

DECOMMISSIONING AGREEMENT

This DECOMMISSIONING AGREEMENT (this "Agreement") dated as of February 14, 2019 (the "Effective Date") is made by and among the **Town of Dryden**, a municipal corporation under the laws of the State of New York with offices at 93 East Main Street, Dryden, New York 13053 (the "Town") and **Dryden-Tompkins Solar II, LLC**, a limited liability company under the laws of the State of Delaware with principal offices at c/o Distributed Sun LLC 601 13th St. NW, Suite 450 South, Washington, DC 20005 (the "Owner"), and **Scott Pinney**, an individual residing at 22 Oakwood Drive, Lansing, NY 14882 (the "Landowner", and together with the Town, and Owner, the "Parties").

WHEREAS, Owner intends to permit, construct, operate and maintain solar energy facilities with an aggregate size of 10,000 kilowatts of alternating-current nameplate capacity that will generate electric power (the "Project") on a portion of property owned by the Landowner, more particularly identified hereto, and commonly known as 2150 Dryden Road (Tax Parcel ID Numbers 38.-1-3.11, 38.-1-3.12, 38.-1-3.13, 38.-1-3.14, 38.-1-3.15, collectively "the properties"), all parcels being located within the Town of Dryden, Tompkins County, New York; and

WHEREAS, the Town Board issued Special Use Permit Approvals (the "Permit") in respect of the Project through at a meeting on August 17, 2017 to SUN8 PDC, LLC, the previous owner (the "Previous Owner"), on condition that, among other things, the applicant submit a final decommissioning plan providing the Town with access to funds for the Decommissioning (as defined below) of the Project; and

WHEREAS, such Permit was then assigned by Previous Owner to its subsidiary, Owner (Dryden-Tompkins Solar II, LLC), through an Assignment Agreement effective as of February 23, 2018; and

WHEREAS, the Parties now desire to enter into this Agreement to set forth a Decommissioning Plan as required by the Permit and to agree upon terms and conditions of the financial surety provided to the Town for the purpose of Decommissioning the Project;

NOW, THEREFORE, in consideration of the promises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. At the start of construction of the Project (the "Start Date"), the Owner shall post a Decommissioning Bond (the "Bond") in the amount of \$350,000 for the benefit of the Town. At the end of each one-year period following the Start Date (the "Anniversary Date"), Owner shall renew the Bond according to the Decommissioning Bond Value Schedule in Exhibit A. Upon posting of the Bond, the Owner will provide a copy of the related Bond policy with contact information for the financial provider. Owner or its successor in title to this Project shall be responsible for renewing such Bond as long as the system remains in commercial operation, which is expected to be for a period of thirty-five (35) years.

The Parties agree that the Bond shall be used solely to pay for any Decommissioning costs of the Project. Owner shall have no further payment obligations in connection with Decommissioning during the operation of the Project provided that Owner complies with posting the Bond in accordance with this Agreement. Nonetheless, in the event the actual Decommissioning costs exceed the amount covered by the Bond, Owner or its successor in title to this Project shall be responsible for any such excess costs, provided such excess costs are not as a result of the Town using any amount covered by the Bond for any reason other than to pay for Decommissioning costs of the Project. In the event the Town uses any amount from the Bond for any reason other than to pay for Decommissioning costs related to the Project, the Town shall be responsible to pay for such amount used and shall indemnify and hold harmless the Owner and Landowner of the Project from any claim, loss, damage, liability or costs (including any reasonable attorney costs) arising from the Town's use of the funds.

2. Decommissioning as used in this Agreement shall mean the removal and disposal of all structures, equipment and accessories, including subsurface foundations and all other material, concrete, or debris, that were installed in connection with the Project and the reasonable restoration of the parcel of land on which the Project is built to either of the following, at the Landowner's option ("Decommissioning"): (i) the condition such lands were in prior to the development, construction and operation of the Project, including restoration, regrading, and reseeded, or (ii) the condition designed by a subsequent Owner or developer as agreed upon with the Landowner and the Town. Costs of Decommissioning under this agreement include labor, professional services and any other costs reasonably associated with such restoration.

3. The Parties agree that the Decommissioning process of the Project may commence (and the funds to pay for the cost of any such Decommissioning from the Bond may be called on) for the following reasons, each (a "Triggering Event"):

- (a) Owner provides written notice to the Town of its intent to retire or decommission the Project (the "Owner Decommissioning Notice")
- (b) Commercial operation of the Project has not started within eighteen (18) months of the completion of construction, or
- (c) The Project "ceases to be operational" (as defined below) in its entirety for more than twelve (12) consecutive months.

In event the Owner fails to initiate Decommissioning of the Project within one-hundred eighty (180) days after providing Owner Decommissioning Notice, as defined in Triggering Event (a), or Owner fails to provide a reasonable explanation for the delay in the construction or cessation of operation of the Project, then the Town may commence the Decommissioning of the Project through use of the Bond, provided that the Town issues a notice to Owner and Landowner (the "Town Decommissioning Notice") and allows the Owner thirty (30) days to respond to the Town Decommissioning Notice prior to the commencement of Decommissioning. For the purposes of this Agreement, "ceases to be operational" shall mean no generation of electricity, other than due to repairs to the Project or causes beyond the reasonable control of

Owner. Any one of the events outlined in this Section 3 shall be deemed a Triggering Event based upon which the Town shall have the right to demand Decommissioning.

4. Upon the occurrence of any of the Triggering Events in Section 3 above, the Town shall have the right, but not the obligation, to perform the Decommissioning itself if the Owner or its successors or assigns, or any other person under whose control the Project fails, refuses, or neglects to initiate the Decommissioning within one-hundred eighty (180) days of such occurrence. In such event, Owner (or its successors or assigns) and Landowner (or any of Landowner's heirs or assigns) agrees to give the Town right of reasonable access on Landowner's property to decommission the Project and shall defend, hold harmless and indemnify the Town for any and all claims, liability, loss or damage arising out of its exercise of its right to decommission this Project as provided for herein, except in cases of negligence by the Town or any of its contractors or agents. For clarity, nothing in this Section 4 or this Agreement shall infer any obligation or responsibility, financial or otherwise, to Landowner (or any of Landowner's assigns) for any costs of Decommissioning the Project.

5. Upon removal of the infrastructure and disposal of the components of the Project from the site on which the Project is built, and restoration of the properties to their pre-project state, or to the condition designed by a subsequent Owner or developer as agreed upon with the Landowner and the Town, then the Owner shall have no further obligation to the Town.

6. This Agreement may not be amended or modified except by written instrument signed and delivered by the Parties. This Agreement is binding upon and shall inure to the benefit of the Parties and their respective administrators, successors and assigns. In accordance with the provisions of section 109 of the New York General Municipal Law, Owner and Landowner are prohibited from assigning, transferring, conveying, subletting or otherwise disposing of this Agreement, or of any right, title or interest in this Agreement, or its power to execute this Agreement, to any other person or corporation without the previous consent in writing of the Town, which consent shall not be unreasonably withheld, conditioned or delayed.

7. Owner shall provide the Town with proof that it either carries sufficient Workers' Compensation insurance coverage for its employees in New York or that it is exempt from such requirement.

8. The Parties agree to execute and deliver any additional documents or take any further action as reasonably requested by another Party to effectuate the purpose of this Agreement.

9. The Parties agree that this Agreement shall be construed and enforced in accordance with and governed by the laws of New York.

10. This Agreement may be executed through separate signature pages or in any number of counterparts, and each of such counterparts shall, for all purposes, constitute one agreement binding on all parties.

11. Any and all notices required to be sent by the parties shall be addressed as follows:

By certified mail or mail courier service,

To the Town:

Town of Dryden
Attention: Dryden Town Clerk
93 East Main
Dryden, NY 13053
To Owner:

Dryden-Tompkins Solar II, LLC
c/o Distributed Sun, LLC
Attention: Legal Department
60 13th St. NW, Suite 450 South
Washington, DC 20005

To Landowner:

Scott Pinney
22 Oakwood Drive
Lansing, NY 14882

With a copy to:
Guttman & Reiter
411 N. Tioga St.
Ithaca, NY 14850

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, have duly executed this Agreement as of the date first written above.

TOWN:

Town of Dryden

By: _____

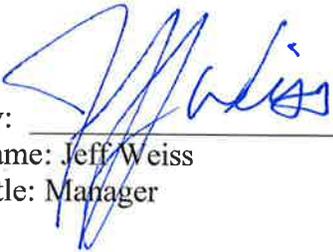
Name: Jason Leifer

Title: Town Supervisor

OWNER:

Dryden-Tompkins Solar II, LLC

By: SUN8 PDC LLC, its sole member

By:  _____

Name: Jeff Weiss

Title: Manager

LANDOWNER:

By: _____

Name: Scott Pinney

Title: An individual

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, have duly executed this Agreement as of the date first written above.

TOWN:

Town of Dryden

By: _____
Name: Jason Leifer
Title: Town Supervisor

OWNER:

Dryden-Tompkins Solar II, LLC
By: SUN8 PDC LLC, its sole member

By: _____
Name:
Title:

LANDOWNER:

By: 
Name: Scott Pinney
Title: An individual

1/22/19

Exhibit A
Decommissioning Bond Value

Decommissioning Bond Value	
Timeframe (Year)	Amount (\$)
1	\$350,000
2	\$350,000
3	\$350,000
4	\$350,000
5	\$350,000
6	\$350,000
7	\$350,000
8	\$400,000
9	\$400,000
10	\$400,000
11	\$400,000
12	\$400,000
13	\$450,000
14	\$450,000
15	\$450,000
16	\$450,000
17	\$450,000
18	\$500,000
19	\$500,000
20	\$500,000
21	\$500,000
22	\$550,000
23	\$550,000
24	\$550,000
25	\$550,000
26	\$600,000
27	\$600,000
28	\$600,000
29	\$650,000
30	\$650,000
31	\$650,000
32	\$650,000
33	\$700,000
34	\$700,000
35	\$700,000