

March 1, 2017

Connecticut Green Bank Residential Solar Investment Program Dispute Settlement Terms

This Settlement Agreement is entered into by and between the Connecticut Green Bank ("Green Bank") and BeFree Green Energy LLC ("BeFree"). Green Bank and BeFree are individually referred to as a "Party" and collectively referred to as the "Parties".

The broad terms of the Settlement Agreement are as follows:

1. BeFree is voluntarily and permanently withdrawing from participation in all Green Bank programs, including incentive and financing programs, including those in place today and those that will be in place in the future, and including but not limited to the Residential Solar Investment Program ("RSIP"), Smart-E, and C-PACE.
2. Future companies owned by BeFree principals and primary stakeholders have agreed to voluntarily not participate in Green Bank programs.
3. For all BeFree's RSIP projects, BeFree will honor their RSIP customers' five-year workmanship warranties, as agreed to by having participated in the RSIP and operating under the RSIP RFQ, and honor any longer workmanship warranties in their contracts with RSIP customers.
4. BeFree will honor all terms and conditions in their contracts with RSIP customers.

ADDITIONAL LEGAL TERMS AND CONDITIONS

5. **Mutual Releases.** Except as otherwise provided herein and to enforce the terms of this Settlement Agreement, each Party, on behalf of itself and each of its respective past and present divisions, subsidiaries, affiliates, parents, predecessors, successors, assigns, officers, directors, employees, attorneys, contractors, subcontractors, agents, and representatives, hereby generally releases, discharges and acquits each other Party, and its respective past and present divisions, subsidiaries, affiliates, parents, predecessors, successors, assigns, officers, directors, employees, attorneys, contractors, subcontractors, agents, and representatives (each of the foregoing, a "Released Party"), from all manners of action, causes of action, judgments, executions, debts, demands, rights, damages, costs, expenses, and claims of every kind, nature, and character whatsoever, whether in law or in equity, whether based on contract (including, without limitation, quasi-contract or estoppel), statute, regulation, tort (including, without limitation, intentional torts, fraud, misrepresentation, defamation, breaches of alleged fiduciary duty, recklessness, gross negligence, or negligence) or otherwise, accrued or unaccrued, known or unknown, matured, unmatured, liquidated or unliquidated, certain or contingent, that such releasing Party ever had or claimed to have, or now has or claims to have presently or at any future date.
6. **No Admission and Non-Disparagement.** Nothing contained in this Settlement Agreement is or shall be construed as an admission by the parties as to the merit of any claim one has or may have against the other. The Parties agree to not disparage one another relative to their respective businesses including as they relate to the facts and circumstances giving rise to the Dispute and that each Party to this Agreement strictly forbids itself or its counsel from publishing verbally or in writing any information related to the resolution of this matter other than information:
 - a. requested by law, rule, regulation, including but not limited to the Connecticut Freedom of Information Act; or
 - b. as requested by a court of competent jurisdiction, a regulatory or licensing body.

If a third party asks questions about the Dispute or this Settlement to either Party, the Parties agree to only refer such third Parties to this Settlement Agreement or the transcript of the Misconduct hearing that occurred approximately on September 29, 2016. The Parties may also provide information to a third party to clarify the meaning of terms covered in this Settlement Agreement.

7. **Choice of Law.** This Settlement Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut, notwithstanding conflict of laws.
8. **Construction.** This Settlement Agreement shall be construed according to its plain language and not strictly for or against any Party hereto. The captions herein are inserted for convenience, do not constitute a part of this agreement, and shall not be admissible for the purpose of proving the intent of the Parties.
9. **Severability.** If any provision contained herein shall be held to be unenforceable, such holding shall not affect the validity or enforceability of the other provisions.
10. **Entire Agreement.** This Settlement Agreement contains and constitutes the entire understanding and agreement between the Parties hereto respective of the subject matter hereof and supersedes and cancels all previous negotiations, agreements, commitments, and writings in connection herewith. The Parties hereto expressly acknowledge that in entering this agreement, they have had the opportunity to consult with counsel of their choice, that they have not relied upon any representation made by or on behalf of the other party, and that any such representations are not enforceable except to the extent set forth herein.
11. **Third Parties.** Nothing herein shall be construed as conferring a benefit upon any other party or entity.
12. **Execution.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original.
13. **Calculations.** All numbers stated in this Settlement Agreement, including but not limited to the net settlement amount (“Net Amount”), are correct and final if and only if all actions outlined are carried out as stated herein.

NET AMOUNT

The following list summarizes the terms of closing out BeFree’s RSIP, CT Solar Lease (“SL2”) and Smart-E projects at various stages of completion in the Green Bank programs, including accounting for incentives, financing, and loan payments and repayments. Another list below provides further implementation details.

- BeFree will provide a check to the Green Bank for the Net Amount of \$9415.50, representing the amount owed by BeFree to the Green Bank, \$53,294, minus the amount owed by the Green Bank to BeFree, \$43,878.50.
- The derivation of the Net Amount of \$9415.50 is summarized in the spreadsheet called “BeFree settlement close out numbers 112116” provided to BeFree electronically to accompany this settlement agreement (the “Spreadsheet”).

The CGB will retain the holdback amount of \$48,737.23 pursuant to the CT Solar Lease PV Contractor agreements. This amount represents the retention on installations by BeFree under the Green Bank’s Solar Lease 2 program. The holdback is used solely by Assurant (or any successor warranty manager) to satisfy valid warranty claims made by customers. It is not used for any other purpose except for those purposes set forth in the CT Solar Lease PV Contractor agreements (Appendix F) as it relates to the Holdback.

As the 6 year warranty expires on each installation (6 years from the date of install), the Green Bank will pay the retention associated with such installation to BeFree, BeFree's successor-in-interest or to any person or entity designated by BeFree to receive the funds. Payment shall be made within 30 days of the warranty expiration. If Assurant or the CGB uses the holdback funds to pay a warranty claim, BeFree will get notice of the claim and may, in good faith, dispute such claim or payment by written notice to the Green Bank within 30 days of notification. The Green Bank will make a determination based on BeFree's additional information and written rationale for disputing such use of the Holdback funds. The parties shall negotiate a resolution in good faith with an understanding by the parties that time is of the essence and the Green Bank will make a final determination within thirty days of BeFree's notice of dispute.

IMPLEMENTATION DETAILS, TERMS AND CONDITIONS:

- The Parties agree to execute the following updated CT Solar Lease documentation:
 - Exhibit A - Two bill of sale cancellations (O'Hara and Beauchamp).
- For the Beauchamp project, CEFIA Holdings LLC coordinated system removal and re-roofing, done by other contractors hired by CEFIA Holdings. Green Bank staff was present for and documented system removal. CEFIA Holdings will hire another contractor to install a PV system on the Killingworth municipal building, using the equipment removed from the Beauchamp property. BeFree agrees to not pursue, waives and releases any mechanic's lien, stop notice, or bond right related to the Beauchamp project. This release covers any payments to BeFree for all labor, services, equipment or material furnished on the job.
- The Green Bank and BeFree agree to freeze all incentive levels for all outstanding projects at the levels reflected in the Spreadsheet attached to the settlement agreement. In the case of a change, BeFree and the Green Bank will notify the other party of the incentive change that would have been made (and the Green Bank will note the information in PowerClerk), but will not reflect the adjustment in the final PowerClerk incentive amount.
- BeFree will work with the Green Bank to assure that production for RSIP projects is reporting in the Green Bank Locus platform as of project completion time for all BeFree RSIP projects. This means that projects should show up on the Locus platform as having reported meaningful data (i.e. not just a data spike from testing the system) when the project and the monitoring system were first operating.

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement as of the execution date stated above.



Harsh Luthra

BeFree Green Energy LLC



Bryan Garcia

President & CEO, Connecticut Green Bank

Exhibit A – CT Solar Lease – Bill of Sale Cancellations (O’Hara and Beauchamp)

CEFIA HOLDINGS, LLC

March 1, 2017

BeFree Green Energy, LLC
Attn: Harsh Luthra
492 Old Toll Road
Madison, CT 06443

Gentlemen:

Reference is made to the CT Solar Lease PV Contractor Agreement (the "Agreement") by and between BeFree Green Energy, LLC and CEFIA Holdings, LLC ("CEFIA") which provides, among other things, that BeFree Green Energy, LLC will transfer to CEFIA the Solar Equipment upon the terms and conditions set forth in the Agreement. Pursuant to the Agreement, CEFIA made one Contract Payment to BeFree Green Energy, LLC in the amount of \$15,370.00, and BeFree Green Energy, LLC executed a Bill of Sale (the "Bill of Sale") dated February 25, 2015 and attached as **Exhibit A**. The parties subsequently agreed to revoke the payment and the transfer of the Solar Equipment to CEFIA and have terminated and rescinded the Bill of Sale.

By this Letter, CEFIA and BeFree Green Energy, LLC confirm that the Bill of Sale has been terminated and rescinded. Neither party has any further obligations to the other under the Bill of Sale or under the Agreement in relation to this Bill of Sale. In no event shall CEFIA be deemed to have been the owner of the Solar Equipment at any point and BeFree Green Energy, LLC confirms that it is the owner of the Solar Equipment. To the extent that CEFIA is deemed to have any interest in the Solar Equipment that is described in the Bill of Sale, CEFIA hereby quitclaims to BeFree Green Energy, LLC any right, title or interest CEFIA has therein without representation or warranty. BeFree shall subsequently release its ownership interest in Solar Equipment which will be utilized as set forth in the Settlement Agreement between the parties.

Please confirm your agreement of the foregoing by signing where indicated below.

Very truly yours,

CEFIA HOLDINGS, LLC

By: 

Name: Bert Hunter Bryant T. Garcia

Title: Chief Investment Officer

President & Chief Executive Officer

AGREED TO THIS 2nd DAY OF March, 2017 BY:

BEFREE GREEN ENERGY, LLC

By: 

Name: Harsh Luthra

Exhibit A

BILL OF SALE and INITIAL LIEN WAIVER

BILL OF SALE

This **BILL OF SALE** is hereby made by BEFREE GREEN ENERGY LLC (Installer Company Name, referred to herein as "Seller"), to CEFIA Holdings L.L.C ("Purchaser"), with respect to the Residential PV Project located at 486 KILLINGWORTH ROAD HIGGANUM, CT 06441 (Installation Address) having RPV #: RPV-05457 ("Project"). All capitalized terms not otherwise defined herein shall have the meaning ascribed to such term in the Agreement.

WHEREAS, Seller and Purchaser are parties to a CT SOLAR LEASE PV CONTRACTOR AGREEMENT entered into by and between the Seller and Purchaser (the "Agreement"), providing, among other things, that Seller will transfer to Purchaser the Solar Equipment upon the terms and conditions set forth in the Agreement:

NOW, THEREFORE, Seller for and in consideration of the Contract Payment of \$ 30,740.00 (Total System Cost), paid in accordance with Section 2 of the Agreement and subject to the terms therein, does hereby grant, bargain, sell, assign, alienate, remise, release, convey, transfer, set over and confirm unto Purchaser, its successors and assigns, all right, title and interest of Seller in and to the purchased assets specified in the work order, together with all warranties of the manufacturers of the purchased assets, tax benefits and credits, incentives, benefits of ownership and renewable energy attributes, including, but not limited to, renewable energy credits, carbon credits and any other electrical energy attributes of the purchased assets, free and clear of all liens, encumbrances and restrictions on transfer subject to the terms set forth in the Agreement, and to have and to hold the purchased assets unto Purchaser, its successors and assigns, to and for its and their use and benefit, subject to the terms set forth in the Agreement.

Seller covenants and agrees that, at any time and from time to time, it will, upon the request of Purchaser, do, execute, acknowledge and deliver all such reasonable further acts, deeds, instruments, documents, transfers, powers of attorney or assurances as may be required for the better assigning, transferring, granting, conveying, assuring and confirming to Purchaser, or for aiding and assisting in the collection of or reducing to possession by Purchaser, the purchased assets.

The provisions hereof will inure to the benefit of and be binding upon the successors and assigns of Seller and Purchaser. In the event of any conflict between this Bill of Sale and the Agreement, the terms of the Agreement will control, it being understood that the purchased assets are being conveyed with and are subject to all applicable warranties, covenants, representations and limitations set forth in the Agreement.

INITIAL LIEN WAIVER

Upon receipt by the undersigned of a payment in the form of a check or electronic transfer of funds from Purchaser in the sum of 50% of Total System Cost payable to Seller and when such check has been properly endorsed and has been paid by the bank upon which it is drawn or such electronic transfer of funds confirmed, this waiver shall become effective to release any mechanic's lien, stop notice, or bond right Seller has on the Project. This release covers a progress payment for labor, services, equipment or material furnished to Purchaser through one day before the tranche submission date for this project and does not cover any retentions retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon installation performed or items furnished under a written change order which has been fully executed by the Purchaser and Seller prior to the release date are covered by this release unless specifically reserved by Seller in this release.

This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between Purchaser and Seller under the Agreement based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

IN WITNESS WHEREOF, Seller has caused this instrument to be duly executed as of the date below.

SELLER:

Name: BRIAN WORONICK

Signature: 

Title: OFFICE ADMINISTRATOR

Date: 2/25/2015

CEFIA HOLDINGS, LLC

March 1, 2017

BeFree Green Energy, LLC
Attn: Harsh Luthra
492 Old Toll Road
Madison, CT 06443

Gentlemen:


Reference is made to the CT Solar Lease PV Contractor Agreement (the "Agreement") by and between BeFree Green Energy, LLC and CEFIA Holdings, LLC ("CEFIA") which provides, among other things, that BeFree Green Energy, LLC will transfer to CEFIA the Solar Equipment upon the terms and conditions set forth in the Agreement. Pursuant to the Agreement, CEFIA made one Contract Payment to BeFree Green Energy, LLC in the amount of \$16,575.00, and BeFree Green Energy, LLC executed a Bill of Sale (the "Bill of Sale") dated October 13, 2015 and attached as **Exhibit A**. The parties subsequently agreed to revoke the payment and the transfer of the Solar Equipment to CEFIA and have terminated and rescinded the Bill of Sale.

By this Letter, CEFIA and BeFree Green Energy, LLC confirm that the Bill of Sale has been terminated and rescinded. Neither party has any further obligations to the other under the Bill of Sale or under the Agreement in relation to this Bill of Sale. In no event shall CEFIA be deemed to have been the owner of the Solar Equipment at any point and BeFree Green Energy, LLC confirms that it is the owner of the Solar Equipment. To the extent that CEFIA is deemed to have any interest in the Solar Equipment that is described in the Bill of Sale, CEFIA hereby quitclaims to BeFree Green Energy, LLC any right, title or interest CEFIA has therein without representation or warranty.

Please confirm your agreement of the foregoing by signing where indicated below.

Very truly yours,

CEFIA HOLDINGS, LLC

By: 
Name: ~~Bert Hunter~~ Bryant T. Garcia
Title: ~~Chief Investment Officer~~ President & Chief Executive Officer

AGREED TO THIS 2nd DAY OF March, 2017 BY:

BEFREE GREEN ENERGY, LLC


By: 
Name: Harsh Luthra

Exhibit A

BILL OF SALE and INITIAL LIEN WAIVER

BILL OF SALE

This **BILL OF SALE** is hereby made by BEFREE GREEN ENERGY LLC (Installer Company Name, referred to herein as "Seller"), to CEFIA Holdings LLC ("Purchaser"), with respect to the Residential PV Project located at 20 Amy Rd Griswold, CT-06351 (Installation Address) having RPV #: RPV-11891 ("Project"). All capitalized terms not otherwise defined herein shall have the meaning ascribed to such term in the Agreement.

WHEREAS, Seller and Purchaser are parties to a CT SOLAR LEASE PV CONTRACTOR AGREEMENT entered into by and between the Seller and Purchaser (the "Agreement"), providing, among other things, that Seller will transfer to Purchaser the Solar Equipment upon the terms and conditions set forth in the Agreement;

NOW, THEREFORE, Seller for and in consideration of the Contract Payment of \$33,150.00 (Total System Cost), paid in accordance with Section 2 of the Agreement and subject to the terms therein, does hereby grant, bargain, sell, assign, alienate, remise, release, convey, transfer, set over and confirm unto Purchaser, its successors and assigns, all right, title and interest of Seller in and to the purchased assets specified in the work order, together with all warranties of the manufacturers of the purchased assets, tax benefits and credits, incentives, benefits of ownership and renewable energy attributes, including, but not limited to, renewable energy credits, carbon credits and any other electrical energy attributes of the purchased assets, free and clear of all liens, encumbrances and restrictions on transfer subject to the terms set forth in the Agreement, and to have and to hold the purchased assets unto Purchaser, its successors and assigns, to and for its and their use and benefit, subject to the terms set forth in the Agreement.

Seller covenants and agrees that, at any time and from time to time, it will, upon the request of Purchaser, do, execute, acknowledge and deliver all such reasonable further acts, deeds, instruments, documents, transfers, powers of attorney or assurances as may be required for the better assigning, transferring, granting, conveying, assuring and confirming to Purchaser, or for aiding and assisting in the collection of or reducing to possession by Purchaser, the purchased assets.

The provisions hereof will inure to the benefit of and be binding upon the successors and assigns of Seller and Purchaser. In the event of any conflict between this Bill of Sale and the Agreement, the terms of the Agreement will control, it being understood that the purchased assets are being conveyed with and are subject to all applicable warranties, covenants, representations and limitations set forth in the Agreement.

INITIAL LIEN WAIVER

Upon receipt by the undersigned of a payment in the form of a check or electronic transfer of funds from Purchaser in the sum of 50% of Total System Cost payable to Seller and when such check has been properly endorsed and has been paid by the bank upon which it is drawn or such electronic transfer of funds confirmed, this waiver shall become effective to release any mechanic's lien, stop notice, or bond right Seller has on the Project. This release covers a progress payment for labor, services, equipment or material furnished to Purchaser through one day before the tranche submission date for this project and does not cover any retentions retained before or after the release date; extras furnished before the release date for which payment has not been received, extras or items furnished after the release date. Rights based upon installation performed or items furnished under a written change order which has been fully executed by the Purchaser and Seller prior to the release date are covered by this release unless specifically reserved by Seller in this release.

This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between Purchaser and Seller under the Agreement based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment. Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

IN WITNESS WHEREOF, Seller has caused this instrument to be duly executed as of the date below.

SELLER:

Name: BRIAN WORONICK

Signature: 

Title: OFFICE ADMINISTRATOR

Date: 10/13/2015