parties with respect to the lease of the

Premises. Landlord further agrees to provide the Collateral Agent with prompt written notice in the event that Landlord sells the Premises or any portion thereof.

5. The Landlord shall send to the Collateral Agent (in the manner provided herein) a copy of any notice or statement sent to the Tenant by the Landlord asserting a default under the Lease. Such copy shall be sent to the Collateral Agent at the same time such notice or statement is sent to the Tenant. Notices shall be sent to the Collateral Agent by prepaid, registered or certified mail, addressed to the Collateral Agent at the following address, or such other address as the Collateral Agent shall designate to the Landlord in writing:

Silicon Valley Bank, as Collateral Agent
3003 Tasman Drive
Santa Clara, CA 95054
Attn: [***]

6. The Landlord shall not terminate the Lease or pursue any other right or remedy under the Lease by reason of any default of the Tenant under the Lease, until the Landlord shall have given a copy of such written notice to the Collateral Agent as provided above and, in the event any such default is not cured by the Tenant within any time period provided for under the terms and conditions of the Lease, the Landlord will allow the Collateral Agent (a) thirty (30) days from the expiration of the Tenant's cure period under the Lease within which the Collateral Agent shall have the right, but shall not be obligated, to remedy such act, omission or other default and Landlord will accept such performance by the Collateral Agent and (b) up to an additional sixty (60) days to occupy the Premises; provided that during such period of occupation the Collateral Agent shall pay to the Landlord the basic rent due under the Lease pro-rated on a per diem basis determined on a thirty (30) day month (provided that such rent shall exclude any rent adjustments, indemnity payments or similar amounts payable under the Lease for default, holdover or similar charge).

7. The undersigned will notify all successor owners, transferees, purchasers and mortgagees of the Premises of the existence of this Agreement. The agreements contained herein may not be modified or terminated orally and shall be binding upon the successors, assigns and personal representatives of the undersigned, upon any successor owner or transferee of the Premises, and upon any purchasers, including any mortgagee, from the undersigned.

8. This Agreement shall continue in effect during the term of the Credit Agreement, and any extensions, renewals or modifications thereof and any substitutions therefor, shall be binding upon the successors, assigns and transferees of Landlord, and shall inure to the benefit of the transferees of Landlord, and shall inure to the benefit of the Collateral Agent, each Secured Party and their respective successors and assigns. Landlord hereby waives notice of the Collateral Agent's acceptance of and reliance on this Agreement.

9. This Agreement 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 Agreement by fax transmission or other electronic mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement.

10. This Agreement shall be governed by, and construed and interpreted in accordance with, the law of the State of New York. All judicial proceedings brought by the Landlord, the Collateral Agent or the Tenant with respect to this Agreement may be brought in any state or federal court of competent jurisdiction in the State of New York, and, by execution and delivery of this Agreement, each of the Landlord, the Collateral Agent and the Tenant accepts, for itself and in connection with its properties, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts and irrevocably agrees to be bound by any final judgment rendered thereby in connection with this Agreement from which no appeal has been taken or is available.

11. This Agreement represents the agreement of the Landlord, the Collateral Agent and the Tenant with respect to the subject matter hereof, and there are no promises, undertakings, representations or warranties by the Landlord, the Collateral Agent and the Tenant relative to the subject matter hereof not expressly set forth or referred to herein.

12. This Agreement may not be amended, modified or waived except by a written amendment or instrument signed by each of the Landlord, the Collateral Agent and the Tenant.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Landlord, Tenant and the Collateral Agent have each caused this Agreement to be duly executed by their respective authorized representatives as of the date first above written.

_____,
as Landlord

By: _____
Name: _____
Title: _____

Acknowledged and Agreed

_____,
as Tenant

By: _____
Name: _____
Title: _____

Acknowledged and Agreed

SILICON VALLEY BANK,
as Collateral Agent

By: _____
Name: _____
Title: _____

Exhibit A to Landlord Waiver

Lease

[TO BE ATTACHED]

EXHIBIT N

TO CREDIT AGREEMENT

Form of
Financial Condition Certificate

TO: Credit Suisse AG, Cayman Islands Branch, as Administrative Agent

RE: Credit Agreement, dated as of April 1, 2015, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, Credit Suisse AG, Cayman Islands Branch, as Administrative Agent, and Silicon Valley Bank, as Collateral Agent (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement)

DATE: [Date]

Pursuant to the terms of Section 4.01(g) of the Credit Agreement, a Responsible Officer of the Borrowers hereby certifies on behalf of the Loan Parties and not in any individual capacity that, as of the date hereof, the statements below are accurate and complete in all respects:

(a) There does not exist any pending, ongoing or, to the knowledge of the Loan Parties, threatened action, suit, investigation, litigation or proceeding that could reasonably be expected to have a Material Adverse Effect in any court or before any arbitrator or Governmental Authority (i) affecting the Credit Agreement or the other Loan Documents, that has not been settled, dismissed, vacated, discharged or terminated prior to the Closing Date or (ii) that purports to affect any Loan Party or any transaction contemplated by the Loan Documents and has not been settled, dismissed, vacated, discharged or terminated prior to the Closing Date.

(b) Immediately after giving effect to the Credit Agreement, the other Loan Documents and all transactions contemplated by the Credit Agreement to occur on the Closing Date, (i) no Default or Event of Default exists, (ii) all representations and warranties contained in the Credit Agreement and in the other Loan Documents that contain a materiality qualification are true and correct in all respects, and all representations and warranties contained in the Credit Agreement and in the other Loan Documents that do not contain a materiality qualification are true and correct in all material respects, in each case, on and as of the Closing Date (or if such representations and warranties expressly relate to an earlier date, as of such earlier date), and (iii) the Borrowers are in pro forma compliance with each of the initial financial covenants set forth in Section 7.11 of the Credit Agreement, as demonstrated by the financial covenant calculations set forth on Schedule A attached hereto, as of the last day of the month ending at least twenty (20) days preceding the Closing Date.

(c) Immediately after giving effect to the Credit Agreement, the other Loan Documents and all transactions contemplated by the Credit Agreement to occur on the Closing Date, each of the conditions precedent in Section 4.01 have been satisfied.

Delivery of an executed counterpart of a signature page of this Certificate by fax transmission or other electronic mail transmission (e.g., "pdf" or "tiff") shall be effective as delivery of a manually executed counterpart of this Certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SUNRUN INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

AEE SOLAR, INC.,
a California corporation, as Borrower

By: _____
Name: _____
Title: _____

SUNRUN SOUTH LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

SUNRUN INSTALLATION SERVICES
a Delaware Corporation

By: _____
Name: _____
Title: _____

Schedule A

Financial Covenant Calculations

Financial Statement Date: [_____, ___] ("Statement Date")

to the Compliance Certificate
($ in 000's)

I. Section 7.11(a) - Unencumbered Liquidity

A. Sum of the Borrowers' cash and Cash Equivalents (determined as of the last day of each month based on the average daily balance thereof during such month) held in deposit accounts and securities accounts in which the Collateral Agent has obtained a perfected first priority Lien subject to no other Lien: $_____

Compliance

The Borrowers [are] [are not] in compliance with Section 7.11(a) of the Credit Agreement as the Unencumbered Liquidity of $_____[1]., which has been measured as of the last day of the month ended [_____, 201_], [is] [is not] greater than or equal to the minimum permitted Unencumbered Liquidity amount of $25,000,000 required as of such month end.[2]

II. Section 7.11(b) - Interest Coverage Ratio

A.	Numerator (for the prior trailing 12-month period then ending on the most recent fiscal quarter end available):		
i.	Operating income (measured in accordance with GAAP) plus depreciation and amortization included in COGS	$	_____
ii.	[***] of general and administration costs (G&A, as measured in accordance with GAAP)	$	_____
iii.	[***] percent of sales and marketing costs (S&M, as measured in accordance with GAAP)	$	_____
iv.	[***] percent of research and development costs (R&D, as measured in accordance with GAAP)	$	_____
v.	Sum of Line II.A.i + Line II.A.ii + Line II.A.iii + Line II.A.iv	$	_____
B.	Denominator (for the prior trailing 12-month period then ending on the most recent fiscal quarter end available, which is to be paid in cash, in each case, of or by the Borrowers and their Subsidiaries, other than Excluded Subsidiaries, for such period of measurement):		_____
i.	all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP	$	_____
ii.	all interest paid or payable with respect to discontinued operations	$	_____
iii.	the portion of rent expense under Capitalized Leases that is treated as interest in accordance with GAAP	$	_____
iv.	Aggregate cash Interest Charges of the Borrowers and their Subsidiaries, other than Excluded Subsidiaries (which Interest Charges shall not be determined on a Consolidated basis): Sum of Line II.B.i + Line II.B.ii + Line II.B.iii	$	_____

[1] Only applicable to Acquisitions with a Cost of Acquisition in excess of $5,000,000.

[2] Pursuant to Section 7.11(a), an Event of Default shall not be deemed to have occurred solely as a result of the Borrowers' failure to maintain an Unencumbered Liquidity of at least $25,000,000 as of any month end unless its Unencumbered Liquidity is less then such amount on two consecutive measurement dates; provided that Unencumbered Liquidity shall not be less than $20,000,000 as of the last day of any month.

C. **Interest Coverage Ratio** (Line II.A.iii ÷ Line II.B.iv): _____ to 1.00

Compliance

The Borrowers [are] [are not] in compliance with Section 7.11(b) of the Credit Agreement as the Interest Coverage Ratio of _____[3] to 1.00 [is][is not] greater than or equal to the minimum permitted Interest Coverage Ratio of 2.00 to 1.00.

[3] Insert Line II.C.

EXHIBIT O

TO CREDIT AGREEMENT

Form of
Authorization to Share Insurance Information

TO: Insurance Agent

RE: Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, KeyBank National Association, as Administrative Agent, and Silicon Valley Bank, as Collateral Agent (as amended, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement)

DATE: [Date]

Grantors:	Sunrun Inc., AEE Solar, Inc., Sunrun South LLC and Sunrun Installation Services Inc. (collectively, the "Grantors")
Administrative Agent:	KeyBank National Association, as Administrative Agent for the Secured Parties, I.S.A.O.A., A.T.I.M.A.* (the "Administrative Agent") c/o KeyBank National Association 127 Public Square Cleveland, OH 44114-1306 Attn: [***]
Collateral Agent:	Silicon Valley Bank, as Collateral Agent for the Secured Parties, I.S.A.O.A., A.T.I.M.A. (the "Collateral Agent") Silicon Valley Bank 3003 Tasman Drive Santa Clara, CA 95054 Attn: [***]
Policy Number:	See attached Exhibit 1.
Insurance Company/Agent:	See attached Exhibit 1.
Insurance Company Address:	See attached Exhibit 1.
Insurance Company Telephone No.:	See attached Exhibit 1.
Insurance Company Fax No.:	See attached Exhibit 1.

The Grantors hereby authorize the Insurance Agent to send evidence of all insurance to the Administrative Agent and the Collateral Agent, as may be requested by the Administrative Agent or the Collateral Agent, together with requested insurance policies, certificates of insurance, declarations and endorsements.

* I.S.A.O.A. stands for "its successors and/or assigns." A.T.I.M.A. stands for "as their interest may appear."

Delivery of an executed counterpart of a signature page of this Certificate by fax transmission or other electronic mail transmission (e.g., “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this Certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SUNRUN INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

AEE SOLAR, INC.,
a California corporation, as Borrower

By: _____
Name: _____
Title: _____

SUNRUN SOUTH LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

SUNRUN INSTALLATION SERVICES
a Delaware Corporation

By: _____
Name: _____
Title: _____

Exhibit 1 to

Authorization to Share Insurance Information

See attached.

ANNEX V

EXHIBIT P

TO CREDIT AGREEMENT

Form of
Borrowing Base Certificate

TO: KeyBank National Association, as Administrative Agent
Silicon Valley Bank, as Collateral Agent

RE: Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, KeyBank National Association, as Administrative Agent, and Silicon Valley Bank, as Collateral Agent (as further, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement)

DATE: [Date]

This Borrowing Base Certificate (this "Certificate") is submitted pursuant to Section 6.02(m) of the Credit Agreement. Pursuant to the Collateral Documents, the Collateral Agent has been granted a security interest in all of the Collateral referred to in this Certificate and has a valid perfected first priority security interest in the Collateral, subject to Permitted Liens. The undersigned certifies as follows:

1. Exhibit A-1 attached hereto sets forth a true and accurate calculation of the Borrowing Base as of the close of business for the fiscal month ended [_____], 20[__].

2. Exhibit A-2 attached hereto sets forth a true and accurate calculation of the NYGB Borrowing Base as of the close of business for the fiscal month ended [_____], 20[__]

3. Attached hereto as Exhibit B-1 is a Back-Log Spreadsheet for the Project Back-Log relating to all Projects as of the close of business for the fiscal month ended [_____], 20[__].

4. Attached hereto as Exhibit B-2 is a Back-Log Spreadsheet for the Project Back-Log relating to NY Projects as of the close of business for the fiscal month ended [_____], 20[__].

5. Attached hereto as Exhibit C is a Take-Out Spreadsheet as of the close of business for the fiscal month ended [_____], 20[__].

6. The following is true and accurate as of the close of business for the fiscal month ended [_____], 20[__].

(a) Borrowing Base $_____

(b) Facility $_____

(c) Aggregate Outstanding Amount of Revolving Loans $_____

(d) Aggregate Outstanding Amount of L/C Obligations $_____

(e) Sum of Item (c) plus Item (d) $_____

(f) Difference of Item (b) minus Item (e) $_____

(g) Borrowing Availability (lesser of Item (a) and Item (f)) $_____

7. The following is true and accurate as of the close of business for the fiscal month ended [_____], 20[__].

(a) NYGB Borrowing Base $_____

(b) NYGB's Revolving Exposure $_____

(c) NYGB Borrowing Base Availability (difference of Item (a) minus Item (b)) $_____

8. The following Revolving Exposure of each Lender is true and accurate as of the close of business for the fiscal month ended [_____], 20[__].

(a) [*Insert Lender*] $_____

(b) [*Insert Lender*] $_____

(c) [Insert Lender] $_____

(d) [*Insert Lender*] $_____

(e) [*Insert Lender*] $_____

(f) [*Insert Lender*] $_____

(g) [*Insert Lender*] $_____

9. [A Borrowing Base Deficiency exists in an amount [in excess of] [equal to] [less than] twenty percent (20%) of the Borrowing Base, as set forth below.

(a) Difference of Item (e) minus Item (a) $_____

(b) Product of 20% and Item (a) $_____][42]

10. [As of the close of business for the fiscal month ended [_____], 20[__], the Borrowers have $[_____] in unrestricted cash and deposit account balances with respect to which the Collateral Agent has obtained a perfected first priority Lien subject to no other Liens.][43]

11. As of the close of business for the fiscal month ended [_____], 20[__], (i) megawatts installed were [_____], (ii) megawatts added were [_____], (iii) net megawatts backlog was [_____], and (iv) megawatts terminated were [_____].

12. As of the close of business for the fiscal month ended [_____], 20[__], the Unencumbered Liquidity was $[_____].

13. As of the close of business for the fiscal quarter ended [_____], 20[__], the Quarter-End Liquidity was $[_____].

[42] Only applicable if Item (e) is greater than Item (a). may appear."

[43] Only applicable if a Borrowing Base Deficiency exists in an amount equal to or less than twenty percent (20%) of the Borrowing Base.

14. Attached hereto as Exhibit D is a listing, as of the close of business for the fiscal month ended [_____], 20[__], of any contracts that have become ineligible for Tranching under any open Tax Equity Partnership (including the number, face value and reasons for rejection).

15. As of the closing of business for the fiscal month ended [_____], 20[__], no Default or Event of Default has occurred or is continuing.

Delivery of an executed counterpart of a signature page of this Certificate by fax transmission or other electronic mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SUNRUN INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

AEE SOLAR, INC.,
a California corporation, as Borrower

By: _____
Name: _____
Title: _____

SUNRUN SOUTH LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

SUNRUN INSTALLATION SERVICES
a Delaware Corporation

By: _____
Name: _____
Title: _____

Exhibit A-1

CALCULATION OF THE BORROWING BASE

1.	PV System Value of Eligible Project Back-Log (see Attachment 1 hereto)	$_____
2.	Product of [***] and Item 1	$_____
3.	Eligible Take-Out (see Attachment 2 hereto)	$_____
4.	Backlever Financing required to collateralize Item 10	$_____
5.	Difference of Item 3 minus Item 4	$_____
6.	Product of [***] and Item 5	$_____
7.	Net Retained Value	$_____
8.	Product of [***] and Item 7	$_____
9.	Least of Item 2, Item 6 and Item 8	$_____
10.	Committed but undrawn Backlever Financing proceeds for Projects that have been sold or contributed to a Project Fund or a Tax Equity Investor (and removed from Eligible Project Back-Log in Item 1)	$_____
11.	Product of [***] and Item 10	$_____
12.	Eligible Hawaii Tax Credit Receivables expected to be received on Projects that have achieved Milestone One	$_____
13.	Product of [***] and Item 12[44]	$_____
14.	Eligible Customer Upfront Payment Receivables expected to be received on Projects that have achieved Milestone One	$_____
15.	Product of [***] and Item 14	$_____
16.	Estimated final sale value of direct cash sale Projects in the Project Back-Log	$_____
17.	Product of [***] and Item 16	$_____
18.	Eligible Trade Accounts of AEE and SIS	$_____
19.	Product of [***] and Item 18	$_____
20.	Eligible Inventory for sale to third parties held by AEE	$_____
21.	Product of [***] and Item 20[45]	$_____
22.	Borrowing Base (sum of Item 9 plus Item 11 plus Item 13 plus Item 15 plus Item 17 plus Item 19 plus Item 21)	**$**_____

44 Up to a maximum of [***].

45 Up to a maximum of [***].

ATTACHMENT 1

CALCULATION OF ELIGIBLE PROJECT BACK-LOG

1.	Project Back-Log for all Projects (see Back-Log Spreadsheet attached as Exhibit B-1)	$_____
	1(a). Terminated contracts for Projects $_____	
	1(b). Cash sale Projects $_____	
2.	An incremental % of Projects for which the period of time during which the applicable customer can terminate the Host Customer Agreement has not yet expired, which incremental % shall be equal to the % which, when combined with the cancelled Projects previously excluded from the Project Backlog, would result in an overall cancellation rate of [***]% of the total value of Projects that have achieved Sunrun Sign-Off over the prior twelve (12) months	$_____
3.	Projects which are purchased in cash by a customer (to the extent included in Project Back-Log)	$_____
4.	Projects which are subject to any Lien other than (i) Liens in favor of the Collateral Agent and (ii) Liens thereon permitted under Section 7.01 of the Credit Agreement	$_____
5.	Projects in which any Person other than a Loan Party shall have any ownership interest or any other interest or title, other than (i) any such interest or title of any customer pursuant to the Host Customer Agreement related thereto and (ii) Liens thereon permitted under Section 7.01 of the Credit Agreement	$_____
6.	Projects that are not Tax Credit Eligible Projects	$_____
7.	Projects the PV Systems related to which use solar photovoltaic panels or inverters that were obtained from, or are a product of, a manufacturer that has not been approved by any Tax Equity Investor or provider of Backlever Financing	$_____
8.	Projects located in a state or locality that has not been approved by any Tax Equity Investor or provider of Backlever Financing	$_____
9.	Projects for which any manufacturer's warranty related to the photovoltaic panels and inverters related thereto is not in full force or effect or cannot be enforced by a Loan Party	$_____
10.	Inactive Projects	$_____
11.	To the extent applicable, Projects specifically identified to be Tranched in order to cure the True-Up Liability	$_____
12.	Projects which have been identified for Tranching using Available Take-Out which is not Eligible Take-Out	$_____
13.	Sum of Item 2 through Item 12	$_____
14.	**Eligible Project Back-Log (difference of Item 1 minus Item 13)**	**$_____**

ATTACHMENT 2

CALCULATION OF ELIGIBLE TAKE-OUT

1.	The aggregate amount of each Tax Equity Investor's undrawn Tax Equity Commitment plus all drawn but unused amounts under such Tax Equity Commitment (see Take-Out Spreadsheet)	$_____
2.	The aggregate amount of committed and undrawn Backlever Financing (see Take-Out Spreadsheet)	$_____
3.	The aggregate amount of committed and undrawn financings acceptable to the Collateral Agent and the Required Lenders (and not otherwise covered by Items 1 and 2) (see Take-Out Spreadsheet)	$_____
4.	Sum of Item 1 through Item 3	$_____
5.	The aggregate amount of Available Take-Out provided by any Person (i) that has provided written notice that it disputes its obligation to fund such Available Take-Out, (ii) that generally made statements that it is unable to satisfy its funding obligations, or (iii) for which any Person may have any valid and asserted claim, demand, or liability whether by action, suit, counterclaim or otherwise against such Available Take-Out	$_____
6.	The aggregate amount of Available Take-Out provided by a Person who is the subject of any action or proceeding of a type described in Section 8.01(f) of the Credit Agreement	$_____
7.	The aggregate amount of set-off with respect to any Available Take-Out provided by a Person who has the right of offset with respect to any amounts owed to such Person by any Borrower or its Subsidiaries	$_____
8.	The aggregate amount of any Available Take-Out with respect to which a Loan Party or any Subsidiary has given or received formal written notice that a default or event of default has occurred and is continuing under the documents governing the applicable Tax Equity Commitments or Backlever Financing, or has knowledge of the occurrence and continuation of such default or event of default but has not given such formal written notice; provided that this amount shall not include such Available Take-Out to the extent that (x) any default that has not become an event of default thereunder has been cured within the applicable cure period thereunder and (y) no Material Adverse Effect has resulted from such default; and provided, further, that this amount shall include such Available Take-Out solely to the extent that the Tax Equity Investor or the provider of Backlever Financing would, as a result of the continuation of such default or event of default, have the right to cease funding (unless such right to cease funding has been waived)	$_____
9.	Sum of Item 5 through Item 8	$_____
10.	**Eligible Take-Out (difference of Item 4 minus Item 9)**	**$_____**

Exhibit A-2

CALCULATION OF THE NYGB BORROWING BASE

1.	Project Back-Log for NY Projects (see Back-Log Spreadsheet attached as Exhibit B-2)	$_____
	1(a). Terminated contracts for NY Projects $_____	
	1(b). Cash sale NY Projects $_____	
2.	An incremental % of NY Projects for which the period of time during which the applicable customer can terminate the Host Customer Agreement has not yet expired, which incremental % shall be equal to the % which, when combined with the cancelled NY Projects previously excluded from the Project Backlog, would result in an overall cancellation rate of 18% of the total value of NY Projects that have achieved Sunrun Sign-Off over the prior twelve (12) months	$_____
3.	NY Projects which are purchased in cash by a customer (to the extent included in Project Back-Log)	$_____
4.	NY Projects which are subject to any Lien other than (i) Liens in favor of the Collateral Agent and (ii) Liens thereon permitted under Section 7.01 of the Credit Agreement	$_____
5.	NY Projects in which any Person other than a Loan Party shall have any ownership interest or any other interest or title, other than (i) any such interest or title of any customer pursuant to the Host Customer Agreement related thereto and (ii) Liens thereon permitted under Section 7.01 of the Credit Agreement	$_____
6.	NY Projects that are not Tax Credit Eligible Projects	$_____
7.	NY Projects the PV Systems related to which use solar photovoltaic panels or inverters that were obtained from, or are a product of, a manufacturer that has not been approved by any Tax Equity Investor or provider of Backlever Financing	$_____
8.	NY Projects located in a state or locality that has not been approved by any Tax Equity Investor or provider of Backlever Financing	$_____
9.	NY Projects for which any manufacturer's warranty related to the photovoltaic panels and inverters related thereto is not in full force or effect or cannot be enforced by a Loan Party	$_____
10.	NY Projects that are Inactive Projects	$_____
11.	To the extent applicable, NY Projects specifically identified to be Tranched in order to cure the True-Up Liability	$_____
12.	NY Projects which have been identified for Tranching using Available Take-Out which is not Eligible Take-Out	$_____
13.	Sum of Item 2 through Item 12	$_____
14.	**NYGB Borrowing Base (difference of Item 1 minus Item 13)**	**$_____**

Exhibit B-1

Form of
Back-Log Spreadsheet

Project Back-Log for all Projects

Total PV System Size (in kW)	Average PV System FMV (in $/W)1	Total PV System Value (in $)

1 - Insert amount as determined by the definition of PV System Value in the Credit Agreement

Exhibit B-2

Form of
Back-Log Spreadsheet

Project Back-Log for NY Projects

Total PV System Size of NY Projects (in kW)	Average PV System FMV of NY Projects (in $/W)1	Total PV System Value for NY Projects (in $)

1 - Insert amount as determined by the definition of PV System Value in the Credit Agreement

Exhibit C

Form of
Take-Out Spreadsheet

Available Take-Out

Fund	Investor / Backlever Financing Provider	Close Date	Commitment Amount	Total Investor Contributions	Total Unused Contributions	Remaining Undrawn Commitment
Total						

Exhibit D

[Listing of any contracts that have become ineligible for Tranching under any open Tax Equity Partnership (including the number, face value and reasons for rejection)]

EXHIBIT Q

TO CREDIT AGREEMENT

Form of
Back-Log Spreadsheet

Available Backlog		
Total PV System Size (in kW)	**Average PV System FMV (in $/W)1**	**Total PV System Value (in $)**

1 - Insert amount as determined by the definition of PV System Value in the Credit Agreement

EXHIBIT R

TO CREDIT AGREEMENT

Form of
Take-Out Spreadsheet

Available Take-Out

Fund	Investor / Backlever Financing Provider	Close Date	Commitment Amount	Total Investor Contributions	Total Unused Contributions	Remaining Undrawn Commitment
Total						

ANNEX VI

EXHIBIT S

TO CREDIT AGREEMENT

Form of
Financial Covenants Certificate

TO: KeyBank National Association, as Administrative Agent

RE: Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, KeyBank National Association, as Administrative Agent, and Silicon Valley Bank, as Collateral Agent (as further, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement)

DATE: [Date]

The undersigned Responsible Officer of the Borrowers hereby certifies as follows:

I. Section 7.11(a) — Unencumbered Liquidity

A. Sum of the Borrowers' cash and Cash Equivalents (determined as of the last day of each month based on the average daily balance thereof during such month) held in deposit accounts and securities accounts in which the Collateral Agent has obtained a perfected first priority Lien subject to no other Lien: $__

Compliance

The Borrowers [are] [are not] in compliance with Section 7.11(a) of the Credit Agreement as the Unencumbered Liquidity of $_____ [1], which has been measured as of the last day of the month ended [_____, 201_], [is] [is not] greater than or equal to the minimum permitted Unencumbered Liquidity amount of $25,000,000 required as of such month end.[2]

II. Section 7.11(b) - Interest Coverage Ratio

---

[1] Insert Line I.A.

[2] Pursuant to Section 7.11(a), an Event of Default shall not be deemed to have occurred solely as a result of the Borrowers' failure to maintain an Unencumbered Liquidity of at least $25,000,000 as of any month end unless its Unencumbered Liquidity is less then such amount on two consecutive measurement dates; provided that Unencumbered Liquidity shall not be less than $20,000,000 as of the last day of any month.

A. Numerator (for the prior trailing 12-month period then ending on the most recent fiscal quarter end available):

i. Operating income (measured in accordance with GAAP) plus depreciation and amortization included in COGS $ _____

ii. [***] of general and administration costs (G&A, as measured in accordance with GAAP) $ _____

iii. [***] percent of sales and marketing costs (S&M, as measured in accordance with GAAP) $ _____

iv. [***] percent of research and development costs (R&D, as measured in accordance with GAAP) $ _____

v. Sum of Line II.A.i + Line II.A.ii + Line II.A.iii + Line II.A.iv $ _____

B. Denominator (for the prior trailing 12-month period then ending on the most recent fiscal quarter end available, which is to be paid in cash, in each case, of or by the Borrowers and their Subsidiaries, other than Excluded Subsidiaries, for such period of measurement): _____

i. all interest, premium payments, debt discount, fees, charges and related expenses in connection with borrowed money (including capitalized interest) or in connection with the deferred purchase price of assets, in each case to the extent treated as interest in accordance with GAAP $ _____

ii. all interest paid or payable with respect to discontinued operations $ _____

iii. the portion of rent expense under Capitalized Leases that is treated as interest in accordance with GAAP $ _____

iv. Aggregate cash Interest Charges of the Borrowers and their Subsidiaries, other than Excluded Subsidiaries (which Interest Charges shall not be determined on a Consolidated basis): Sum of Line II.B.i + Line II.B.ii + Line II.B.iii $ _____

C. **Interest Coverage Ratio** (Line II.A.iii ÷ Line II.B.iv): _____ to 1.00

Compliance

The Borrowers [are] [are not] in compliance with Section 7.11(b) of the Credit Agreement as the Interest Coverage Ratio of _____[3] to 1.00to 1.00 [is][is not] greater than or equal to the minimum permitted Interest Coverage Ratio of [2.00][3.00][3.50][4]

[III. Section 7.11(c) - Quarter-End Liquidity[5]

A. Sum of the Borrowers' cash and Cash Equivalents (determined as of the last day of the most recently ended fiscal quarter based on the balances thereof on such date) held in deposit accounts and securities accounts maintained at a bank reasonably acceptable to the Administrative Agent, in which the Collateral Agent has obtained a perfected first priority Lien subject to no other Liens: $

[3] Insert Line II.C.

[4] Ratio of 2.00 to 1.00 required for quarters ending prior to March 31, 2018; ratio of 3:00 to 1.00 required for quarters ending on or after March 31, 2018 but prior to December 31, 2019; ratio of 3:50 to 1.00 required for quarters ending on or after December 31, 2019.

[5] Item III concerning Quarter-End Liquidity to be included only in certificates delivered for months ending on or after March 31, 2018.

Compliance

The Borrowers [are] [are not] in compliance with Section 7.11(c) of the Credit Agreement as the Quarter-End Liquidity of $_____[6], which has been measured as of the last day of the fiscal quarter ended [_____, 201_], [is][is not] greater than or equal to the minimum permitted Quarter-End Liquidity amount of [$30,000,000][$35,000,000][7] required as of such fiscal quarter end.]

Delivery of an executed counterpart of a signature page of this Certificate by fax transmission or other electronic mail transmission (e.g., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Certificate.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[6] Insert Line III.A.

[7] Minimum Quarter-End Liquidity amount of $30,000,000 required for quarters ending on or after March 31, 2018 but prior to December 31, 2019; Minimum Quarter-End Liquidity amount of $35,000,000 required for quarters ending on or after December 31, 2019..

SUNRUN INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

AEE SOLAR, INC.,
a California corporation, as Borrower

By: _____
Name: _____
Title: _____

SUNRUN SOUTH LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

SUNRUN INSTALLATION SERVICES
a Delaware Corporation

By: _____
Name: _____
Title: _____

ANNEX VII

EXHIBIT T

TO CREDIT AGREEMENT

Form of
Letter of Credit Notice

TO: KeyBank National Association, as Administrative Agent

RE: Amended and Restated Credit Agreement, dated as of November 12, 2019, by and among Sunrun Inc., a Delaware corporation, AEE Solar, Inc., a California corporation, Sunrun South LLC, a Delaware limited liability company, and Sunrun Installation Services Inc., a Delaware corporation (collectively, the "Borrowers"), the Guarantors, the Lenders, KeyBank National Association, as Administrative Agent, and Silicon Valley Bank, as Collateral Agent (as further, modified, extended, restated, replaced, or supplemented from time to time, the "Credit Agreement"; capitalized terms used and not otherwise defined herein shall have the meaning set forth in the Credit Agreement)

DATE: [Date]

The undersigned hereby requests (select one):

☐ An issuance of a Letter of Credit for the benefit of _____, located at _____.

☐ An increase to the stated amount of the Letter of Credit issued on _____, 20__ , for the benefit of _____, located at _____ (the "Letter of Credit Increase").[1]

---

1. On _____ (the "Credit Extension Date")

2. [In the amount of $_____]

[In the amount of $_____, increasing the stated amount of the Letter of Credit described herein to $_____]

3. With an expiry date of _____, 20__

(a) If the Letter of Credit described herein is to be an Auto-Extension Letter of Credit, the latest expiry date will be _____, 20__

4. For the purpose of _____

1 The Lenders' Applicable Percentages with respect to the Lenders' risk participation in a Letter of Credit shall be recalculated at the time of any L/C Credit Extension that increases the amount of such Letter of Credit based on the amount of the Letter of Credit as so increased.

5. The [Letter of Credit] [Letter of Credit Increase] requested herein is subject to the most recently delivered Borrowing Base Certificate, dated as of _____, 20__ (the "Current Borrowing Base Certificate").

6. The Borrowing Base set forth in the Current Borrowing Base Certificate is $_____.

7. The NYGB Borrowing Base set forth in the Current Borrowing Base Certificate is $_____.

8. The amount of the NYGB Borrowing Base Availability as of the Credit Extension Date is $_____.

9. The Lenders will be required to purchase their respective participation in the Letter of Credit described herein based on:

- ☐ Unadjusted Applicable Percentage

- ☐ Adjusted Applicable Percentage

10. Below sets forth each Lender's Applicable Percentage of the Letter of Credit described herein, the amount of the participation in such Letter of Credit corresponding to such Applicable Percentage and the amount of such Lender's Revolving Exposure, in each case, after giving effect to the [issuance of such Letter of Credit] [Letter of Credit Increase].

Lender	[Unadjusted] [Adjusted] Applicable Percentage	Amount of Participation in Letter of Credit	Revolving Exposure
[Insert Lender]			
[Insert Lender]			
[Insert Lender]			
[Insert Lender]			
[Insert Lender]			
[Insert Lender]			
[Insert Lender]			

The Letter of Credit Application related to the [Letter of Credit] [Letter of Credit Increase] requested herein is attached hereto as Exhibit A.

The [Letter of Credit] [Letter of Credit Increase] requested herein complies with the proviso to the first sentence of Section 2.03(a)(i) and the requirements of Section 2.01(c) of the Credit Agreement.

Each of the Borrowers hereby represents and warrants that the conditions specified in Section 4.02 of the Credit Agreement shall be satisfied on and as of the Credit Extension Date.

Delivery of an executed counterpart of a signature page of this notice by fax transmission or other electronic mail transmission (e.g., “pdf” or “tif”) shall be effective as delivery of a manually executed counterpart of this notice.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SUNRUN INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

AEE SOLAR, INC.,
a California corporation, as Borrower

By: _____
Name: _____
Title: _____

SUNRUN SOUTH LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

SUNRUN INSTALLATION SERVICES
a Delaware Corporation

By: _____
Name: _____
Title: _____

Exhibit A

[Letter of Credit Application]

ANNEX 2

(UCC-3 with respect to Sunrun)

[see attached]

ANNEX 3

(UCC-3 with respect to AEE Solar)

[see attached]

ANNEX 4

(UCC-3 with respect to Sunrun South)

[see attached]

ANNEX 5

(UCC-3 with respect to Sunrun Installation Services)

[see attached]

ANNEX 6

(UCC-3 with respect to CEE)

[see attached]

ANNEX 7

(Outstanding Letters of Credit)

[***] = Certain information contained in this document, marked by brackets, has been omitted because it is both not material and would be competitively harmful if publicly disclosed.

Exhibit 10.44

CONSENT AND EIGHTH AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AGREEMENT AND
NINTH AMENDMENT TO AMENDED AND RESTATED
CASH DIVERSION AND COMMITMENT FEE GUARANTY

This CONSENT AND EIGHTH AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT AND NINTH AMENDMENT TO AMENDED AND RESTATED CASH DIVERSION AND COMMITMENT FEE GUARANTY, dated as of December 30, 2019 (this "Amendment"), is entered into among the undersigned in connection with (a) that certain Second Amended and Restated Credit Agreement, dated as of March 27, 2018, among Sunrun Hera Portfolio 2015-A, LLC, a Delaware limited liability company, as Borrower (the "Borrower"), the financial institutions as Lenders from time to time party thereto (the "Lenders"), and Investec Bank PLC, as Administrative Agent for the Lenders (in such capacity, the "Administrative Agent") and as Issuing Bank (in such capacity, the "Issuing Bank") (the "Credit Agreement" and as amended by this Amendment, the "Amended Credit Agreement") and (b) the Cash Diversion and Commitment Fee Guaranty (as in effect prior to the date hereof, the "Guaranty" and as amended by this Amendment, the "Amended Guaranty"). Capitalized terms which are used but not otherwise defined herein shall have the meanings ascribed to such terms in the Amended Credit Agreement and the rules of construction set forth in Section 1.02 of the Credit Agreement apply to this Amendment.

W I T N E S S E T H

WHEREAS, the Borrower wishes to obtain, and the Administrative Agent and the Required Lenders wish to provide, consent to the acquisition by the Borrower of Sunrun Cygnus Manager 2019, LLC, a Delaware limited liability company and a Tax Equity Holdco (such acquisition, the "Tax Equity Holdco Acquisition"); and

WHEREAS, the Borrower and the Sponsor also wish to make, and the undersigned also wish to agree to make, certain additional amendments to the Credit Agreement and the Guaranty as provided herein.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

I. Amendments to the Credit Agreement. Subject to the satisfaction of the conditions set forth in Article IV below, the following amendments to the Credit Agreement are hereby accepted and agreed by the parties hereto:

1. Amendment to Section 1.01.

(a) The following are hereby added as new defined terms to Section 1.01 of the Credit Agreement in the appropriate alphabetical order:

""Cygnus 2019 LLCA" shall mean that certain Amended and Restated Limited Liability Company Agreement of Sunrun Cygnus Owner 2019, LLC, dated as of September 13, 2019, entered into by and between Sunrun Cygnus Manager 2019, LLC and [***]"

""Cygnus 2019 Purchase Agreement" shall mean that certain Master Purchase Agreement, dated as of September 13, 2019, entered into between Sponsor and Sunrun Cygnus Owner 2019, LLC."

"General PBI Payments" shall mean (i) PBI Payments made in respect of performance based incentive programs of [***] and (ii) any other PBI Payments that the Borrower requests, and the Administrative Agent agrees, to treat as General PBI Payments.

""Non-Recurring Payments" shall have the meaning set forth in the definition of General Account."

(b) The definition of "General Account" is hereby amended and restated in its entirety as follows:

""General Account" shall mean one or more deposit accounts that is segregated from each other account of an Operator and held by such Operator with an Acceptable Bank:

(i) which are under the exclusive dominion and control of the Sponsor, a Manager or an Operator, subject to such Operator's agreement (A) to segregate the amounts in each such account from its own funds as trustee for the beneficiaries of the funds deposited therein and (B) not to grant a Lien over such account or the amounts deposited therein;

(ii) which are not subject to any Lien of a third party;

(iii) into which Customers have made payment of non-recurring ACH and credit card payments ("Non-Recurring Payments"); and

(iv) into which PBI Obligors have made General PBI Payments."

(c) The definition of "PBI Obligor" is hereby amended and restated in its entirety as follows:

"PBI Obligor" shall mean (i) [***], in relation to Projects located in [***], (ii) [***], in relation to Projects located in [***], (iii) [***], in relation to Projects located in [***] or (iv) any other Person required to make a PBI Payment under or in respect of the related PBI Document, which meets the Credit Requirements or is otherwise approved by the Administrative Agent and the Required Lenders.

(d) The definition of "PBI Payments" is hereby amended and restated in its entirety as follows:

"PBI Payments" shall mean, with respect to a Project and the related PBI Documents, all payments due by the related PBI Obligor under or in respect of such PBI Documents in respect of performance based incentive programs of [***] or any other States which have been approved by the Administrative Agent.

2. Amendment to Section 5.23(b). Section 5.23(b) of the Credit Agreement is hereby amended and restated in its entirety as follows:

"(b) All rights to the PBI Payments and the related PBI Documents in respect of the Eligible Projects are either the property of the applicable Opco *ab initio* or have been assigned by the Sponsor or any applicable Affiliate 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."

3. Amendment to Section 6.16. Section 6.16 of the Credit Agreement is hereby amended and restated in its entirety as follows:

"6.16 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 in accordance with the terms of the Loan Documents.

(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 or other payments due to a Relevant Party under such Project Document (other than General PBI Payments or Non-Recurring Payments) 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 ensure that all General PBI Payments and Non-Recurring Payments are paid either to a Relevant Party or to a General Account and, if paid to a General Account, that any such payment is transferred to a Relevant Party or a Collateral Account within five (5) Business Days of the receipt thereof."

4. Amendment to Section 6.18(b). Section 6.18(b) of the Credit Agreement is hereby amended and restated in its entirety as follows:

"(b) To the extent not otherwise owned by the applicable Opco, the Borrower shall ensure that the Sponsor (or any applicable Affiliate) assigns to the applicable Opco all rights to receive the PBI Payments and the related PBI Documents in respect of each Eligible Project."

5. New Section 7.28. Article VII of the Credit Agreement is hereby amended by inserting the following as a new Section 7.28:

"The Borrower shall not cause or otherwise permit any [***] Project (as defined in the Cygnus 2019 Purchase Agreement) or [***] Project (as defined in the Cygnus 2019 Purchase Agreement) to be treated as an Eligible Project."

II. Amendment to the Cash Diversion and Commitment Fee Guaranty. Subject to the satisfaction of the conditions set forth in Article IV below, the definition of "Cash Diversion" in Section 1.01 of the Guaranty is hereby amended by (i) replacing the period at the end of clause (hh) with the text ";" and (ii) inserting the following as a new clauses (ii), (jj) and (kk):

"(ii) if, for any quarterly period preceding a Calculation Date, expenses, including, without limitation, operations and maintenance expenses and payments under any production guarantee, incurred in connection with any and all [***] Projects (as defined in the Cygnus 2019 Purchase Agreement) exceed aggregate revenues from such [***] Projects, in the amount of such excess;

(jj) any [***] required to be made pursuant to Section 4.01(i)(v) of the Cygnus 2019 LLCA; and

(kk) any failure by the Borrower to ensure that (or Guarantor to cause) any General PBI Payment paid to a General Account is transferred to a Relevant Party or a Collateral Account in accordance with Section 6.16(d) of the Credit Agreement."

III. Limited Consent. At the request of the Borrower and subject to the satisfaction of the conditions set forth in Article IV below, the Administrative Agent and each of the undersigned Lenders hereby consents and agrees to the Tax Equity Holdco Acquisition, for which consent of the Administrative Agent and the Required Lenders is required pursuant to Section 2.05(b)(iii) of the Amended Credit Agreement (the "Consent"). The Consent granted pursuant to this Article III is limited precisely as written and shall not extend to any other provision of the Credit Agreement or the Amended Credit Agreement.

IV. Conditions Precedent to Effectiveness. The amendments contained in Articles I and II and the Consent contained in Article III shall not be effective until the date (such date, the "Amendment Effective Date") that:

1. the Administrative Agent shall have received copies of this Amendment executed by the Borrower, the Sponsor and the Required Lenders, and acknowledged by the Administrative Agent; and

2. the Borrower shall have paid all fees, costs and expenses of the Administrative Agent and the Lenders incurred in connection with the execution and delivery of this Amendment (including third-party fees and out-of-pocket expenses of the Lenders' counsel and other advisors or consultants retained by the Administrative Agent).

V. Representations and Warranties. Each of the Borrower and, as applicable, the Sponsor represents and warrants to each Agent and each Lender Party that the following statements are true, correct and complete in all respects as of the Amendment Effective Date:

1. Power and Authority; Authorization. Each of the Borrower and the Sponsor has all requisite power and authority to execute, deliver and perform its obligations under this Amendment and the Borrower has all requisite power and authority to perform its obligations under the Amended Credit Agreement and the Sponsor has all requisite power and authority to perform its obligations under the Amended Guaranty. Each of the Borrower and the Sponsor has duly authorized, executed and delivered this Amendment.

2. Enforceability. Each of this Amendment and the Amended Credit Agreement is a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except to the extent that enforceability may be limited by (i) applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting the enforcement of creditors' rights, (ii) the effect of general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law) or (iii) implied covenants of good faith and fair dealing. Each of this Amendment and the Amended Guaranty is a legal, valid and binding obligation of the Sponsor, enforceable against the Sponsor in accordance with its terms, except to the extent that enforceability may be limited by (i) applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting the enforcement of creditors' rights, (ii) the effect of general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law) or (iii) implied covenants of good faith and fair dealing

3. Credit Agreement and Guaranty Representations and Warranties. Each of the representations and warranties set forth in the Credit Agreement (with respect to the Borrower) and the Guaranty (with respect to the Sponsor) is true and correct in all respects both before and after giving effect to this Amendment, except to the extent that any such representation and warranty relates solely to any earlier date, in which case such representation and warranty is true and correct in all respects as of such earlier date.

4. Defaults. No event has occurred or is continuing as of the date hereof, or will result from the transactions contemplated hereby as of the date hereof, that would constitute an Event of Default or a Default.

5. Cygnus 2019 **[***]**. (a) Each of the conditions set forth in Section 4.06(t)(i) of the Cygnus 2019 LLCA have been satisfied, (b) all PV Systems (as defined in the Cygnus 2019 LLCA) that are (or will be) owned, by Sunrun Cygnus Owner 2019, LLC are (or will be) insured under the **[***]** (as defined in the Cygnus 2019 LLCA), (c) all premiums required to be paid under the **[***]** with respect to the PV Systems that are owned by Sunrun Cygnus Owner 2019, LLC have been paid by Sponsor and (d) no further payments under the **[***]** will be required to continue the

effectiveness of the **[***]** for any currently existing or any future PV Systems of Sunrun Cygnus Owner 2019, LLC.

VI. Limited Amendment. Except as expressly set forth herein, this Amendment shall not, by implication or otherwise, limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders or the other Secured Parties under the Credit Agreement or any other Loan Document, and shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other provision of the Credit Agreement or any other Loan Document, and each of the Borrower and the Sponsor acknowledges and agrees that each of the Loan Documents to which it is a party or otherwise bound shall continue in full force and effect and that all of its obligations thereunder shall be valid and enforceable and shall not be impaired or limited by the execution or effectiveness of this Amendment. From and after the Amendment Effective Date, all references to (i) the Credit Agreement in any Loan Document shall, unless expressly provided otherwise, refer to the Amended Credit Agreement and (ii) the Guaranty in any Loan Document shall, unless expressly provided otherwise, refer to the Amended Guaranty.

VII. Miscellaneous.

1. Counterparts. This Amendment may be executed in one or more duplicate counterparts and by facsimile or other electronic delivery and by different parties on different counterparts, each of which shall constitute an original, but all of which shall constitute a single document and when signed by all of the parties listed below shall constitute a single binding document.

2. Severability. In case any one or more of the provisions contained in this Amendment should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and the parties hereto shall enter into good faith negotiations to replace the invalid, illegal or unenforceable provision.

3. Governing Law, etc.. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED UNDER, THE LAWS OF THE STATE OF NEW YORK. The provisions in Sections 12.08(b) through (d) and Section 12.09 of the Amended Credit Agreement shall apply, *mutatis mutandis*, to this Amendment and the parties hereto.

4. Loan Document. This Amendment shall be deemed to be a Loan Document for all purposes of the Amended Credit Agreement and each other Loan Document.

5. Headings. Paragraph headings have been inserted in this Amendment as a matter of convenience for reference only and it is agreed that such paragraph headings are not a part of this Amendment and shall not be used in the interpretation of any provision of this Amendment.

6. Execution of Documents. The undersigned Lenders hereby authorize and instruct the Administrative Agent to execute and deliver this Amendment.

[*Signature Pages Follow*]

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

SUNRUN HERA PORTFOLIO 2015-A, LLC,

as Borrower

By: Sunrun Hera Portfolio 2015-B, LLC
Its: Sole Member

By: Sunrun Hera Holdco 2015, LLC
Its: Sole Member

By: Sunrun Inc.
Its: Sole Member

By: /s/ Robert Komin, Jr.
Name: Robert Komin, Jr.
Title: Chief Financial Officer

SUNRUN INC.,
as Guarantor

By: /s/ Robert Komin, Jr.
Name: Robert Komin, Jr.
Title: Chief Financial Officer

INVESTEC BANK PLC,
as Administrative Agent

By: /s/ Andrew Nosworthy
Name: Andrew Nosworthy
Title: Authorised Signatory

By: /s/ Andrew Neil
Name: Andrew Neil
Title: Authorised Signatory

INVESTEC BANK PLC,
as Issuing Bank

By: /s/ Andrew Nosworthy
Name: Andrew Nosworthy
Title: Authorised Signatory

By: /s/ Andrew Neil
Name: Andrew Neil
Title: Authorised Signatory

INVESTEC BANK PLC,
as Lender

By: /s/ Andrew Nosworthy
Name: Andrew Nosworthy
Title:: Authorised Signatory

By: /s/ Andrew Neil
Name: Andrew Neil
Title: Authorised Signatory

KEYBANK NATIONAL ASSOCIATION,
as Lender

By: /s/ Lisa A. Ryder
Name: Lisa A. Ryder
Title: Senior Vice President

TRUST BANK SUCCESSOR BY MERGER TO SUNTRUST BANK,
as Lender

By: /s/ Brian Kunitake
Name: Brian Kunitake
Title: Director

SILICON VALLEY BANK,
as Lender

By: /s/ Chaitali ("Tai") Pimputkar
Name: Chaitali ("Tai") Pimputkar
Title: Vice President II

DEUTSCHE BANK AG, NEW YORK BRANCH,
as Lender

By: /s/ Robin Cresswell
Name: Robin Cresswell
Title:: Managing Director

By: /s/ Jeremy Eisman
Name: Jeremy Eisman
Title: Managing Director

ING CAPITAL LLC,
as Lender

By: /s/ Thomas Cantello
Name: Thomas Cantello
Title: Managing Director

By: /s/ Henry Miller
Name: Henry Miller
Title: Director

ABN AMRO CAPITAL USA LLC,
as Lender

By: /s/ Amit Wynalda
Name: Amit Wynalda
Title: Executive Director

By: /s/ Ross Briggs
Name: Ross Briggs
Title: Director

SUNRUN GAIA PORTFOLIO 2016-A, LLC,

as Lender

By: Sunrun Gaia Holdco 2016, LLC
Its: Sole Member

By: Sunrun Inc.
Its: Sole Member

By: /s/ Robert Komin, Jr.
Name: Robert Komin, Jr.
Title: Chief Financial Officer

EAST WEST BANK,
as Lender

By: /s/ Christopher Simeone
Name: Christopher Simeone
Title: First Vice President

[Signature Page to Consent and Eighth Amendment (2nd A&R AF Credit Agreement)]

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- Form S-8 (No. 333-231293) pertaining to the Sunrun Inc. 2015 Equity Incentive Plan, Sunrun Inc. 2015 Employee Stock Purchase Plan
- Form S-8 (No. 333-224806) pertaining to the Sunrun Inc. 2015 Equity Incentive Plan, Sunrun Inc. 2015 Employee Stock Purchase Plan
- Form S-3 (No. 333-222099) pertaining to the registration of common stock, preferred stock, debt securities, and warrants
- Form S-8 (No. 333-217869) pertaining to the Sunrun Inc. 2015 Equity Incentive Plan and Sunrun Inc. 2015 Employee Stock Purchase Plan
- Form S-8 (No. 333-211356) pertaining to the Sunrun Inc. 2015 Equity Incentive Plan and Sunrun Inc. 2015 Employee Stock Purchase Plan
- Form S-8 (No. 333-206120) pertaining to the Sunrun Inc. 2015 Equity Incentive Plan, Sunrun Inc. 2015 Employee Stock Purchase Plan, Sunrun Inc. 2014 Equity Incentive Plan, Sunrun Inc. 2013 Equity Incentive Plan, Sunrun Inc. 2008 Equity Incentive Plan, and Mainstream Energy Corporation 2009 Stock Plan

of our reports dated February 27, 2020, with respect to the consolidated financial statements of Sunrun Inc. and the effectiveness of internal control over financial reporting of Sunrun Inc. included in this Annual Report (Form 10-K) of Sunrun Inc. for the year ended December 31, 2019.

/s/ Ernst & Young LLP

San Francisco, California
February 27, 2020

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Lynn Jurich, certify that:

1. I have reviewed this Annual Report on Form 10-K of Sunrun Inc.;

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 our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us 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 our 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(s) 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: February 27, 2020

By: /s/ Lynn Jurich

Lynn Jurich
Chief Executive Officer and Director
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO

RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,

AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Bob Komin, certify that:

1. I have reviewed this Annual Report on Form 10-K of Sunrun Inc.;

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 our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us 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 our 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(s) 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: February 27, 2020

By: /s/ Bob Komin

Bob Komin

Chief Financial Officer

(Principal Financial Officer)

Exhibit 32.1

Certifications Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002
(18 U.S.C. Section 1350)

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned officers of Sunrun Inc. (the "Company") hereby certifies that the Company's Annual Report on Form 10-K for the year ended December 31, 2019 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 27, 2020

By: /s/ Lynn Jurich

Lynn Jurich
Chief Executive Officer and Director
(Principal Executive Officer)

By: /s/ Bob Komin

Bob Komin
Chief Financial Officer
(Principal Financial Officer)