

SPRUCE PPA MONTHLY

Product Specifications for California

As of March 1, 2017

Consumer Terms for IOU's

Terms	Escalator Options	Solar Rate Options (\$/kWh)							
		2.9%	\$0.109	\$0.119	\$0.129	\$0.139	\$0.149	\$0.159	\$0.169
		\$0.189	\$0.199	\$0.209	\$0.219	-	-	-	-
	0%	\$0.139	\$0.149	\$0.159	\$0.169	\$0.179	\$0.189	\$0.199	\$0.209
		\$0.219	\$0.229	-	-	-	-	-	-

Available Territories	<ul style="list-style-type: none"> SCE SDGE PGE
Sizing Rules	<ul style="list-style-type: none"> Year-1 estimated system production cannot exceed 100% of utility bill usage. <ul style="list-style-type: none"> » Enter accurate information for 1 or 12 bills during quoting and SpruceFlow will indicate if you have passed bill sizing rules.
Savings Rule	<ul style="list-style-type: none"> Monthly bill for year-1 cannot exceed 100% of historical utility bill cost.

Consumer Terms for Non-IOU's

Terms	Escalator Options	Solar Rate Options (\$/kWh)						
		2.9%	\$0.089	\$0.099	\$0.109	\$0.119	\$0.129	\$0.139
	0%	\$0.109	\$0.119	\$0.129	\$0.139	\$0.149	\$0.159	\$0.169

Available Territories	<ul style="list-style-type: none"> Riverside SMUD
Sizing Rules	<ul style="list-style-type: none"> Year-1 estimated system production cannot exceed 100% of utility bill usage. <ul style="list-style-type: none"> » Enter accurate information for 1 or 12 bills during quoting and SpruceFlow will indicate if you have passed bill sizing rules.
Savings Rule	<ul style="list-style-type: none"> Monthly bill for year-1 cannot exceed 100% of historical utility bill cost.

Design

Specifications	<ul style="list-style-type: none"> Min System Size: 2 kW DC Max System Size: 30 kW DC
Upfront Payment	\$0
Utility Bill	<p>Submit 1 bill (rule applies to modeled usage) or 12 bills (rule applies to actual usage).</p> <ul style="list-style-type: none"> » If you provide 1 bill, the billing period must be within the last 12 months. » If you provide 12 bills, the most recent billing period must be within the last 3 months.

Confidential. Not intended for consumer distribution.

www.sprucefinance.com

© 2016 Spruce Finance Inc. All rights reserved.

PM_SS_CA_030117



SPRUCE PPA MONTHLY

Product Specifications for California

As of March 1, 2017

Solar Power Agreement

Term Length	20 years
Home Sale	Should the consumer (i.e. homeowner) sell his/her home, s/he can buy the system outright or transfer the agreement to the new home buyer by transferring or prepaying the remaining payments. <ul style="list-style-type: none">» New homebuyers that pass credit can take on the PPA agreement obligation with no fees.» New homebuyers that fail credit can take on the PPA agreement obligation for a \$250 fee if they qualify for a mortgage to purchase the property.
Buy Out	Should the consumer want to buy the system, they may purchase the equipment for the greater of the Fair Market Value (FMV) or a Net Present Value (NPV) calculation of future estimated payments and tax benefits on the 5 year anniversary and every fifth anniversary thereafter. <ul style="list-style-type: none">» Consumer may also buy the system at any time in connection with a home sale, at the end of the term, or if the Solar Provider ever ceases its operations.
End of Term	The consumer can choose to renew for two 5-year periods, upgrade to a new system and sign a new agreement, buy the system at the greater of FMV or NPV, or have the system removed for free.

Billing

Monthly Billing	<ul style="list-style-type: none">▪ The consumer will pay a monthly fee for the solar power produced by the system.▪ Calculation: Monthly Bill = Monthly kWh production x power price for the given month<ul style="list-style-type: none">» Professional-grade performance meter will measure monthly production for billing.» Seasonality affecting production will cause monthly bills to fluctuate.
Monthly Payment Options Form	Upon receiving their first bill, consumers will have the option to enroll in Automatic Clearing House (ACH) and Paperless Billing. Homeowners who enroll will receive discounts on their monthly solar bill - \$5.00 for ACH and \$1.50 for Paperless Billing for a total of \$6.50 off per month.

Approved Equipment

Approved Modules*	Canadian Solar	Flex	Hanwha	Hyundai	JA Solar
	Jinko	Kyocera	LG	Mitsubishi	Panasonic
	REC	ReneSola	Samsung	Sharp	SolarWorld
	SunPower	Trina			
Approved Inverters*	ABB	Enphase	Fronius	SMA	SolarEdge

* Subject to change

Confidential. Not intended for consumer distribution.

www.sprucefinance.com

© 2016 Spruce Finance Inc. All rights reserved.

PM_SS_CA_030117



SPRUCE PPA MONTHLY

Product Specifications for California

As of March 1, 2017

Qualifications

Consumer Credit	To be eligible, the consumer must use the credit application within SpruceFlow and pass the credit criteria set. The credit criteria utilizes a combination of credit scores both public and proprietary in combination with requirements about mortgage delinquency, bankruptcy, debt delinquency and prior foreclosures.
Joint Applications	We encourage all consumers to fill out the credit application to increase their chances of qualifying for the product. Credit decisions are based on the best of the applicants that apply for credit. <ul style="list-style-type: none">» If using a co-applicant, the co-applicant must either 1) be on title, 2) live in the home, or 3) have a close relationship with the primary applicant.
Consumer Requirements	One of the signatories must pass the credit review and be on the title of the property.
Property Requirements	<p>The property where the solar system is installed must be:</p> <ul style="list-style-type: none">▪ A detached single-family home▪ Owner-occupied▪ A primary and/or secondary residence<ul style="list-style-type: none">» Ground-mounted systems are allowed» Ranches and agricultural properties are allowed with proof of residential meter» A condominium, townhouse, rowhouse, or duplex is allowed» If there is a pre-existing solar system installed on the residence, the homeowner must have paid for it in cash or have a prepaid solar agreement with Spruce (not a monthly PPA/Lease or Loan)» If property is located within 300 yards of a golf course, homeowner is liable for golf ball damage. <p>Ineligible property types include Rental Property; Manufactured home (i.e. Mobile home, Trailer home); Non-profit owned home; Cooperative housing unit (Co-op); Modular home (i.e. Pre-fabricated home) without a permanent foundation; and Commercial Property.</p>
Monitoring Requirements	Cellular monitoring is required.
Second System Eligibility Requirements	<ul style="list-style-type: none">▪ Each solar system must have its own revenue grade meter and separate monitoring.▪ The pre-existing system must be at least 12 months old.▪ Consumer must submit 12 months of utility bills.▪ The consumer must have either financed the pre-existing system with:<ul style="list-style-type: none">» Cash» Solar agreement with Spruce (PPA, Prepaid, Loan or PACE)» Loan or PACE through a third party (not PPA or Prepaid)

Confidential. Not intended for consumer distribution.

www.sprucefinance.com

© 2016 Spruce Finance Inc. All rights reserved.

PM_SS_CA_030117



SPRUCE PPA MONTHLY

Product Specifications for California

As of March 1, 2017

Process

Requirements	<p>The Agreement must be submitted for Consumer Acceptance (CAC) within 60 days of credit approval.</p> <ul style="list-style-type: none">» A copy of the Solar Installation Agreement and two copies of the Notice of Cancellation must be left with the consumer at the time of signing.
Welcome Call	<p>A Welcome Call is required to be completed to confirm the consumer understands the Agreement and terms. For more information, see the last page of the homeowner packet.</p>
Change Orders	<p>If system design changes, an Installer Change Order is required.</p> <ul style="list-style-type: none">» If production changes are outside of -10 / +10% from the estimated production between CAC and Installation Completion (IC), an Installer Change Order and an Estimated Production Acknowledgement signed by the consumer is required.» A Homeowner Change Order is required only if a payment term (escalator or \$/kWh rate), the consumer address, or the consumer name(s) is changed.
Estimated Production Disclosure	<p>Consumer receives an Estimated Production Disclosure (EPD) when CAC is issued along with the countersigned agreement.</p> <ul style="list-style-type: none">» An updated Estimated Production Acknowledgement is sent if production changes from CAC to IC outside of the -10 / +10% band, and will require consumer signature.

Legal Disclaimer

Use of the Product Guide

Spruce Finance Inc. and its affiliates ("Spruce," "we" or "us") have produced this guide as a courtesy, to summarize the key terms of the products described herein ("Products"). We have done our best to ensure all information in this guide is accurate and up-to-date, but inaccuracies or omissions may occasionally occur. This guide is not intended for a homeowner audience, and does not replace, supersede or even supplement the terms of the Product's power purchase agreement or solar power agreement ("Solar Agreement"). Any inconsistency between this guide and the terms of the Product's Solar Agreement will always be resolved in favor of the Solar Agreement. Your use of this guide is subject to the terms of your various agreements with us, such as the Standard Master Installation Contract, the Transaction Services Agreement, the Consolidated Subscription Agreement, and the Spruce Market® Marketing Guidelines as well as all applicable laws.

Questions?

If you detect an error or inconsistency, or have a question, please contact your Spruce Sales Account Executive.

Confidential. Not intended for consumer distribution.

www.sprucefinance.com

© 2016 Spruce Finance Inc. All rights reserved.

PM_SS_CA_030117

