

THE VILLAGE AT TARZANA

DISCLOSURE REGARDING SOLAR SYSTEM AND SOLAR LEASE  
The Village at Tarzana

This Disclosure Regarding Solar System and Solar Lease for The Village at Tarzana ("Disclosure") is executed as of the date set forth below by and between San Fernando Homes Corp ("Seller") and the undersigned Homebuyer(s) \_\_\_\_\_ ("Homebuyer") address Topham St., Tarzana, Ca. 91335, Lot \_\_\_\_ of Tract PM LA 2004-6606 (the "Property"), and has been incorporated to the Real Estate Purchase Contract (the "Purchase Agreement") between Seller and Homebuyer. If there is any conflict between the Purchase Agreement and this Disclosure, this Disclosure shall control. This Disclosure is not effective unless signed by the Seller. This Addendum contains important information about the Solar Energy System installed in your home, and the Solar Lease, including information from third parties about residential solar. Please read this Disclosure carefully before signing. Keep in mind that some of the information provided herein is from third parties and has not been independently verified by the Seller.

As a standard feature for your new home, a solar electric system was installed at the Property. The type of system installed at the Property will depend upon the Plan and architectural elevation for your Property. The System is for electrical generation only and is not a solar generating system for hot water. Homebuyer agrees as follows with respect to the Solar System:

The Solar System is leased from Echo First. Attached as Exhibit "A", is a copy of a sample lease. Upon the close of escrow, homebuyer will assume the lease. We request that prior to signing this disclosure and the Solar Lease you will read and understand all the terms of the lease and this disclosure. The following are some of the terms of the lease:

- The Lease is for twenty (20) years.
- The Solar System is owned by Echo First.
- You must disclose the lease to any future owners of the property. Upon sale of the property you must follow the procedures described in the Lease.
- You must pay a monthly lease payment of \$85.00 per month, PLUS Taxes. The monthly lease payment of \$85.00 per month includes a \$15.00 discount per month for automatic debits payments – if you do NOT have automatic debit payments, the monthly lease payment increases to \$100.00 per month, PLUS taxes.
- You may prepay the Lease or purchase the Solar System from Echo First.

The above items are only some of the terms of the Lease. All other terms are in the Lease.

By initialing below you indicate that you have read and understand and accept the obligations and terms set forth in the Lease and in this disclosure.

\_\_\_\_\_  
Initial                      Initial

1. **DESCRIPTION OF SOLAR SYSTEM:** Homebuyer agrees that the System installed at the Property will be either (12) IM60B-3-250-T10B40 (250W solar modules or equivalent), 1 Echo system controller, 3kw DC, and associated racking and balance-of-system materials, or (13) IM60B-3-250-T10B40 (250W solar modules or equivalent), 1 Echo system controller, 3.25kw DC, and associated racking and balance-of-system materials.

**2. NO ENERGY OUTPUT GUARANTEE.** Notwithstanding any written, verbal or electronic statements or materials that have been made available to Homebuyer or that Homebuyer has received or may hereafter receive from Seller, Seller's Agents and Employees, the System installer or the manufacturer of any component of the System ("Seller's Agents"), Homebuyer acknowledges and agrees that Seller's Agents have not previously made and hereby makes no representation, warranty, guaranty or covenant of any kind, express or implied, regarding the electrical output for the System, the number of kilowatts the System will generate, any savings that Homebuyer can expect to receive in Homebuyer's electricity bill, or any other matter whatsoever bearing upon the performance, efficiency, output or electrical generating capacity of the System.

**3. SYSTEM PERFORMANCE:** Homebuyer acknowledges and agrees that there are a variety of factors that can positively or negatively affect the electricity generating capacity of the System, which factors include, without limitation, the Plan type and architectural elevation of the home being constructed on the Property, the orientation of the Lot and the home constructed thereon to the sun, the cleanliness of the solar panels, arrays or tiles, cloudiness, weather patterns and seasonality, the presence of streetlights, the growth of trees and other vegetation and/or the addition or other structural additions to the Property or neighboring properties within or outside the Village at Glenoaks community. Homebuyer acknowledges and agrees that because of these and other factors, the electrical generating capacity of the System installed at the Property may be less than or greater than a system installed on a neighboring Lot, adjacent Lot or any other Lot within the Community, even where the system size and other parameters on such other Lot within the Community are the same as the System installed at the Property. Further, Homebuyer should be aware that the System is intended for residential personal, family or household purposes only.

**4. ENERGY SAVINGS:** Homebuyer acknowledges and agrees that the System will not generate enough electricity to cover Homebuyer's entire monthly electricity bill and that the Solar System is not expected to generate electricity in excess of Homebuyer's usage on an annual basis. Actual energy costs and/or usage are dependent on a number of factors, including utility rates, energy consumption, home maintenance, Homebuyer's energy conservation practices, home orientation, and surrounding climate and weather conditions. Seller does not guarantee or warrant any actual energy costs savings.

**5. FEDERAL, STATE AND/OR LOCAL ENERGY INCENTIVES.** Since the Solar System is leased the Solar System installer and Seller received all tax incentives and/ or credits. Homebuyer is not eligible for any credits, refunds and/ or tax credit due to the installation of the Solar System.

**6. INTERNET SOLAR MONITORING:** The System installer, as specified in the Echo First Lease, has agreed to provide Homebuyer with a monitoring service from Echo First that will allow Homebuyer to monitor the performance of the System using the Internet, for a period of twenty (20) years. At the expiration of the twenty (20) year period, if Homebuyer desires to continue using the monitoring service, Homebuyer will need to separately contract with Echo First at their then prevailing rate and on such terms and conditions as Echo First may offer. Homebuyer understands and agrees that the monitoring system is not provided by Seller, and Seller shall have no liability or responsibility to Homebuyer with respect to the monitoring service, including, but not limited to, whether the monitoring service is unavailable or unreliable, provides inaccurate information, the provider goes out of business, or otherwise.

**7. INTERCONNECTION AGREEMENT.** As part of the installation of the System, Seller will initially sign an interconnection agreement with the LADWP ("Utility Company"), which will be automatically transferred to the Homebuyer. An interconnection agreement allows customers with an eligible power generator, such as solar, to offset the cost of their electricity usage with energy they export to the grid. A specially programmed meter will be installed to measure the difference between electricity the customer purchases and exports to the grid. The methods of applying credit for exported energy vary. The solar electric energy generated by the System is not stored, and if the energy generated exceeds the energy demand in Homebuyer's Home, the excess energy is exported to the local utility electric transmission grid, under the terms of an interconnection agreement for the System. The terms of the interconnection agreement with Utility Company are subject to change. To obtain up-to-date information on the interconnection agreement, contact LADWP at 1- 800-342-5397, or their website at: LADWP.com

**8. LIMITED WARRANTY:** The only warranty that is provided for the System is by Echo First. Seller is not providing any warranty for the Solar System. By signing this document, homebuyer releases Seller from any responsibility or warranty for the Solar System.

**9. SYSTEM DISCONNECTION:** The System is designed to generate and deliver electricity in conjunction with Utility Company's electric distribution system. If Utility Company's electric service to the Property is interrupted, the System will shut down, and Utility Company may disconnect the System to protect its service personnel while restoring electric service.

**10. CONTROL OF SHADING/SOLAR DECLARATION:** The System generates energy by exposure of the Solar System to the sun, and energy generation will be reduced or even eliminated if trees or structures on the Property, or on neighboring properties, are allowed to shade the Solar System on the Property.

**11. IMPACT OF SHADING RESTRICTIONS.** The need to protect against the shading of a Solar System installed on the Property or on a neighboring lot in the Community, means that the dimensions of the Property may not be sufficient to allow the planting of additional trees, or the planting of medium or large trees, in the yard. Homebuyer must carefully consider the effect of the application of the shading restrictions and the guidelines in the Solar Declaration, when making a decision to purchase the Property.

**12. UNCONTROLLED SHADING; RELEASE OF LIABILITY:** Neighboring properties adjacent to the Community may not be subject to any solar shading restrictions. Trees, structures and other obstructions installed or permitted to grow on neighboring properties may cause shading of Homebuyer's Solar System, and such shading may be permitted by law. If this occurs, the generation of energy from Homebuyer's System will be reduced or eliminated. Seller makes no representation or warranty that any Solar System installed on the Property will now or in the future be free from shading, and Seller has no control over whether shading restrictions exist on neighboring properties. By purchasing the Property, Homebuyer agrees that Seller is released from any liability or other loss arising in the future from the impact on a Solar System of shading from neighboring properties. By initialing below, Homebuyer indicates Homebuyer's agreement that this is a full release that extends to any such future liability or other loss, whether or not now known, and that Homebuyer waives all rights that exist under Section 1542 of the California Civil Code, that provides as follows:

*A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.*

Homebuyer Initials: \_\_\_\_\_

**13. RIGHT TO REPAIR ACT:** Homebuyer will be responsible for any and all maintenance that may be required in connection with the System by the System Installer and/or Lessor permitted by law, for purposes of The California Right to Repair Act, also known as SB800, Seller and Homebuyer agree that the functionality construction standard in Civil Code Section 896(f) regarding electrical systems shall apply to and govern all claims and actions brought by Homebuyer with respect to the System. (See Seller's Dispute Notification and Resolution Procedure and Waivers, for dispute resolution)

**14.** Homebuyer agrees that any information that Homebuyer may have received from Seller's Agents regarding the System prior to entering into this Addendum, including, without limitation, verbal representations (if any), advertising or promotional information from Seller's web site or information contained in e-mails or flyers provided by Seller or any of its employees, agents, officers, directors, members, managers and affiliates, concerning the System, the electricity generating capacity of the System, or the availability of any solar tax credits, is solely for Homebuyer's general awareness, and does not constitute legal, accounting, tax, financial or consulting advice of any kind.

15. **ACKNOWLEDGMENTS OF HOMEBUYER.** Homebuyer has taken whatever steps are necessary to fully understand all the information stated in this Disclosure as well as any documents and/or information provided to Homebuyer.

**BY SIGNING BELOW, HOMEBUYER AGREES AND ACCEPTS ALL THE TERMS AND INFORMATION PROVIDED BY THIS DISCLOSURE AND BY THE SOLAR LEASE:**

**AGREED AND ACCEPTED:**

Homebuyer: \_\_\_\_\_ Date: 1 / 2014

Homebuyer: \_\_\_\_\_ Date: 1 / 2014

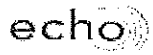
Seller: San Fernando Homes Corp..

By: San Fernando Homes Corp.

Date: 3/3/2014

By: Kathryn Rudwick

Its: COO



# Echo CompleteLease

34760 Campus Drive, Fremont, CA 94555

T 800-970-ECHO F (510) 505-9230 ECHOFIRST.COM

| Homeowner Name and Address   | Co-Owner Name (If Any) | Contractor/Installer |
|--|------------------------|----------------------|
| Evenhaim Industries Corporation<br>18141 W. Topham St.<br>Tarzana CA 91357 |                        | 840399               |

## 1. INTRODUCTION

This Echo® CompleteLease (this "Lease") is the agreement between the Homeowner whose name and address is set forth above, the "Co-Owner" whose name is set forth above (if any) (together with the Homeowner "you") and EchoFirst Finance CompanyCo, LLC (together with its authorized dealers, subcontractors, successors and assigns "EchoFirst" or "we"), covering the lease to you of the solar panel and/or solar thermal energy system (the "System") described below. The System will be installed by an approved installer not affiliated with EchoFirst ("Installer") at the address you listed above pursuant to the installation agreement attached to this Lease as Exhibit 4 ("Installation Agreement"). This Lease will refer to this address as the "Property" or your "Home." This Lease has up to three Exhibits depending on the state where you live. This Lease has disclosures required by the Federal Consumer Leasing Act and, where applicable, state law. EchoFirst provides you with a Performance Guaranty and Limited Warranty (the "Limited Warranty") the Limited Warranty is attached as Exhibit 2. EchoFirst will also provide you with a System user manual entitled "Solar Operation and Maintenance Guide" (the "Guide"), that contains important operation, maintenance and service information. This is a legally binding agreement, so please read everything carefully including all of the exhibits. If you do not meet your contract obligations under this Lease, you may lose your rights to the System. If you have any questions regarding this Lease, please ask your EchoFirst sales consultant.

## 2. LEASE TERM

EchoFirst agrees to lease you the System for 20 years (240 full calendar months), plus, if the Interconnection Date (defined below) is not on the first day of a calendar month, the number of days left in that partial calendar month, including the Interconnection Date. We refer to this period of time as the "Lease Term." The Lease Term begins on the "Interconnection Date." The Interconnection Date is the date that the System is first turned on and generating power. EchoFirst will notify you by email of the date when your System is ready to be turned on.

## 3. SYSTEM DESCRIPTION

18141 W. Topham St.  
Tarzana CA 91335

13 IM60E-250-T10B40 250W solar modules or equivalent  
CL-EF-4PV Echo panel hot water system  
1 Echo system controller  
3.25 kW DC  
Associated racking and balance of system materials

#### 4. LEASE PAYMENTS; AMOUNTS

##### A) Amount Due at Lease Signing:

Installation and Building Inspection ("Lease Prepayment"): **\$0.00** and a tax payment of approximately **\$0.00**

##### C) Other Charges:

If you elect to make automatic Monthly Payments from your checking or savings account, then you will receive a discount of \$15 on your Monthly Payments. The Monthly Payments listed above include this discount. If you do not elect automatic Monthly Payments, this discount will not be applied to your Monthly Payments and each Monthly Payment will be \$15 greater.

##### E) Purchase Option At End of Lease Term:

If you are not in default under this Lease, you will have an option to purchase the System at the end of the Lease Term for the greater of the System's Fair Market Value and **\$4,979.19**. Term Buy out Price, pursuant to the terms of Section 10.

##### B) Monthly Payments:

Your first Monthly Payment of **\$85.00** is due on the first day of the first full calendar month following the Interconnection Date. You will also be charged approximately **\$7.65** for sales/use tax, making the total monthly payment **\$92.65**. After your first Monthly Payment, future Monthly Payments (and any applicable taxes) are due on the first day of the calendar month. Your Monthly Payment will increase by 1.5% on each successive twelve (12) month anniversary of your first Monthly Payment.

##### D) Total of Payments (A+B+C): **\$25,709.00**

This is the total amount you will have paid by the end of this Lease. It includes the Monthly Payments stated above and estimated taxes of **\$2,422.76**. It includes estimated property taxes of \$0.

##### F) Other Important Terms:

See Section 2 above for additional information on the Lease Term and also see below for additional information on termination, purchase options, renewal options, maintenance responsibilities, warranties, late and default charges, and prohibition on assignment without EchoFirst's consent. Payments due upon installation are due immediately prior to commencement of installation.

## 5. LEASE OBLIGATIONS DURING THE LEASE TERM

### a) Notices, You agree to:

- (i) notify us immediately upon the discovery of an emergency condition relating to the System, damage to the System or theft of the System.

### b) System, Home and Property Maintenance, You agree to:

- (i) only have the System repaired pursuant to the Limited Warranty and reasonably cooperate when repairs are being made;
- (ii) keep trees, bushes and hedges trimmed so that the System receives as much sunlight as it did when Installer installed it;
- (iii) keep the panels clean, pursuant to the Limited Warranty and the Guide;
- (iv) not modify your Home in a way that shades the System;
- (v) be responsible for any conditions at your Home that affect the installation, maintenance or repair of the System (e.g. blocking access to the roof or removing a tree that is in the way);
- (vi) not remove any markings or identification tags on the System;
- (vii) permit EchoFirst, after we give you reasonable notice, to inspect the System for proper operation and maintenance as we reasonably determine necessary;
- (viii) use the System primarily for personal, family or household purposes, but not to heat a swimming pool;
- (ix) not do anything, permit or allow to exist any condition or circumstance that would cause the System not to operate as intended at the Property;
- (x) notify EchoFirst prior to changing your power supplier;
- (xi) have everyone who has an ownership interest in your Home sign this lease;
- (xii) return any documents we send you for signature (like incentive claim forms) within seven (7) days of receiving them; and
- (xiii) maintain and make available, at your cost, a functioning indoor Internet connection with one available wired Ethernet port and standard AC power outlet within eighty (80) feet of the Echo control unit. See Section 2(d) of the Limited Warranty for details.

### c) System Construction, Repair and Insurance

#### Installer will:

- (i) schedule the installation of the System at a mutually convenient date and time;
- (ii) install the System according to written plans you review;
- (iii) provide you with a web-enabled meter to accurately measure the amount of power the System delivers to you;
- (iv) notify you if the System design has to be materially changed so that you can review any such changes;
- (v) clean up after itself during the installation or maintenance of the System.

EchoFirst, or an agent acting on behalf of EchoFirst, will repair the System pursuant to the Limited Warranty and reasonably cooperate with you when scheduling repairs.

### (d) Home Renovations or Repairs

If you want to make any repairs or improvements to the Property that could interfere with the System (such as repairing the roof where the System is located), you may only remove and replace the System pursuant to the Limited Warranty.

### (e) Automatic Payment; Fees; Late Charges

In addition to the other amounts you agree to pay in this Lease, you agree to pay the following:

**Automatic Payment Discount:** All prices include a \$15 monthly discount for using automatic payment. You will not

- (i) receive a \$15 monthly discount if you do not make automatic Monthly Payments through your checking or savings account;
- (ii) Returned Check Fee: \$25 (or such lower amount as required by law) for any check or withdrawal right that is returned or refused by your bank; and
- (iii) Late payments: accrue interest at fourteen percent (14%) annually or the maximum allowable by applicable law;

**(f) Insurance**

EchoFirst shall insure the System against all damage or loss unless (i) that damage or loss is caused by your negligence, willful misconduct or fraud; or (ii) you or anyone who is on your Property with your knowledge or permission damages the System.

**(g) Estimated Taxes**

You agree to pay any applicable sales use or similar taxes on the Monthly Payments due under this Lease. If this Lease contains a purchase option at the end of the Lease Term, you agree to pay any applicable tax on the purchase price for the System.

You also agree to pay as invoiced any applicable personal property or similar taxes on the System that your local jurisdiction may levy. The total estimated amount you will pay for sales and use taxes over the Lease Term, assuming no change in current tax rates, is **\$2,122.76**.

**(h) No Alterations**

You agree that you will not make any modifications, improvements, revisions or additions to the System or take any other action that could void the Limited Warranty on the System without EchoFirst's prior written consent. If you make any modifications, improvements, revisions or additions to the System they will become part of the System and shall be EchoFirst's property.

**(i) Access to the System**

(i) You grant to EchoFirst and its employees, agents and contractors the right to reasonably access all of the Property as necessary for the purposes of

(A) operating, owning, repairing, removing and replacing the System or making any additions to the System;

(B) enforcing EchoFirst's rights as to this Lease and the System;

(C) using and maintaining electric lines, inverters and meters, necessary to interconnect the System to your electric system at the Property and/or to the utility's electric distribution system; or

(D) taking any other action reasonably necessary in connection with the operation, maintenance, removal or repair of the System. This access right shall continue for up to ninety (90) days after this Lease expires to provide EchoFirst with time to remove the System at the end of the Lease Term. EchoFirst shall provide you with reasonable notice of its need to access the Property whenever commercially reasonable.

(ii) You grant to Installer the access rights set forth in the Installation Agreement.

(iii) During the time that EchoFirst and Installer have access rights you shall ensure that their access rights are preserved and shall not interfere with or permit any third party to interfere with such rights or access. You agree that the System is not a fixture to the Property, but EchoFirst has the right to file any UCC-1 financing statement or fixture filing that confirms its interest in the System.

**(j) Indemnity**

To the fullest extent permitted by law you shall indemnify, defend, protect, save and hold harmless EchoFirst, Installer, their employees, officers, directors, agents, successors and assigns from any and all third party claims, actions, costs, expenses (including reasonable attorneys fees and expenses), damages, liabilities, penalties, losses, obligations, injuries, demands and liens of any kind or nature arising out of, connected with, relating to or resulting from your negligence, willful misconduct or fraud; provided, that nothing herein shall require you to indemnify EchoFirst or Installer for its own negligence, willful misconduct or fraud. The provisions of this paragraph shall survive termination or expiration of this Lease

**(k) Monthly Payments**

The Monthly Payments section (Section 4(B)) describes your monthly payment obligations under this Lease. YOU AGREE THAT THIS IS A NET LEASE AND THE OBLIGATION TO PAY ALL MONTHLY PAYMENTS AND ALL OTHER AMOUNTS DUE UNDER THIS LEASE SHALL BE ABSOLUTE AND UNCONDITIONAL UNDER ALL CIRCUMSTANCES AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, DEFENSE, COUNTERCLAIM, SETOFF, RECOUPMENT OR REDUCTION FOR ANY REASON WHATSOEVER, IT BEING THE EXPRESS INTENT OF THE PARTIES THAT ALL AMOUNTS PAYABLE BY YOU HEREUNDER SHALL BE AND CONTINUE TO BE PAYABLE IN ALL EVENTS INCLUDING BY YOUR HEIRS AND ESTATE AND, EXCEPT AS SET FORTH BELOW IN SECTIONS 6, 22 AND 23, YOU HEREBY WAIVE ALL RIGHTS YOU MAY HAVE TO REJECT OR CANCEL THIS LEASE, TO REVOKE ACCEPTANCE OF THE SYSTEM, OR TO GRANT A SECURITY INTEREST IN THE SYSTEM



## (I) Software License

EchoFirst has embedded certain software programs (the "Software") in the controller component of the System. Subject to the terms and conditions of this Lease, EchoFirst hereby grants to you a limited, nonexclusive, non-sublicenseable, transferable (only as set forth in Section 11) license, for the Lease Term, to use the Software solely in connection with the System, in object code form only. You shall not, and you shall not cause any parent, subsidiary, affiliate, agent or other third party to, (i) sell, lease, distribute, license or sublicense the Software; (ii) decompile, disassemble, reverse engineer, reverse assemble, analyze or otherwise examine, prepare derivative works of, modify, or attempt to derive source code from the Software; (iii) alter or remove any copyright or other proprietary notices affixed to any materials supplied to you by or on behalf of EchoFirst; or (iv) provide, disclose, divulge or make available to, or permit use of the Software by, any third party (with the exception of your consultants and subcontractors who use the Software solely in the performance of services for or on behalf of you) without EchoFirst's prior written consent. For the avoidance of doubt, the definition of "System" shall include the Software.

## 6) CONDITIONS PRIOR TO INSTALLATION OF THE SYSTEM

### (a) Obligations to Install and Lease

Installer's obligation to install and EchoFirst's obligation to lease the System are conditioned on the following items having been completed to EchoFirst's reasonable satisfaction:

- (i) completion of (A) the engineering site audit (a thorough physical inspection of the Property, including, if applicable, geotechnical work), (B) the final System design, and (C) real estate due diligence to confirm the suitability of the Property for the construction, installation and operation of the System;
- (ii) approval of this Lease by EchoFirst's financing partner(s);
- (iii) confirmation of rebate, tax credit and renewable energy credit payment availability in the amount used to calculate the Monthly Payment amounts set forth in this Lease;
- (iv) confirmation that EchoFirst will obtain all applicable benefits referred to in Section 3;
- (v) receipt of all necessary zoning, land use and building permits; and
- (vi) completion by a contractor selected and fully paid for by you of any renovations, improvements or changes reasonably required at your Home or on the Property (e.g. removal of a tree or roof repairs necessary to enable us to safely install and maintain the System).

EchoFirst may terminate this Lease without liability if, in its reasonable judgment, any of the above listed conditions (i) through (vi) will not be satisfied for reasons beyond its reasonable control. Once EchoFirst starts installation, however, it may not terminate this Lease for the failure to satisfy conditions (i) through (vi) above.

### (b) Amendments; Termination for Material Changes.

Both parties will have the right to terminate this Lease, without penalty or fee, if EchoFirst determines after the engineering site audit of your Home that it has misestimated by more than ten percent (10%) any of (i) the System size, (ii) the System's total cost or (iii) the System's annual production. We shall provide you with notice within [five (5)] days of our determination that such a misestimate has occurred. This termination right will expire at the earlier of (A) one (1) week prior to the scheduled System installation date and (B) one (1) month after we inform you in writing of the revised size, cost or production estimate. If neither party exercises their right to terminate this Lease following such a 10% change, then any changes to the System will be documented in an amendment to this Lease, which must be executed by both parties. You authorize EchoFirst to make connections to the utility paper work to conform to this Lease or any amendments to this Lease we both sign.

## 7. WARRANTY

YOU UNDERSTAND THAT THE SYSTEM IS WARRANTED SOLELY UNDER THE LIMITED WARRANTY ATTACHED AS EXHIBIT 2, AND THAT THERE ARE NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO THE MERCHANTABILITY, FITNESS FOR ANY PURPOSE, CONDITION, DESIGN, CAPACITY, SUITABILITY OR PERFORMANCE OF THE SYSTEM OR ITS INSTALLATION.

## 8. TRANSFER

EchoFirst works with banks, large companies and other significant financing partners to finance your System. You agree that EchoFirst may assign, sell or transfer the System and this Lease, or any part of this Lease or the exhibits, without your consent. Assignment, sale or transfer generally means that EchoFirst would transfer certain of its rights and certain of its obligations under this Lease to another party. This assignment does not change EchoFirst's obligation to maintain and repair your System as set forth in the Limited Warranty.

## 9. OWNERSHIP OF THE ENERGY; SYSTEM; TAX CREDITS AND REBATES

Title to all energy passes to you when it is produced by the System. You agree that the System is EchoFirst's personal property under the Uniform Commercial Code. You understand and agree that this is a lease and not a sale agreement. EchoFirst owns the System for all purposes, including any data generated from the System. You shall at all times keep the System free and clear of all liens, claims, levies and legal processes not created by EchoFirst and shall, at your expense, protect and defend EchoFirst against the same. EchoFirst retains sole ownership of all applicable copyrights, trade secrets, patents and other intellectual property rights in the System. Nothing in this Lease shall be deemed to grant you any rights to the System, except for the rights specifically granted here in.

YOU UNDERSTAND AND AGREE THAT ANY AND ALL TAX CREDITS INCENTIVES, DEPRECIATION DEDUCTIONS, RENEWABLE ENERGY CREDITS, GREEN TAGS, CARBON OFFSET CREDITS, REBATES OR ANY OTHER NON-POWER ATTRIBUTES OF THE SYSTEM ARE THE PROPERTY OF AND FOR THE BENEFIT OF ECHOFIRST, USABLE AT ITS SOLE DISCRETION. ECHOFIRST SHALL HAVE THE EXCLUSIVE RIGHT TO ENJOY AND USE ALL SUCH BENEFITS, WHETHER SUCH BENEFITS EXIST NOW OR IN THE FUTURE. YOU AGREE NOT TO IMPAIR OUR ABILITY TO CLAIM ANY SUCH BENEFITS. YOU AGREE TO REFRAIN FROM ENTERING INTO ANY AGREEMENT WITH YOUR UTILITY THAT WOULD ENTITLE YOUR UTILITY TO CLAIM ANY SUCH BENEFITS. YOU AGREE TO REASONABLY COOPERATE WITH ECHOFIRST SO THAT IT MAY CLAIM ANY SUCH BENEFITS FROM THE SYSTEM. THIS MAY INCLUDE, TO THE EXTENT ALLOWABLE BY LAW, ENTERING INTO NET METERING AGREEMENTS, INTERCONNECTION AGREEMENTS, AND FILING OR CONSENTING TO FILING RENEWABLE ENERGY/CARBON OFFSET CREDIT REGISTRATIONS AND/OR APPLICATIONS FOR REBATES FROM THE FEDERAL, STATE OR LOCAL GOVERNMENT OR A LOCAL UTILITY AND ASSIGNING ALL BENEFITS TO ECHOFIRST.

## 10. PURCHASING THE SYSTEM

(a) You have the option to purchase the System prior to the end of the Lease Term (i) on the six (6) year anniversary of the beginning of the Lease Term; and (ii) when you sell your home. To exercise this option you must not be in breach under this Lease and you need to give us at least three (3) months, but not more than six (6) months prior written notice. You can purchase this System:

(b) In addition to purchasing the System during the Lease Term pursuant to Section 10(a), you have the option to purchase the System at the end of the Lease Term. To exercise this option you must not be in breach under this Lease and you need to give us at least three (3) months, but not more than six (6) months written notice prior to the end of the Lease Term of your intention to purchase the System.

In the case of (a) above, the price you will pay for the System will be the greater of the System's fair market value ("FMV") and the amount shown for the given year in the column "Minimum Cash Purchase Price" in Schedule A. In the case of (b) above, the price will be the greater of the System's FMV and the amount shown adjacent to the row labeled "End of Term" in Schedule A. If you purchase the system according to the terms of (a) or (b) above, any applicable sales tax will be added to the purchase price. The price will be the value of the System in place and determined by assuming that the System will be in the condition in which it is required to be maintained and returned under this Agreement and the costs of removal from the current location should not be subtracted from the value. A third party independent appraiser will be retained to compute the System's FMV as of the date the System is purchased pursuant to this Section 10. EchoFirst's maintenance and repair obligations will end when you purchase the system unless you enter into a new maintenance and repair agreement with EchoFirst provided that you will have no less than a ten (10) year warranty on the System beginning on the Interconnection Date that guarantees that the System will be free from defects in workmanship or defects in, or breakdown of, materials or components.

In addition, upon your purchase of the System pursuant to (a) and (b) above, EchoFirst will grant to you a perpetual, nonexclusive, non-sublicenseable license to use the Software solely in connection with the System, in object code form only. The license restrictions set forth in Section 5(l) shall apply to this perpetual license and shall survive the termination or expiration of this Lease.

## 11. SELLING YOUR HOME

(a) If you sell your Home you can:

(i) **Transfer this Lease and the Monthly Payments.**

If the person buying your Home meets EchoFirst's credit requirements, then where permitted by the local utility, the person buying your Home can sign a transfer agreement assuming all of your rights and obligations under this Lease.

(ii) **Purchase the System and Transfer Ownership of the System to the Buyer of the Home**

See Section 10. for details on purchasing the System.

(iii) **Prepay this Lease and Transfer only the Use of the System.**

At any time during the Lease Term, if the person buying your Home does not meet EchoFirst's credit requirements, but still wants the System, then you can (A) prepay the payments remaining on the Lease (See Section 15(g)(i) and (ii)), (B) add the cost of the Lease to the price of your Home; and (C) have the person buying your Home sign a transfer agreement to assume your rights and non-Monthly Payment obligations under this Lease. The System stays at your Home, the person buying your Home does not make any Monthly Payments and has only to comply with the non-Monthly Payment portions of this Lease.

(b) You agree to give EchoFirst at least fifteen (15) days but not more than three (3) months prior written notice if you want someone to assume your Lease obligations. In connection with this assumption, you, your approved buyer and EchoFirst shall execute a written transfer of this Lease. Unless we have released you from your obligations in writing, you are still responsible for performing under this Lease. If your buyer defaults on this Lease and we have not yet signed the transfer agreement, you will be responsible for their default. We will release you from your obligations under this Lease in writing once we have a signed transfer agreement with the person buying your Home (provided such person has been approved as a transferee by EchoFirst in writing).

(c) If you sell your Home and can't comply with any of the options in subsection (a) above, you will be in default under this Lease. Section 11(a) includes a Home sale by your estate or heirs.

(d) EXCEPT AS SET FORTH IN THIS SECTION, YOU WILL NOT SUBLEASE, ASSIGN, SELL, REDEGE OR IN ANY OTHER WAY TRANSFER YOUR INTEREST IN THE SYSTEM OR THIS LEASE WITHOUT OUR PRIOR WRITTEN CONSENT, WHICH SHALL NOT BE UNREASONABLY WITHHELD.

## 12. LOSS OR DAMAGE

(a) EchoFirst will bear all of the risk of loss, damage, theft, destruction or similar occurrence to any or all of the System unless such loss, damage, theft, destruction or similar occurrence results from your negligence or willful misconduct, or unless someone who is on your Property with your knowledge or permission damages the System. Except as expressly provided in this Lease, no loss, damage, theft or destruction will excuse you from your obligations under this Lease, including Monthly Payments.

(b) If there is loss, damage, theft, destruction or a similar occurrence affecting the System, and you are not in default under this Lease, you shall continue to timely make all Monthly Payments and pay all other amounts due under the Lease and, cooperate with EchoFirst at EchoFirst's sole cost and expense, to have the System repaired pursuant to the Limited Warranty.

## 13. LIMITATION OF LIABILITY

(a) No Consequential Damages ECHOFIRST'S LIABILITY TO YOU UNDER THIS LEASE SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES AND YOU AGREE THAT IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES.

(b) Actual Damages Except for claims under Section 5(j), neither party's liability to the other will exceed an amount equal to the maximum amount that could be payable by you under Section 15(g). Liability for damages to your Home, belongings or property resulting from the installation or operation of the System are covered limited by the limitations of liability set forth in Section 6(c) of the Limited Warranty.

## 14. DEFAULT

You will be in default under this Lease if any one of the following occurs:

- (a) you fail to make any payment when it is due and such failure continues for a period of ten (10) days;
- (b) you fail to perform any material obligation that you have undertaken in this Lease (which includes doing something you have agreed not to do, like alter the System) and such failure continues for a period of fourteen (14) days after written notice;
- (c) you or your guarantor have provided any false or misleading financial or other information to obtain this Lease;
- (d) you assign, transfer, encumber, sublet or sell this Lease or any part of the System without EchoFirst's prior written consent; or
- (e) you or any guarantor makes an assignment for the benefit of creditors, admits in writing its insolvency, files or there is filed against you or it a voluntary petition in bankruptcy, is adjudicated bankrupt or insolvent or undertakes or experiences any substantially similar activity.

## 15. REMEDIES IN CASE OF DEFAULT

If this Lease is in default, we may take any one or more of the following actions. If the law requires us to do so, we will give you notice and wait any period of time required before taking any of these actions. We may:

- (a) terminate this Lease and your rights to possess and use the System;
- (b) suspend our performance under this Lease;
- (c) take any reasonable action to correct your default or to prevent our loss; any amount we may be added to the amount you owe us and will be immediately due;
- (d) require you, at your expense, to return the System or make it available to us in a reasonable manner;
- (e) proceed, by appropriate court action, to enforce performance of this Lease and to recover damages for your breach;
- (f) turn off or take back the System by legal process or self-help, but we may not breach the peace or violate the law;
- (g) recover from you (i) all accrued but unpaid Monthly Payments, taxes, late charges, penalties, interest and all or any other sums then accrued or due and owing, plus (ii) the unpaid balance of the aggregate Monthly Payments, each payment discounted to present value at 5% per annum, plus (iii) reasonable compensation, on a net after tax basis assuming a tax rate of 35%, for the recapture of (A) the investment tax credit equal to thirty percent (30%) of the System cost, including installation; and (B) bonus depreciation equal to fifty percent (50%) of eighty five percent (85%) of the System cost and the remaining twenty percent (20%) of such System cost over five years, including installation, and (h) the loss of any anticipated benefits pursuant to Section 9 of this Lease (EchoFirst shall furnish you with a detailed calculation of such compensation if such a claim is made); or
- (h) use any other remedy available to us in this Lease or by law.

You agree to repay us for any reasonable amounts we pay to correct or cover your default. You also agree to reimburse us for any costs and expenses we incur relating to the System's return resulting from early termination. By choosing any one or more of these remedies, EchoFirst does not give up its right to use another remedy. By deciding not to use any remedy should this Lease be in default, EchoFirst does not give up our right to use that remedy in case of a subsequent default. Upon any termination or expiration of this Lease, the licenses granted to you hereunder are immediately revoked and you shall have no right to continue to use the Software.

## 16. RETURNING THE SYSTEM AT THE END OR UPON TERMINATION OF THIS LEASE

If at the end or termination of the Lease you have not exercised your purchase option (if any), then within ninety days EchoFirst will remove the System from your Home at no cost to you; provided that you agree to pay EchoFirst the reasonable expense of removing the System from your Home if you are in default under the Lease.

## 17. APPLICABLE LAW; ARBITRATION

The laws of the state where your Home is located shall govern this Lease without giving effect to such state's conflict of laws principles. You and EchoFirst agree that any dispute, claim or disagreement between us shall be resolved by arbitration. Judgment on an arbitrator's award may be entered in any court having jurisdiction. All statutes of limitations that are applicable to any dispute shall apply to any arbitration between us.

Each arbitration, including the selecting of the arbitrator, will be administered by JAMS/Endispute, LLC under its Commercial Arbitration Rules and, in addition, the Due Process Protocol for Mediation and Arbitration of Consumer Disputes most recently in effect. Arbitration will be governed by the Federal Arbitration Act (Title 9 of the U.S. Code). Either party can initiate an arbitration proceeding by filing the necessary forms with JAMS. To learn more about arbitration, you can call any JAMS office or review the materials at [www.jamsadr.com](http://www.jamsadr.com). If a JAMS office does not exist in the county where you are located, another arbitrator will be agreed upon or if no other arbitrator can be agreed upon, then we will use the JAMS or American Arbitration Association office closest to your Home. You and we shall each bear our own costs and expenses, including attorneys' fees, with respect to any arbitration. However, if under the circumstances relating to the dispute it is determined by the arbitrator that it would be unconscionable or otherwise inappropriate for you to pay the JAMS filing and all other fees associated with the arbitration, we will pay those fees for you. Only disputes involving you and us may be addressed in the arbitration. You agree that you may not pursue any dispute as a "class action" unless the amount in dispute between us is less than three thousand dollars (\$3,000), not including any claim you might bring for attorneys' fees or punitive or exemplary damages. This means that the arbitration may not address disputes involving other persons which disputes may be similar to the disputes between you and us. The arbitrator shall have the authority to award any legal or equitable remedy or relief that a court could order or grant. The arbitrator, however, is not authorized to change or alter the terms of this Lease or to make any award that would extend to any transaction other than your own. The prevailing party in any arbitration or court action will be entitled to recover as part of the award its costs and reasonable attorneys' fees and expenses. BECAUSE WE HAVE AGREED TO ARBITRATE ALL DISPUTES, NEITHER OF US WILL HAVE THE RIGHT TO LITIGATE THAT DISPUTE IN COURT, OR TO HAVE A JURY TRIAL ON THAT DISPUTE, OR ENGAGE IN DISCOVERY EXCEPT AS PROVIDED FOR IN THE JAMS RULES. FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS PERTAINING TO ANY DISPUTE UNLESS THE AMOUNT IN DISPUTE IS LESS THAN THREE THOUSAND DOLLARS (\$3,000) NOT INCLUDING ANY CLAIM YOU MIGHT BRING FOR ATTORNEY FEES OR PUNITIVE OR EXEMPLARY DAMAGES. THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING, EXCEPT TO THE EXTENT IT IS SUBJECT TO REVIEW IN ACCORDANCE WITH APPLICABLE LAW GOVERNING ARBITRATION AWARDS. OTHER RIGHTS THAT YOU OR WE WOULD HAVE IN COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

#### 18. WAIVER

Any delay or failure of a party to enforce any of the provisions of this Lease, including but not limited to any remedies listed in this Lease, or to require performance by the other party of any of the provisions of this Lease, shall not be construed to (i) be a waiver of such provisions or a party's right to enforce that provision; or (ii) affect the validity of this Lease.

#### 19. NOTICES

All notices under this Lease shall be in writing and shall be by personal delivery, electronic mail, overnight courier, or certified, or registered mail, return receipt requested, and shall be deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date of deposit with overnight courier, or five (5) days after deposit in the mail. Notices shall be sent to the person identified in this Lease at the addresses set forth in this Lease or such other address as either party may specify in writing. Each party shall deem a document faxed or sent via PDF as an original document.

#### 20. ENTIRE AGREEMENT / CHANGES

This Lease contains the parties' entire agreement regarding the lease of the System. There are no other agreements regarding this Lease, either written or oral. Any change to this Lease must be in writing and signed by both parties. If any portion of this Lease is determined to be unenforceable, the remaining provisions shall be enforced in accordance with their terms or shall be interpreted or re-written so as to make them enforceable.

#### 21. PUBLICITY

EchoFirst will not publicly use or display any images of the System unless you initial the space below. If you initial the space below, you give us permission to take pictures of the System as installed on your Home to show to other customers or display on our website.

**22. CONSUMER CREDIT**

By signing this Lease, you agree that EchoFirst may:

(a) access your consumer credit report(s) and credit score(s) with all or any of the following entities: Experian, TransUnion, Equifax, FICO, or any other entity that provides consumer financial information; and

(b) disclose information obtained under Section 22(a) to EchoFirst's financing partners for the purposes of evaluating your creditworthiness.

**23. NOTICE OF RIGHT TO CANCEL**

YOU MAY CANCEL THIS LEASE AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE YOU SIGN THIS LEASE. SEE EXHIBIT 1, THE ATTACHED NOTICE OF CANCELLATION FORM, FOR AN EXPLANATION OF THIS RIGHT.

**24. ADDITIONAL RIGHTS TO CANCEL**

IN ADDITION TO ANY RIGHTS YOU MAY HAVE TO CANCEL THIS LEASE UNDER SECTIONS 6 AND 23, YOU MAY ALSO CANCEL THIS LEASE AS FOLLOWS: At any time prior to 5 p.m. of the 14th calendar day after the date you sign this Lease. \$ 0 FURTHER, IF YOUR 14 DAY CANCELLATION RIGHT HAS PASSED, YOU MAY ALSO CANCEL THIS LEASE UNDER THE FOLLOWING CIRCUMSTANCES UPON PAYMENT OF THE FOLLOWING AMOUNTS: If EchoFirst determines after the engineering site audit of your Home that it has misestimated the System's ~~any~~ cost or annual production by more than ten percent (10%)

(See Section 6(b)) \$0

Prior to site audit: \$500

After site audit, prior to design: \$1,000

After design, prior to permit: \$2,500

After permit, prior to installation: \$2,500 plus permit and costs

I have read this Lease and the Exhibits in their entirety and I acknowledge that I have received a complete copy of this Lease.

Owner's Name: Evenhaim Industries Corporation

Signature: Kathryn Rudnick, COO  
Kathryn Rudnick, COO (Jul 11, 2013)

Date: Jul 11, 2013

Co-Owner's Name (if any):

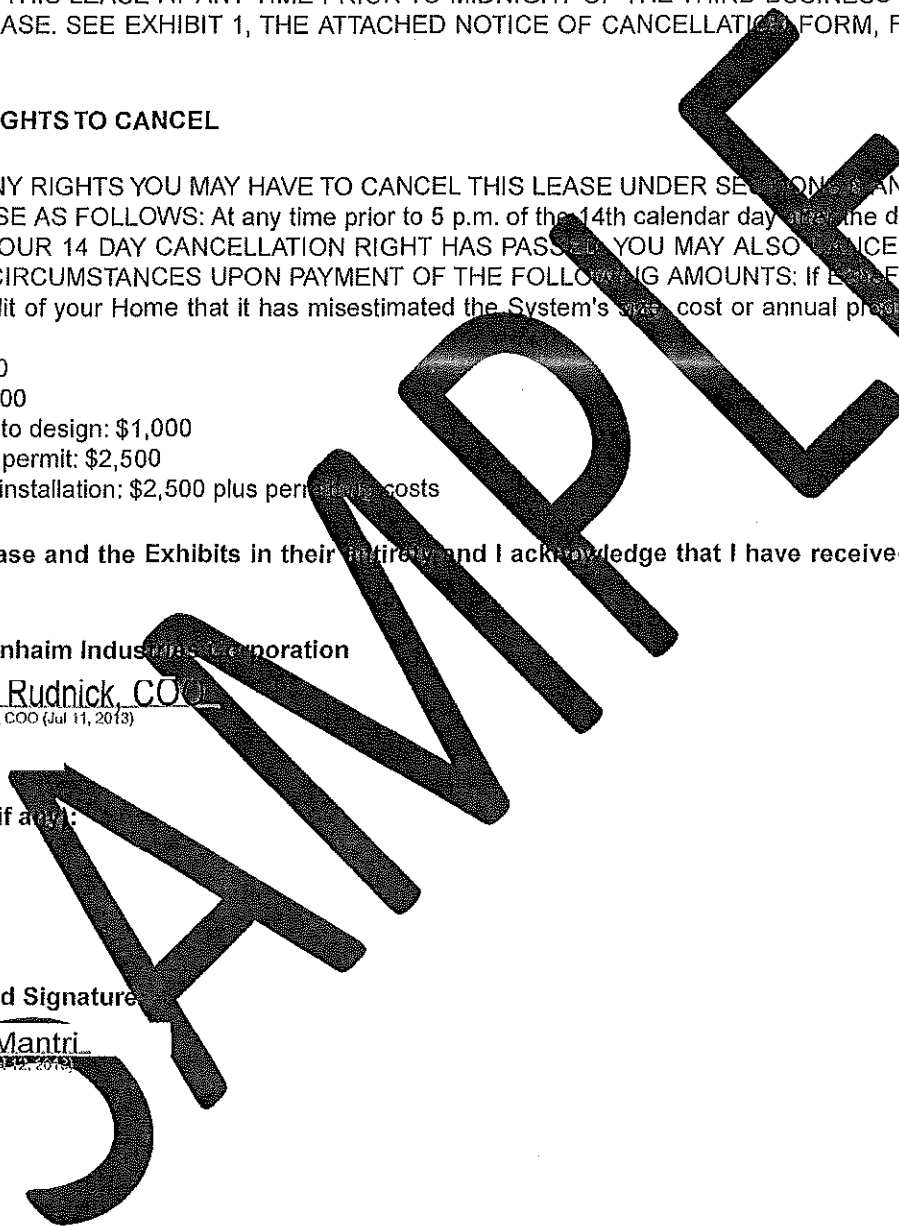
Signature:

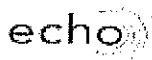
Date:

EchoFirst Authorized Signature

Signature: Monika Mantri  
Monika Mantri (Jul 12, 2013)

Date: Jul 12, 2013





# Echo CompleteLease

34760 Campus Drive, Fremont, CA 94555 Echo CompleteLease

T 800-970-ECHO F (510) 505-9230 ECHOFIRST.COM

**NOTICE OF CANCELLATION  
STATUTORILY-REQUIRED LANGUAGE  
Notice of Cancellation**

Date of Transaction: The date you signed the Lease.

You may cancel this transaction, without any penalty or obligation, within three business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller (EchoFirst Finance Company, LLC.) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller (EchoFirst Finance Company, LLC.) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller (EchoFirst Finance Company, LLC.) regarding the return shipment of the goods at the seller's (EchoFirst Finance Company, LLC's) expense and risk. If you do make the goods available to the seller (EchoFirst Finance Company, LLC.) and the seller (EchoFirst Finance Company, LLC.) does not pick them up within 20 days of the date of your notice of cancellation, you may return or dispose of the goods without any further obligation. If you fail to make the goods available to the seller (EchoFirst Finance Company, LLC.), or if you agree to return the goods to the seller (EchoFirst Finance Company, LLC.) and fail to do so, then you remain liable for performance of all obligations under the contract.

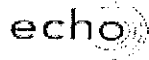
To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram to EchoFirst Finance Company, LLC, 34760 Campus Drive, Fremont, CA 94555 not later than midnight of the date that is 3 business days from the date you signed the Lease.

I, \_\_\_\_\_ [Name], hereby cancel this transaction on \_\_\_\_\_ [Date].

Lessee's Signature:

Co-Lessee's Signature:

**SAMPLE**



# Echo Complete Lease

34760 Campus Drive, Fremont, CA 94555

T 800-970-ECHO F (510) 505-9230 ECHOFIRST.COM

## NOTICE OF CANCELLATION STATUTORILY-REQUIRED LANGUAGE Notice of Cancellation

Date of Transaction: The date you signed the Lease.

You may cancel this transaction, without any penalty or obligation, within three business days from the above date. If you cancel, any property traded in, any payments made by you under the contract or sale and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller (EchoFirst Finance Company, LLC.) of your cancellation notice, and any security interest arising out of the transaction will be canceled. If you cancel, you must make available to the seller (EchoFirst Finance Company, LLC.) at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller (EchoFirst Finance Company, LLC.) regarding the return shipment of the goods to the seller's (EchoFirst Finance Company, LLC's) expense and risk. If you do make the goods available to the seller (EchoFirst Finance Company, LLC.) and the seller (EchoFirst Finance Company, LLC.) does not pick them up within 30 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation, or you may make the goods available to the seller (EchoFirst Finance Company, LLC.), or if you agree to return the goods to the seller (EchoFirst Finance Company, LLC.) and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice or any other written notice, or send a telegram to EchoFirst Finance Company, LLC, 34760 Campus Drive, Fremont, CA, 94555 not later than midnight of the date that is 3 business days from the date you signed the Lease.

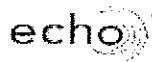
I, \_\_\_\_\_ [Name], hereby cancel this transaction on \_\_\_\_\_ [Date].

Lessee's Signature:

Co-Lessee's Signature:

**SAMPLE**





# Echo Complete Lease

34760 Campus Drive, Fremont, CA 94555

T 800-970-ECHO F (510) 505-9230 ECHOFIRST.COM

## PERFORMANCE GUARANTY AND LIMITED WARRANTY

### 1. INTRODUCTION

This Performance Guaranty and Limited Warranty (this "Limited Warranty") is EchoFirst's agreement to provide you warranties on the System you leased. The System will be professionally installed by Installer at the address you listed in the Lease. We will refer to the installation location as your "Property" or your "Home". This Limited Warranty begins when Installer begins installing the System at your Home. We look forward to helping you produce clean, renewable solar power at your Home.

### 2. LIMITED WARRANTIES

#### (a) Limited Warranties

EchoFirst warrants the System as follows:

##### (i) System Warranty

During the entire Lease Term, under normal use and service conditions, the System will be free from defects in workmanship or defects in, or a breakdown of, materials or components parts, other than any defects that are purely cosmetic in nature and do not affect safety or performance, such as discoloration of the panels (the "System Warranty").

##### (ii) Roof Warranty

When Installer penetrates your roof during a System installation we will require Installer to warrant against roof damage it causes due to its roof penetrations. This roof warranty will run for longer of (A) one (1) year following the completion of the System installation; and (B) two (2) years following the completion of the System installation in the state of Arizona; and (C) the length of any existing installation warranty or new home builder performance standard for your roof (the "Roof Warranty Period"); and

##### (iii) Repair Promise

During the entire Lease Term, EchoFirst will honor the System Warranty and will repair or replace any defective part, material or component or correct any defective workmanship, at no cost or expense to you (including all labor costs), when you submit a valid claim to us under this Limited Warranty (the "Repair Promise"). If we damage your Home, your belongings or your Property we will hire at our expense a licensed contractor to repair the damage we cause or pay you for the damage we cause as described in Section 6. EchoFirst may use new or reconditioned parts when making repairs or replacements. EchoFirst may also, at an additional cost to you, upgrade or add to any part of the System to ensure that it performs according to the guarantee set forth in this Limited Warranty. Cosmetic repairs that do not involve safety or performance shall be made at EchoFirst's discretion.

#### (b) Warranty Length

(i) The warranties in Sections 2(a)(i) and (a)(iii) above will start when Installer begins installing the System at your Home and continue through the entire Lease Term (or, if the Lease Term is terminated early due to your purchase of the System, a period of ten (10) years from the date Installer begins installing the System at your Home). Thus, for as long as you lease the System from EchoFirst, you will have a System Warranty and our Repair Promise.

(ii) The Roof Warranty Period may be shorter than the System Warranty, as described in Section 2(a)(ii) above.

(iii) If you have assumed an existing Lease, then this Limited Warranty will cover you for the remaining balance of the existing Lease Term.

#### (c) Performance Warranties and Guaranty

##### (i) Energy Production Guarantee

"Guaranteed Annual kWh" means the sum of the AC electricity and the thermal energy expected to be produced by your System in kWh measured and recorded by EchoFirst during each Production Year. EchoFirst guarantees that during the Lease Term the System will generate the guaranteed annual kilowatt-hours (kWh) in the table set forth below as follows:

Performance Guarantee

Actual Performance

| Production Year | Performance Guarantee     |                           | Actual Performance        |                           |
|-----------------|---------------------------|---------------------------|---------------------------|---------------------------|
|                 | AC Electric Energy<br>kWh | Thermal Equivalent<br>kWh | AC Electric Energy<br>kWh | Thermal Equivalent<br>kWh |
| -               |                           |                           |                           | N/A                       |
| 1               | 3,939                     | 2,293                     | N/A                       | N/A                       |
| 2               | 3,920                     | 2,282                     | N/A                       | N/A                       |
| 3               | 3,900                     | 2,270                     |                           |                           |
| 4               | 3,881                     | 2,259                     |                           |                           |
| 5               | 3,861                     | 2,248                     |                           |                           |
| 6               | 3,842                     | 2,236                     |                           |                           |
| 7               | 3,823                     | 2,225                     |                           |                           |
| 8               | 3,804                     | 2,214                     |                           |                           |
| 9               | 3,785                     | 2,203                     |                           |                           |
| 10              | 3,766                     | 2,192                     |                           |                           |
| 11              | 3,747                     | 2,181                     |                           |                           |
| 12              | 3,728                     | 2,170                     |                           |                           |
| 13              | 3,709                     | 2,159                     |                           |                           |
| 14              | 3,691                     | 2,148                     |                           |                           |
| 15              | 3,672                     | 2,138                     |                           |                           |
| 16              | 3,654                     | 2,127                     |                           |                           |
| 17              | 3,636                     | 2,116                     |                           |                           |
| 18              | 3,618                     | 2,105                     |                           |                           |
| 19              | 3,600                     | 2,095                     |                           |                           |
| 20              | 3,582                     | 2,085                     |                           |                           |

A. Beginning in the third production year, if at the end of each successive twelve (12) month anniversary of your first Monthly Payment the cumulative Actual Annual kWh (defined below) generated by the System is less than the Guaranteed Annual kWh, then we will send you a refund check equal to the difference between the cumulative Actual Annual kWh and the Guaranteed Annual kWh multiplied by the Guaranteed Energy Price per kWh (defined below). We will make that payment within thirty (30) days of the end of the calendar year. For example, if the first twelve (12) month period commences on October 1, 2012 and ends on September 30, 2013 and the energy the System generated (i.e. the Actual Annual kWh) is less than the energy the System was guaranteed to generate during such twelve (12) month period, we will pay you the difference in the Actual Annual kWh and the Guaranteed Annual kWh multiplied by the Guaranteed Energy price per kWh within thirty (30) days after December 31, 2013. See the table below for a real world example.

| Example Guaranteed Annual kWh | Example Actual Annual kWh | Example Guaranteed \$/kWh Energy Price | Example Payment to You |
|-------------------------------|---------------------------|--|------------------------|
| 10,000                        | 9,500                     | \$0.10                                 | \$50.00                |

B. If at the end of any successive twelve (12) month anniversary of your first Monthly Payment the Actual Annual kWh is greater than the Guaranteed Annual kWh during any twelve (12) month period, this surplus will be carried over and will be used to offset any deficits that may occur in the future. If your System produces more energy than the Guaranteed Annual kWh then this additional energy is yours at no additional cost.

“Actual Annual kWh” means the sum of the AC electricity and thermal energy produced by your System in kilowatt-hours measured and recorded by EchoFirst during each successive twelve (12) month anniversary of your first monthly payment. To measure the Actual Annual kWh we will use the EchoControl® Monitoring Service or to the extent such services are not available, we will estimate the Actual Annual kWh by reasonable means.

"Guaranteed Energy Price per kWh" means \$0.16 per kWh with an annual increase of 1.5%.

**(ii) EchoControl®**

During the Lease Term, we will provide you at no additional cost our EchoControl Monitoring Service ("EchoControl"). EchoControl is a proprietary monitoring system designed and installed by EchoFirst that captures and displays historical energy generation data over an Internet connection and consists of hardware located on site and software hosted by EchoFirst. If your System is not operating within normal ranges, EchoControl will alert us and we will remedy any material issues promptly.

**(d) Maintenance and Operation**

**(i) General**

When the System is installed EchoFirst will provide you with a copy of its Solar Operation and Maintenance Guide. This Guide provides you with System operation and maintenance instructions, answers to frequently asked questions, troubleshooting tips and service information.

**(ii) EchoControl**

The EchoControl service requires a high speed Internet line to operate. Therefore, during the Lease Term, you agree to maintain the communication link between EchoControl and the System and between EchoControl and the Internet. You agree to maintain and make available, at your cost, a functioning internet connection with one available wired Ethernet port and standard AC power outlet within eighty (80) feet of the EchoControl unit. This communication link must be a 10/100 Mbps Ethernet connection that supports common Internet protocols (TCP/IP and DHCP). If you do not have and maintain a working high speed Internet line then (A) we will not be able to monitor the System, and (B) you will be required to provide EchoFirst with annual production information from your inverter.

**(e) Making a Claim; Transferring this Warranty**

**(i) Claims Process**

You can make a claim by:

- A. emailing us at the email address in Section 7 below; or
- B. writing us a letter and sending it overnight mail with a well known service.

**(ii) Transferable Limited Warranty**

EchoFirst will accept and honor any valid and properly submitted Warranty claim made during any Lease Term by any person to whom you properly transfer the Lease, provided, that the System remains installed in its original location on your Property. In addition, if you purchase the System in accordance with the Lease, EchoFirst will accept and honor any valid and properly submitted Warranty claim made during the ten (10) year Warranty period (described in Section 2(b)(i)) by any person to whom you properly transfer the System, provided, that the System remains installed in its original location on your Property.

**(f) Exclusions and Disclaimers**

The limited warranties and guarantee provided in this Limited Warranty do not apply to any lost power or thermal energy production or any repair, replacement or correction:

- (i) if someone other than EchoFirst or its approved service providers installed, removed, re-installed or repaired the System;
- (ii) resulting from or required due to destruction or damage to the System or its ability to safely produce power not caused by EchoFirst or its approved service providers while servicing the System (e.g. if a tree falls on the System we will replace the System per the Lease, but we will not repay you for power it did not produce);
- (iii) if you fail to perform, or you breach, your obligations under the Lease (e.g. you modify or alter the System);
- (iv) if you breach this Limited Warranty, including your being unavailable to provide access or assistance to us in diagnosing or repairing a problem, or your failing to maintain the System as stated in the Solar Operation and Maintenance Guide;
- (v) Resulting from or required due to any Force Majeure Event (as defined below);
- (vi) Resulting from or required due to shading from foliage that is new growth or is not kept trimmed to its appearance on the date the System was installed;

- (vii) Resulting from or required due to any system failure or lost production not caused by a System defect (e.g. the System is not producing power because it has been removed to make roof repairs or you have required us to locate the inverter in a non-shaded area);
- (viii) resulting from or required due to theft of the System (e.g. if the System or any part thereof is stolen we will replace the System per the Lease, but we will not repay you for the power it did not produce); or
- (ix) any reduction or interruption of System operations (such as turning off all or part of the System) caused by you or anyone who is on your Property with your knowledge or permission.

This Limited Warranty gives you specific rights, and you may also have other rights which vary from state to state. This Limited Warranty does not warrant any specific electrical performance of the System, other than that described above.

THE LIMITED WARRANTIES DESCRIBED IN SECTIONS 2(a) and (c) ABOVE ARE THE ONLY EXPRESS WARRANTIES MADE BY ECHOFIRST WITH RESPECT TO THE SYSTEM. ECHOFIRST HEREBY DISCLAIMS, AND ANY BENEFICIARY OF THIS LIMITED WARRANTY HEREBY WAIVES, ANY WARRANTY WITH RESPECT TO ANY COST SAVINGS FROM USING THE SYSTEM. SOME STATES DO NOT ALLOW SUCH LIMITATIONS, SO THE ABOVE LIMITATIONS MAY NOT APPLY TO YOU.

### 3. ECHOFIRST'S STANDARDS

For the purpose of this Limited Warranty the standards for our performance will be (i) the professional standards of performance within the solar photovoltaic power generation industry in the relevant market; and (ii) Prudent Electrical Practices. "Prudent Electrical Practices" means those practices, as changed from time to time, that are engaged in or approved by a significant portion of the solar power electrical generation industry operating in the United States to operate electric equipment lawfully and with reasonable safety, dependability, efficiency and economy.

### 4. SYSTEM REPAIR, RELOCATION OR REMOVAL

(a) You agree that if (i) the System needs any repairs that are the responsibility of EchoFirst under this Limited Warranty or (ii) the System needs to be removed and reinstalled to facilitate remodeling of your Home, we will have Installer, or another similarly qualified service provider reasonably accessible to EchoFirst at your expense, perform such repairs, removal and reinstallation, or relocation on a time and materials basis, provided that the System may not be removed earlier than the sixth anniversary of the beginning of the Lease Term.

(b) At the end of the Lease EchoFirst will require a licensed contractor to remove the System. The contractor will remove the posts, waterproof the post area and return the roof as close as is reasonably possible to its original condition before the System was installed (e.g. ordinary wear and tear and color variance due to manufacturing changes are excepted). EchoFirst will require the contractor to warrant the waterproofing for one (1) year after it removes the System. You agree to reasonably cooperate with EchoFirst and the contractor in removing the System including providing necessary space, access and storage, and we will require the contractor to reasonably cooperate with you to schedule removal in a time and manner that minimizes inconvenience to you.

### 5. FORCE MAJEURE

If EchoFirst is unable to perform all or some of its obligations under this Limited Warranty because of a Force Majeure Event, EchoFirst will be excused from whatever performance is affected by the Force Majeure Event, provided that:

- (a) EchoFirst, as soon as is reasonably practical, gives you notice describing the Force Majeure Event; and
- (b) EchoFirst's suspension of its obligations is of no greater scope and of no longer duration than is required by the Force Majeure Event (i.e. when a Force Majeure Event is over, we will make repairs).

"Force Majeure Event" means any event, condition or circumstance beyond the control of and not caused by EchoFirst's fault or negligence. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of power due to: an act of god; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; the binding order of any governmental authority (provided that such order has been resisted in good faith by all reasonable legal means); the failure to act on the part of any governmental authority (provided that such action has been timely requested and diligently pursued); unavailability of power from the utility grid, equipment, supplies or products (but not to the extent that any such unavailability of any of the foregoing results from EchoFirst's failure to have exercised reasonable diligence); power or voltage surge caused by someone other than EchoFirst including a grid supply voltage outside of the standard range specified by your utility; and failure of equipment not utilized by EchoFirst or under its control.

## 6. LIMITATIONS ON LIABILITY

### a) No Consequential Damages

YOU MAY ONLY RECOVER DIRECT DAMAGES INCLUDING THOSE AMOUNTS DUE PURSUANT TO SECTIONS 2(c) AND 6(C) UNDER THIS LIMITED WARRANTY, AND IN NO EVENT SHALL ECHOFIRST OR ITS AGENTS OR SUBCONTRACTORS BE LIABLE TO YOU OR YOUR ASSIGNS FOR SPECIAL, INDIRECT, PUNITIVE, EXEMPLARY, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY NATURE. SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

### (b) Limitation of Duration of Implied Warranties

ANY IMPLIED WARRANTIES, INCLUDING THE IMPLIED WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND MERCHANTABILITY ARISING UNDER STATE LAW, SHALL IN NO EVENT EXTEND PAST THE EXPIRATION OF ANY WARRANTY PERIOD IN THIS LIMITED WARRANTY. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

### (c) Limit of Liability

Notwithstanding any other provision of this Limited Warranty to the contrary, EchoFirst's total liability arising out of relating to this Limited Warranty shall in no event:

- (i) For System Replacement: exceed the greater of (a) the sum of the Monthly Payments over the Lease Term and (b) the original cost of the System; and
- (ii) For damages to your Home, Belongings and Property: exceed two million dollars (\$2,000,000).

## 7. NOTICES

All notices under this Limited Warranty shall be made in the same manner as set forth in the Lease to the addresses listed below:

### TO ECHOFIRST:

EchoFirst Financial Company, LLC  
34760 Campus Drive  
Fremont, CA 94555  
Attention: Warranty Claims  
Phone: 800-970-4440 (3476)  
Fax: 408-505-9230  
Email: [customer.service@echofirst.com](mailto:customer.service@echofirst.com)

### TO YOU:

At the billing address in the Lease or any subsequent billing address you give us.

## 8. ASSIGNMENT AND TRANSFER OF THIS LIMITED WARRANTY

EchoFirst may assign its rights or obligations under this Limited Warranty to a third party without your consent, provided that any assignment of EchoFirst's obligations under this Limited Warranty shall be to a party professionally and financially qualified to perform such obligation. This Limited Warranty protects only the person who leases the System. Your rights and obligations under this Limited Warranty will be automatically transferred to any person who purchases the System from you or to whom you properly transfer the Lease. This Limited Warranty contains the parties entire agreement regarding the limited warranty of the System.

I have read this Lease, Finance Guaranty and Limited Warranty in its entirety and I acknowledge that I have received a complete copy of this Limited Warranty.

Owner's Name: Evenhaim Industries Corporation

Signature: Kathryn Rudnick, COO  
Kathryn Rudnick, COO (Jul 11, 2013)

Date: Jul 11, 2013

Co-Owner's Name (if any):

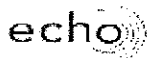
Signature:

Date:

Authorized EchoFirst signature:

Signature: Monika Mantri  
Monika Mantri (Jul 12, 2013)

Date: Jul 12, 2013



# Echo Complete Lease

34760 Campus Drive, Fremont, CA 94555

T 800-970-ECHO F (510) 505-9230 ECHOFIRST.COM

## STATE SPECIFIC EXCEPTIONS, TERMS AND CONDITIONS CALIFORNIA

### JAMS:

If the Property is located in California, you agree that JAMS shall be appointed as a general referee pursuant to Section 638 of the California Code of Civil Procedure, to hear and determine all of the issues in an action or proceeding between us, whether of fact or of law, and to report a statement of decision.

### Notice of Independent Solar Energy Producer Contract:

If the System is located in California, we are required by applicable law to record a Notice of an Independent Solar Energy Producer Contract against the title to your Home with the county recorder where your Home is located. The Notice of an Independent Solar Energy Producer Contract does not constitute a title defect, lien, or encumbrance against your Home.

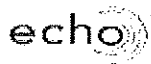
### LADWP:

If the System is installed on your Home within the service area of the Los Angeles Department of Water and Power ("LADWP") and EchoFirst elects that the System participate in LADWP's Solar Photovoltaic Incentive Program, the following language shall be inserted at the end of Section 9 of the Lease:

YOU UNDERSTAND AND AGREE THAT ANY AND ALL RENEWABLE ENERGY CREDITS, GREEN TAGS, CARBON OFFSET CREDITS OR ANY OTHER NON-POWER ATTRIBUTES OF THE SYSTEM ARE THE PROPERTY OF AND FOR THE BENEFIT OF LADWP, USABLE AT ITS SOLE DISCRETION. LADWP SHALL HAVE THE EXCLUSIVE RIGHT TO ENJOY AND USE ALL SUCH BENEFITS, WHETHER SUCH BENEFITS EXIST NOW OR IN THE FUTURE.

YOU AND ECHOFIRST UNDERSTAND THAT, IN THE EVENT THE SYSTEM IS NOT OPERATIONAL AND IN PLACE FOR THE ENTIRE PERIOD FOR WHICH LADWP HAS PAID AN INCENTIVE (SUBJECT TO REASONABLE MAINTENANCE AND OPERATIONAL OUTAGES AS DESCRIBED IN THE LEASE AND THE LIMITED WARRANTY), THE RECIPIENT OF THE INCENTIVE SHALL BE REQUIRED TO REIMBURSE LADWP (ON A PRO RATA BASIS) FOR THE PORTION OF THE INCENTIVE RECEIVED DURING WHICH TIME THE SYSTEM WAS NOT OPERATIONAL.

SAMPLE



# Echo Complete Lease

34760 Campus Drive, Fremont, CA 94555

T 800-970-ECHO F (510) 505-9230 ECHOFIRST.COM

## INSTALLATION AGREEMENT

You are entitled to a completely filled in copy of this agreement, signed by both you and the Installer, before any work may be started.

### 1. INTRODUCTION

This Installation Agreement ("Agreement") is the agreement between you and [Installer.Name] ("Installer"), covering the installation of the System described in the Lease to which this Agreement is attached ("Installation"). All capitalized terms used but not defined in this Agreement shall have the definitions given to them in the Lease. The provisions in Sections 17, 18, 19 and 20 of the Lease shall apply to this Agreement as they apply to the Lease. This is a legally binding agreement, so please read everything carefully. If you do not meet your contract obligations under this Agreement, you may lose your rights to the System.

### 2. CONTRACT PRICE

You are not responsible for the direct costs of the Installation under this Agreement. All such Installation costs will be paid for by EchoFirst under an agreement between EchoFirst and Installer.

### 3. YOUR OBLIGATIONS

You grant to Installer and its employees, agents and subcontractors the right to reasonably access all of the Property as necessary for the purposes of (A) installing, constructing, operating, repairing, removing and replacing the System or making any additions to the System or installing complementary technologies on or about the location of the System; (B) installing and maintaining electric lines, interconnects and meters, necessary to interconnect the System to your electric system at the Property and/or to the utility's electric distribution system; or (C) taking any other action reasonably necessary in connection with the construction, installation, operation, maintenance, removal or repair of the System. Installer shall provide you with reasonable notice of its need to access the Property whenever commercially reasonable.

### 4. INSTALLER'S OBLIGATIONS

Installer will furnish all labor, materials, equipment, supervision, and contract administration to complete the Installation in a good and workmanlike manner, to deliver the System described in Section 3 of the Lease.

### 5. INSTALLATION TIME FRAME

Approximate Installation Start Date (This is the approximate date Installer plans to begin the installation of the System on the Property.): 8/16/2013

Approximate Installation Completion Date (This is the approximate date Installer plans to complete the installation of the System on the Property. Final permits may not be obtained until a later date.): 8/23/2013

### 6. WORKER'S COMPENSATION INSURANCE

Installer carries worker's compensation insurance for all employees.

## 7. INSTALLER INFORMATION

Installer's name, business address and license number are:

**Leonard Roofing, Inc,**  
Bruce Leonard  
Leonard Roofing, Inc.  
43280 Business Park Drive  
Suite 107  
Temecula CA 92589  
License No.: 840399

## 8. LIMITATION OF LIABILITY

(a) No Consequential Damages INSTALLER'S LIABILITY TO YOU UNDER THIS AGREEMENT SHALL BE LIMITED TO DIRECT, ACTUAL DAMAGES ONLY. YOU AGREE THAT IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR INDIRECT DAMAGES.

(b) Actual Damages

Except for claims under Section 5(j) of the Lease, neither party's liability to the other will exceed an amount equal to the maximum amount that could be payable by you under Section 15(g) of the Lease.

## 9. STATE SPECIFIC CONTRACTOR REGISTRIES CALIFORNIA

CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB. Only licensed contractors can file a complaint against a licensed contractor within the legal deadline (usually four years). CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of the injuries to the unlicensed contractor or the unlicensed contractor's employees.

For more information:

VISIT CSLB's website at

[www.cslb.ca.gov](http://www.cslb.ca.gov)

CALL CSLB at:

1-800-321-CSLB (2752)

WRITE CSLB at:

P.O. Box 26000, Sacramento, CA 95826

## ARIZONA

## INFORMATION ABOUT THE REGISTAR OF CONTRACTORS (ROC)

You have the right to file a written complaint with the ROC for an alleged violation of Ariz. Rev. Stat. Section 32-1154, subsection A. You may contact the ROC via (602) 942-1525 or toll free at 1-877-MY AZROC (1-877-692-9762), or via the ROC website at [www.azroc.gov](http://www.azroc.gov). Complaints must be made within the applicable time period as set forth in section 32-1155, subsection A (usually two (2) years from the completion of the installation).

The law requires that the contractor give you a notice explaining your right to cancel. Initial the check box if the contractor has given you a Notice of the Three Day Right to Cancel.



I have read this Installation Agreement in its entirety and I acknowledge that I have received a complete copy of this Installation Agreement.

Owner's Name: Evenhaim Industries Corporation

Signature: Kathryn Rudnick, COO  
Kathryn Rudnick, COO (Jul 11, 2013)

Date: Jul 11, 2013

Co-Owner's Name (if any):

Signature:

Date:

Installation Location:

18141 W. Topham St.  
Tarzana CA 91335

Acknowledged and agreed by Installer: Leonard Roofing, Inc

Signature: Bruce Leonard  
Bruce Leonard (Jul 12, 2013)

Date: Jul 12, 2013

SAMPLE



## Checklist for Homeowners

# Home Improvement

Pursuant to California Business & Professions Code §7159.3 (SB 2029), home improvement contractors must provide this

### Check Out Your Contractor

- Did you contact the Contractors State License Board (CSLB) to check the status of the contractor's license?  
*Contact the CSLB at 1-800-321-CSLB (2752) or visit our web site: [www.cslb.ca.gov](http://www.cslb.ca.gov).*
- Did you get at least 3 local references from the contractors you are considering?  
*Did you call them?*
- Building Permits? will the contractor get a permit before the work starts?

### Check Out the Contract

- Did you read and do you understand your contract?
- Does the 3-day right to cancel a contract apply to you?  
*Contact the CSLB if you don't know.*
- Does the contract include a detailed description of the work to be done, the material to be used, and the equipment to be installed?  
*This description should include brand names, model numbers, quantities and colors. Specific descriptions now will prevent disputes later.*
- Are you required to pay a down payment?  
*If you are, the down payment should never be more than 10% of the contract price or \$1,000, whichever is less.*
- Is there a schedule of payments?  
*If there is a schedule of payments, you should pay only as work is completed and not before. There are some exceptions contact the CSLB to find out what they are.*
- Did your contractor give you a 'Notice to Owner' a warning notice describing liens and ways to prevent them?  
*Even if you pay your contractor, a lien can be placed on your home by unpaid laborers, subcontractors, or material suppliers. A lien can result in you paying twice or, in some cases, losing your home in a foreclosure. Check the 'Notice to Owner' for ways to protect yourself.*
- Did you know changes or additions to your contract must all be in writing?  
*Putting changes in writing reduces the possibility of a later dispute.*



# Information About Commercial General Liability Insurance Home Improvement

Pursuant to California Business & Professions Code §7159.3 (SB 2029), home improvement contractors must provide this notice and disclose whether or not they carry commercial general liability insurance.

Did your contractor tell you whether he or she carries Commercial General Liability Insurance?

*Home improvement contractors are required by law to tell you whether or not they carry Commercial General Liability Insurance. This written statement must accompany the bid, if there is one, and the contract.*

What does this insurance cover?

*Commercial General Liability Insurance can protect against third-party bodily injury and accidental property damage. It is not intended to cover the work the contractor performs.*

Is this insurance required?

*No. But the Contractors State License Board strongly recommends that all contractors carry it. The Board cautions you to evaluate the risk to your family and property when you hire a contractor who is not insured. Ask yourself, if something went wrong, would this contractor be able to cover losses ordinarily covered by insurance?*

How can you make sure the contractor is insured?

*If he or she is insured, your contractor is required to provide you with the name and telephone number of the insurance company. Check with the insurance company to verify that the contractor's insurance coverage will cover your project.*

What about a contractor who is self-insured?

*A self-insured contractor has made a business decision to be personally responsible for losses that would ordinarily be covered by insurance. Before contracting with a self-insured contractor, ask yourself, if something went wrong, would this contractor be able to cover*

\_\_\_\_\_ does not carry Commercial General Liability Insurance.

(CONTRACTOR'S NAME)

\_\_\_\_\_ carries Commercial General Liability Insurance.

(CONTRACTOR'S NAME)

The insurance company is \_\_\_\_\_

(COMPANY NAME)

You may call the insurance company at to \_\_\_\_\_ verify coverage.

(TELEPHONE NUMBER)

For more information about Commercial General Liability Insurance, contact the Contractors State License Board at [www.cslb.ca.gov](http://www.cslb.ca.gov) or call 800-321-CSLB (2752).

## MECHANICS LIEN WARNING

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics' lien on your property. A mechanics' lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics' liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a '20-day Preliminary Notice.' This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

**BE CAREFUL.** The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices. You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

**PROTECT YOURSELF FROM LIENS.** You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

**PAY WITH JOINT CHECKS.** One way to protect yourself is to pay with a joint check. When your contractor calls you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.

For other ways to prevent liens, visit CSLB's website at [www.cslb.ca.gov](http://www.cslb.ca.gov) or call CSLB at 1-800-321-4528 (2752).

**Remember, if you do nothing, you risk having a lien placed on your home.** This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.

SAMPLE



# Echo Complete Lease

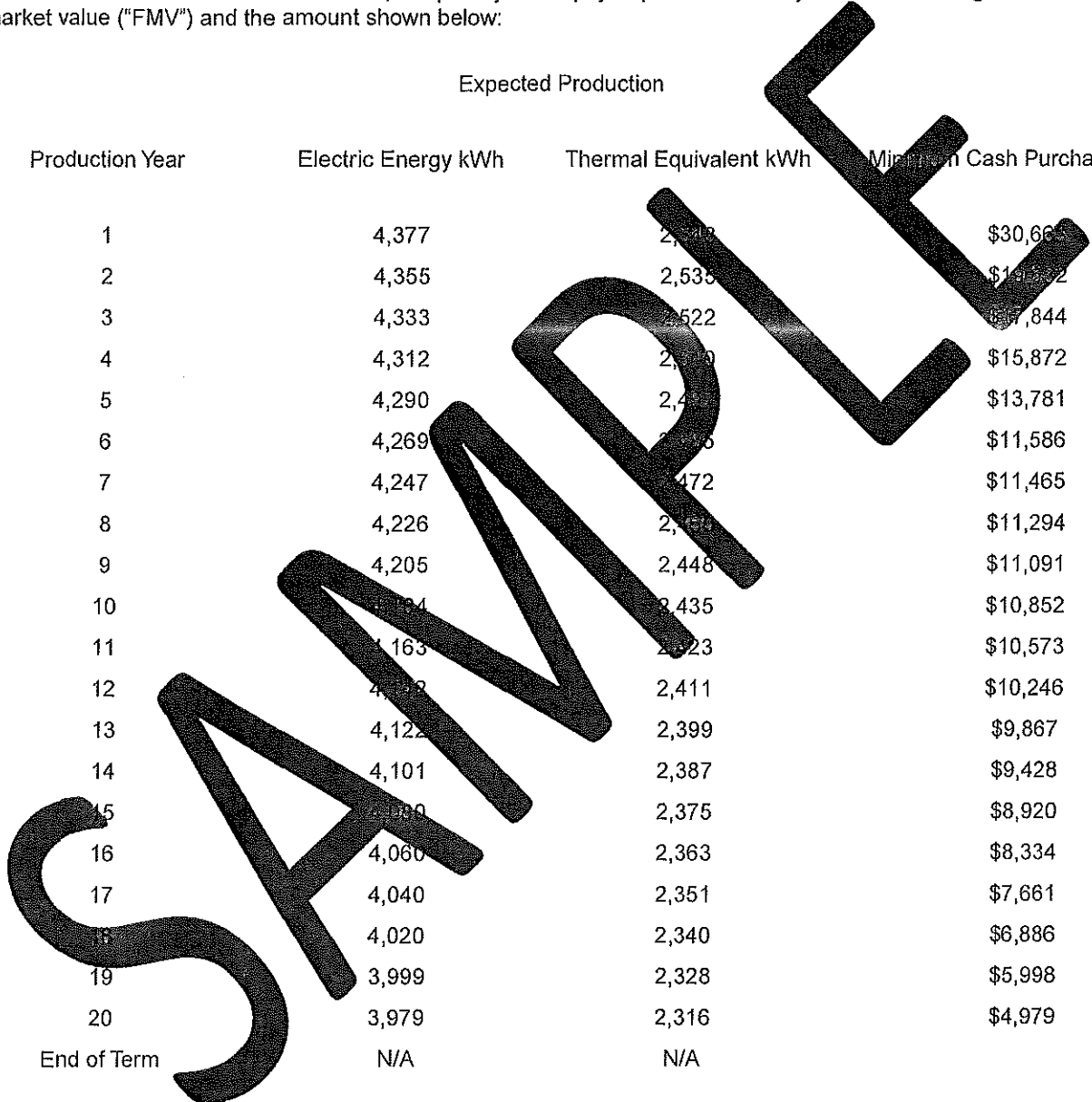
34760 Campus Drive, Fremont, CA 94555

T 800-970-ECHO F (510) 505-9230 ECHOFIRST.COM

## PURCHASE OPTION PURSUANT TO SECTION 10 OF THE LEASE

In accordance with Section 10 of the Lease, the price you will pay to purchase the System will be the greater of the System's fair market value ("FMV") and the amount shown below:

| Production Year | Expected Production |                        | Minimum Cash Purchase Prices |
|-----------------|---------------------|------------------------|------------------------------|
|                 | Electric Energy kWh | Thermal Equivalent kWh |                              |
| 1               | 4,377               | 2,413                  | \$30,665                     |
| 2               | 4,355               | 2,535                  | \$19,532                     |
| 3               | 4,333               | 2,522                  | \$17,844                     |
| 4               | 4,312               | 2,499                  | \$15,872                     |
| 5               | 4,290               | 2,455                  | \$13,781                     |
| 6               | 4,269               | 2,426                  | \$11,586                     |
| 7               | 4,247               | 2,472                  | \$11,465                     |
| 8               | 4,226               | 2,511                  | \$11,294                     |
| 9               | 4,205               | 2,448                  | \$11,091                     |
| 10              | 4,184               | 2,435                  | \$10,852                     |
| 11              | 4,163               | 2,423                  | \$10,573                     |
| 12              | 4,142               | 2,411                  | \$10,246                     |
| 13              | 4,122               | 2,399                  | \$9,867                      |
| 14              | 4,101               | 2,387                  | \$9,428                      |
| 15              | 4,080               | 2,375                  | \$8,920                      |
| 16              | 4,060               | 2,363                  | \$8,334                      |
| 17              | 4,040               | 2,351                  | \$7,661                      |
| 18              | 4,020               | 2,340                  | \$6,886                      |
| 19              | 3,999               | 2,328                  | \$5,998                      |
| 20              | 3,979               | 2,316                  | \$4,979                      |
| End of Term     | N/A                 | N/A                    |                              |



**CONSENT FOR MONTHLY AUTOMATIC ELECTRONIC DEBITS FROM YOUR CHECKING OR SAVINGS ACCOUNT**

This Consent for Monthly Automatic Electronic Debits from your Checking or Savings Account ("Consent") authorizes EchoFirst Finance Co, LLC ("EchoFirst") to automatically deduct each Monthly Payment amount directly from the bank account indicated below through an electronic transfer. All terms not otherwise defined herein shall have the meanings given to them in the EchoLease by and between the signatory below ("you"), EchoFirst Finance CompanyCo, LLC ("Lessor"), and the Homeowner or Co-signer (if applicable).

1. EchoFirst will provide you with a monthly electronic statement of your account no later than ten (10) calendar days prior to the schedule date of the electronic transfer. You agree to review each statement you receive for any errors. If you inform EchoFirst that an error exists on your statement, EchoFirst will attempt to correct that error prior to your next statement to the extent permitted by law.
2. Under federal law, you have the right to stop an electronic funds transfer if you give EchoFirst notice at least three (3) business days before the scheduled transfer date. If you wish to stop any of these electronic transfers: call us at 800-970-ECHO, or write us at 34760 Campus Drive, Fremont, CA 94555, in time for us to receive your request at least three (3) business days before the payment is scheduled to be made. If you call, we may also require you to put your request in writing and that we receive it no more than 14 days after your call. If you order us to stop one of these payments at least 3 business days before the transfer is scheduled, and we do not do so, we will be liable for your losses and damages.
3. If any changes occur in the information provided within this electronic transfer consent form, you must immediately notify EchoFirst in writing of such changes. If your Monthly Payment is returned unpaid, you authorize EchoFirst to make a one-time electronic fund transfer from your account to collect a fee of \$25.00. This fee is in addition to the Monthly Payment(s) you owe at any point during the Lease Term.
4. Either party may terminate your monthly electronic automatic debits by giving the other party written notice at least thirty (30) calendar days in advance of the date of termination or a scheduled payment date. If you are no longer making monthly electronic automatic debits, you will no longer be eligible for the Automatic Payment Discount of \$15.00 per month, as described in Section 5(e) of the Lease.
5. You will be responsible for all fees imposed by your financial institution associated with these monthly electronic debits.

Consented to by:

Signature of Homeowner: Kathryn Rudnick, COO  
Evenhaim Industries Corporation  
18141 W. Topham St.  
Tarzana CA 91357

Account number:  
Bank routing number: