

**PHOTOVOLTAIC ENERGY FACILITY
LEASE AGREEMENT for SONOMA WATER ADMINISTRATION BUILDING,
404 AVIATION**

THIS PHOTOVOLTAIC ENERGY FACILITY LEASE AGREEMENT (“**Lease**”) is made and entered into by and between **SONOMA COUNTY WATER AGENCY**, a body corporate and politic of the State of California, (“**Landlord**”), and **SCALE MICROGRID SOLUTIONS OPERATING, LLC**, (“**Tenant**”). Landlord and Tenant are sometimes referred to herein individually as a “**Party**” or collectively as the “**Parties**.” The Effective Date of the Lease Agreement is the date last signed by Parties. In the event of any conflict or inconsistency between the terms of this Lease and the MSA (as hereinafter defined), the terms of the MSA shall control and govern.

RECITALS

A. Landlord is the owner of certain real property in the County of Sonoma, State of California, commonly known as APNs 059-350-105 and 059-350-082, (the “**Premises**”);

B. Landlord and Tenant have entered into a Microgrid Services Agreement (“**MSA**”) concurrently herewith, whereby, among other things, Tenant will provide power, energy storage, resilient standby power, and other services through a photovoltaic generation facility, battery energy storage system (“**BESS**”), and other associated microgrid components, to be developed, financed, constructed, and owned by Tenant (the “**System**”) in accordance with and on the terms and conditions of the MSA (the System and such services provided thereunder referred to collectively as the “**Project**”); and

C. Landlord and Tenant desire to enter into a lease under which Landlord will lease Tenant a portion of the rooftop and ground areas of the Premises depicted in **Exhibit A** (“**Lease Site**”), on which Tenant will construct and operate the System for the delivery of electricity in accordance with the following terms, covenants, and conditions.

AGREEMENT

In consideration of the Recitals and of the mutual covenants, terms and conditions set forth below, the Parties agree as follows:

Section 1. Lease.

1.1 Landlord hereby demises and leases to Tenant and Tenant hereby takes, accepts, and leases from Landlord, the Lease Site for use by Tenant for the purpose of developing, constructing, owning, and operating the System within the bounds of the Lease Site (“**Permitted Use**”) depicted in **Exhibit A**, attached hereto and by the reference made a part of this Agreement.

Section 2. Term.

2.1 Unless otherwise terminated as set forth herein, the Term of this Lease shall commence and become effective upon execution and shall continue in effect for so long as the

MSA is in effect and thereafter to the extent reasonable necessary in connection with any right or obligation of Tenant under the MSA or this Lease.

2.2 Notwithstanding the foregoing, this Lease shall terminate upon the occurrence of any of the following events: (i) if either Party properly exercises its early termination rights under the related MSA; or (ii) upon thirty (30) days' written notice given by Tenant to Landlord upon the termination of the MSA in accordance with Section 1.3 of the MSA.

Section 3. Rent.

3.1 Tenant shall make to Landlord a one-time payment of \$10 as rent for the Term. Except as set forth in the foregoing sentence, Landlord hereby acknowledges and agrees that because Landlord expects to receive substantial benefit from Tenant's use of the Lease Site as provided in the MSA, no other rent or other payment will be charged to or due from Tenant pursuant to this Lease or otherwise for the lease or use of the Lease Site or the exercise of Tenant's rights under the lease.

Section 4. Use of Lease Site by Tenant.

4.1 Landlord agrees to permit Tenant, its employees, service providers, vendors, subcontractors and designees ("Tenant Parties") to perform and conduct all activities necessary to construct, maintain, operate, repair and replace the System on the Lease Site; to deliver electricity and other deliverables to third parties; to make any and all interconnections required for the System and the Lease Site; and otherwise to do any activities Tenant deems necessary or desirable for the successful construction and operation of the System ("Operations") under the terms set forth in this Lease.

Section 5. Exclusive Use.

5.1 Except as otherwise provided hereinin, Tenant shall have the sole and exclusive right to operate the System, or any similar operation, on the Lease Site. If Landlord acquires the System pursuant to the exercise of its purchase option under the MSA, Landlord may operate the System on the Lease Site, notwithstanding anything in this Section 5.1 to the contrary.

Section 6. Warranties of Title and Protective Covenants.

6.1 Interference. During the Term of this Lease, Landlord covenants and agrees that neither it nor Landlord's Agents (as defined below) will (i) materially interfere with or prohibit the free and complete use and enjoyment by Tenant of its rights granted by this Lease; (ii) take any action or permit any condition to exist on the Premises, including the Lease Site, which will materially interfere with the operation of the System; or (iii) take any action which will materially impair Tenant's access to the Premises or the Lease Site for the purposes specified in this Lease.

6.2 Quiet Enjoyment. As long as Tenant observes the terms and conditions of this Lease, Landlord warrants that Tenant shall peaceably hold and enjoy the Lease Site, and any and all other rights granted by this Lease for its entire Term without hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through or under Landlord except as expressly provided in this Lease.

6.3 Observance of Laws and Covenants. Tenant shall use the Lease Site granted by this Lease only for the purposes stated within the MSA and herein and shall conduct all of its Operations on the Lease Site and the Premises in a lawful manner after obtaining all necessary permits and government approvals pursuant to Section 10. Tenant will carry out and implement, at its own expense, any terms and conditions of approval imposed by any government regulatory agency, including the County of Sonoma and the Sonoma County Water Agency, relating to the construction or operation of the System. Tenant will carry out its responsibilities and exercise any rights which it possesses under this Lease in a manner which is consistent with all applicable laws, rules, ordinances, orders and regulations of governmental agencies at its own expenses. Landlord shall reasonably cooperate and participate, as needed, with the acquisition of the permits and governmental approvals.

6.4 Condition of Premises. Landlord shall deliver the Lease Site to Tenant in its existing as-is state of physical condition and state of repair, generally clean and free of debris; provided, however, that the Lease Site includes an existing solar system, which Tenant shall decommission as part of the Project. Tenant hereby acknowledges that, except as may be expressly set forth elsewhere in this Lease, neither the Landlord nor anyone acting for or on behalf of the Landlord, has made any representation, warranty or promise to Tenant concerning the physical aspects or condition of any portion or part of the Premises or the Lease Site or improvements, the feasibility, desirability or convertibility of the Premises or the Lease Site into any particular use or the presence or absence of any toxic waste or hazardous substances or material, and that by entering into this Lease Tenant has not relied on any representation, statement or warranty of the Landlord, or anyone acting for or on behalf of the Landlord, and that all matters concerning the Premises and the Lease Site shall be independently verified by Tenant, and that Tenant shall lease the Lease Site on Tenant's own examination thereof, AND THAT NOTWITHSTANDING ANY LATENT OR HIDDEN DEFECTS, TENANT IS LEASING THE LEASE SITE IN "AS IS" PHYSICAL CONDITION AND "AS IS" STATE OF REPAIR. Tenant does hereby waive, with respect to conditions existing as of the Effective Date of this Lease, whether known or unknown, and the Landlord does hereby disclaim all warranties of any type or kind of description, with respect to conditions existing as of the Effective Date of this Lease, including, without limitation, those of fitness for particular purpose, tenantability, habitability and use. Tenant hereby expressly assumes the risk that adverse physical conditions existing as of the date of this Lease and the full extent thereof, may not be revealed by Tenant's inspections, reviews and studies of the Premises and Lease Site. It is an expressly bargained-for agreement herein that Tenant shall be responsible, at Tenant's sole cost and expense, for causing the improvements constructed by Tenant on the Premises and the Lease Site to comply in all respects with all applicable federal, state or local laws, rules, ordinances, policies and guidelines, whether presently existing or enacted in the future. Notwithstanding the foregoing, Landlord is responsible for any pre-existing conditions at the Site that prevent or affect the installation or operation of the System, including without limitation, unpermitted work, soil conditions (including geotechnical and topographical features), hazardous materials, structural integrity of existing structures, existing roof conditions, and condition of existing electrical gear pursuant to Section 2.2 of the MSA.

6.5 Landlord hereby represents to Tenant that Landlord does not need the consent of any third parties (except for the consent of Landlord's lender as set forth in Section 11 of the Lease) to permit the operation or installation of the rooftop solar array system and any required

access to the rooftop or other areas of the Lease Site by Tenant, if necessary or required by Legal Requirements, as set forth herein.

Section 7. Taxes.

7.1 The property interest subject to this Lease may be subject to property taxation based on the possessory interest created by this Lease. For so long as the Premises is owned by a public entity whose real property is exempt from taxation, Tenant is fully responsible for and agrees to pay the tax assessed pursuant to the possessory interest created by this Lease. In addition, Tenant is fully responsible for and agrees to pay, all personal property taxes levied on or assessed against the System (including any personal property located on the Premises not included in the Lease Site, in each case to the full extent of installments falling due during the Term, (collectively “***Taxes***”). Tenant shall make all such payments directly to the assessing authority, at least ten (10) days before delinquency and before any fine, interest, or penalty shall become due or be imposed by operation of law for their nonpayment. If, however, the law expressly permits the payment of any, or all, of the above items, in installments (whether or not interest accrues on the unpaid balance), Tenant may, at Tenant’s election, utilize the permitted installment method, but shall pay each installment, with any interest, before delinquency. Notwithstanding the foregoing, nothing in this Section 7.1 shall preclude Tenant from seeking reimbursement for any such Taxes pursuant to a separate agreement between the Parties. To the extent applicable, Landlord shall pay all real estate taxes and all special assessments which may become due and payable or become a lien on the Premises, other than those payable by Tenant described above.

Section 8. Utilities, Maintenance and Expenses.

8.1 Operation; Compliance with Laws and Conditions of Use Permit.

(a) Throughout the Term, Tenant shall, at Tenant’s sole cost and expense, maintain the Lease Site and all improvements made by Tenant, including the System, in good condition and repair, and in accordance with (i) all applicable federal, State and local laws, rules, ordinances, orders, regulations and other requirements, including but not limited to all of the terms and conditions of any use permit or building permit issued by the County of Sonoma Permit and Resource Management Department (“PRMD”), and (ii) the requirements of all applicable insurance policies required under this Lease to be carried by Tenant. In accordance with the terms and conditions of the MSA, and unless and until ownership of the System is transferred to Landlord pursuant to the MSA, it is the intent of the Parties that Tenant shall be responsible for the repair and restoration of (i) the System, and any part thereof, in the event of any casualty, injury, damage, or destruction, excluding ordinary wear and tear; and (ii) to the Lease Site or any part thereof, excluding ordinary wear and tear, regardless of when it occurs during the Term, but only to the extent caused by the negligence or willful misconduct of Tenant or Tenant’s agents. Notwithstanding the foregoing, Tenant shall have no obligation to repair or restore the System or Lease Site unless and until the parties have sought recovery under their respective insurance policies. In addition, any casualty, injury, damage, or destruction to the Lease Site or the Premises or any part thereof, excluding ordinary wear and tear, caused by Tenant or Tenant’s employees, agents, contractors, licensees, directors, officers, partners,

trustees, visitors or invitees (collectively, "Tenant's Agents"), shall be promptly repaired by Tenant at Tenant's sole cost and expense, to the reasonable satisfaction of Landlord, except to the extent caused by the negligence or willful misconduct of Landlord, its officers, agents, employees, or representatives. Notwithstanding anything to the contrary herein, if Landlord, its agents, employees, contractors, or invitees interfere with Tenant's access to or use of the Lease Site or System, or otherwise cause any interruption to Tenant's operations, then Landlord shall be liable for all direct losses, costs, or damages actually incurred by Tenant arising from such interference, except to the extent caused by Tenant or Tenant's Agents. Any economic adjustments resulting from such interference shall be addressed in accordance with the terms of the MSA.

b) Except as otherwise expressly provided for within the MSA, it is the specific, bargained-for intent of the Parties hereto that Tenant shall be responsible for maintenance and repair of the System, except for any maintenance or repair work necessitated by the negligence or willful misconduct of Landlord, its agents, employees, or representatives, and that Landlord shall have no obligation or responsibility for such work, and that this provision has been specifically negotiated by the Parties and the rent payable by Tenant reflects this negotiation.

Tenant shall be solely responsible for the design and function of all improvements constructed on the Lease Site by Tenant.

8.2 Consent to Appurtenant Rights. Tenant shall have the right from time to time during the Term: (i) to add or remove the System or any part thereof; (ii) to access the Lease Site with guests for promotional purposes during customary business hours; and (iii) to perform all tasks necessary or appropriate, as reasonably determined by Tenant, to carry out the activities permitted in this Lease or to carry out Lessee's obligations under the MSA. During the course of construction and installation of the System, and during any period of maintenance and repair, Lessee and its contractors shall have the right to utilize electrical power generators and fuel on-site to operate the same. Tenant shall provide reasonable advance notice to Landlord of activities falling within subsections (i) and (ii) above. All activities of Tenant under this Section 8.2 shall be subject to all of the conditions and requirements set forth in this Lease, including, but not limited to, the terms set forth in Sections 10 through 15.

Section 9. Access and Use.

9.1 Rights Granted to Tenant. Subject to the MSA and any exhibits thereto, Landlord expressly grants Tenant, its designees and subcontractors the following rights with respect to the Lease Site and Premises:

- (a) To move construction vehicles, equipment and supplies, as Tenant may deem necessary or desirable, during the construction phase or for any required maintenance of the System, through the Premises and through licenses or easements approved in writing by Landlord (which approval shall not be unreasonable withheld, conditioned or delayed) through any surrounding or adjacent property owned or leased by Landlord to and from the Lease Site during both construction and following completion of construction;

- (b) To use certain areas of the Premises for laydown, construction staging, and operations and maintenance, as may be required during construction of the System and during operation from time to time at any time during the Term, through license or easements approved in writing by the Landlord, which approval shall not be unreasonably withheld, conditioned or delayed;
- (c) To construct and maintain electricity lines and all other utilities (above or below ground) through the Premises and any surrounding or adjacent property owned or leased by Landlord to and from the Lease Site required for the operation of the System at locations and through licenses or easements approved in writing by Landlord at any time during the Term, which approval shall not be unreasonably withheld, conditioned or delayed; and
- (d) To make alterations, additions, or improvements to the Lease Site (“*Tenant Alterations*”) as Tenant reasonably deems appropriate and necessary in connection with the Project and System, provided that such Tenant Alterations are limited to the Lease Site, do not materially impact any other part of the Landlord’s site or operations, any Tenant Alterations affecting any other part of Landlord’s site are subject to Landlord’s prior written approval (not to be unreasonable withheld, conditioned, or delayed), with Tenant performing all such alterations in a good and workmanlike manner with the required insurance, permits, and approvals.]
- (e) For ingress and egress during the Term over and across any existing paved (“Common Roadways”) from the Lease Site and across the Premises to any existing public right of way for motor vehicles, pedestrians, utility lines and related equipment.
- (f) Tenant and Tenant’s Agents shall be entitled to the non-exclusive use of the Common Areas during the Term solely to the extent such use is necessary for Tenant’s construction, removal, maintenance, and operation of the System, in common with Landlord and with other persons authorized by Landlord from time to time to use the Common Areas. “Common Areas” shall mean all common area parking areas (as may be expressly limited herein), pedestrian walkways, driveways and access roads, entrances and exits, and landscaped areas.

9.2 Landlord Maintenance and Repair and Approval Rights. Landlord shall be responsible for maintaining and repairing the Common Roadway and the roof of the building, including any structural components thereof, at its sole cost and expense, and in a good and workmanlike manner, so as to preserve the integrity of Tenant’s rooftop solar and battery energy storage system installations; provided, however, that Tenant shall reimburse Landlord for the costs of any damages to the Common Roadway or roof caused by Tenant above and beyond ordinary wear and tear. Once approved and executed in writing by Landlord, all aforementioned easements shall be binding and enforceable in accordance with their terms, and Landlord shall not thereafter unreasonably interfere with Tenant’s use or enjoyment thereof.

Section 10. Permits and Governmental Approvals.

10.1 Tenant shall be solely responsible for obtaining, at its sole cost and expense, from any governmental agency or any other person or entity any environmental impact review, permit,

entitlement, approval, authorization or other rights necessary or convenient in connection with the Lease Site or the construction, use, or operation of the System, and shall solely own such permits and approvals, unless forbidden by permitting authorities; and Landlord shall promptly upon request, execute, and, if appropriate, cause to be acknowledged and recorded, any map, application, document or instrument (including any variance, encroachment agreement or setback waiver approved by the County of Sonoma Permit and Resource Management Department) that is reasonably requested by Tenant in connection therewith. Such documents shall be in the form, if any, required by state or local government(s). Landlord shall reasonably cooperate with Tenant as necessary to obtain any governmental approvals, at no cost or expense to Landlord, provided that Tenant shall reimburse Landlord for its reasonable out-of-pocket evidenced expense directly incurred in connection with such cooperation. Nothing in this Section 10, however, shall impair or limit Landlord's discretion with respect to Landlord's own compliance with the California Environmental Quality Act.

Section 11. Construction of System.

11.1 Prior to submitting plans to the County's Permit and Resource Management Department for the construction of any of the System, Tenant shall deliver to Landlord one electronic set in pdf format of preliminary construction plans and specifications prepared by an architect or engineer licensed to practice as such in California. Such preliminary construction plans and specifications shall include, where necessary, without limitation, preliminary grading and drainage plans, soil tests, utilities, sewer service connections, locations of ingress and egress to and from public thoroughfares, driveways, parking areas, street lighting, designs and locations for outdoor signs, storage areas and landscaping, and shall be in sufficient detail to enable Landlord to make an informed judgment about the design and quality of construction. All improvements shall be constructed within Lease Site (subject to any setback requirements); provided that required work beyond the exterior property boundaries of the Lease Site on utilities, access, and landscaping, do not violate this provision. To the extent that such plans and specifications impact Landlord's operations or the aesthetics of the Lease Site or the footprint of the System, Landlord shall have the right to review and approve the plans and specifications. Landlord shall not unreasonably disapprove preliminary plans and specifications. Approval or disapproval shall be made to Tenant within ten (10) business days of receipt of such preliminary plans and specifications. Tenant shall not deliver working drawings to any governmental body for a building permit, or design review, until preliminary plans are approved in accordance with this Section 11.1.

11.2 Once County's Building Division of the Permit and Resource Management Department has issued a building permit for any improvements, Tenant shall deliver to Landlord one electronic set in pdf format as approved by the governmental agencies, together with a prospective schedule for construction of the improvements. Tenant shall provide to Landlord the final working plans and specifications submitted with all material changes made from the preliminary plans and specifications previously approved. Changes from the preliminary plans shall be considered to be within the scope of the preliminary plans, if they are not substantial or if they are made to comply with suggestions, requests, or requirements of a governmental agency or official, in connection with the application for a permit or approval, and if they do not depart substantially in size, utility, location, or value from the approved preliminary plans. Landlord shall approve or disapprove of such plans within ten (10) business days of receipt of such final plans

and specifications. In the event the Landlord disapproves of the final plans and specifications, such disapproval shall be accompanied by specification of the grounds for disapproval. Landlord shall not disapprove such final plans and specifications if they are within the scope of the approved preliminary plans and specifications as defined above.

11.3 Tenant shall notify Landlord through its designated point of contact of Tenant's intention to commence a work of improvement at least ten (10) days before commencement of such work, or delivery of any materials. The notice shall specify the approximate location and nature of the intended improvements. Landlord shall have the right to inspect the Lease Site in relation to the construction, at all reasonable times. Tenant shall keep the Lease Site safe and shall take all reasonable measures to prevent harm, or injury, to persons entering on, or near, the construction site.

11.4 Upon request, Tenant shall procure and deliver to Landlord, at Tenant's expense, evidence of compliance with all then applicable codes, ordinances, regulations, and requirements for permits and approvals, including, without limitation, environmental approval, any required zoning or planning approval of the County of Sonoma, grading permit, building permit and any other approvals from governmental agencies or bodies having jurisdiction. Upon approval of all material permits from all relevant authorities having jurisdiction, Tenant shall provide reasonable evidence of such approvals to Landlord.

11.5 Nesting Bird Protection. If construction is scheduled between February 1 and September 1, a qualified wildlife biologist, familiar with the species and habitats in the project area to conduct preconstruction surveys for raptors and nesting birds within suitable nesting habitat within 300 feet of staging areas and construction activities. Surveys will be conducted within one week before initiation of staging or construction activities within those habitats. Tenant shall provide Landlord with at least two (2) weeks' prior written notice (i) before the anticipated commencement of installation activities, and (ii) before any period in which the construction site will be left unattended for more than one (1) week during this season, to allow Landlord sufficient time to schedule the wildlife biologist to perform the required surveys. If no active nests are detected during surveys, activities may proceed. Construction sites left unattended for more than one week during this season are subject to follow-up bird nesting surveys. If active nests are identified, buffers zones will be established by wildlife biologist in consultation with the California Department of Fish and Wildlife (CDFW). Buffers will remain in place and no work will be allowed within these buffer zones until wildlife biologist determines the nests have been vacated. Any material delay to the construction schedule resulting from compliance with this Section 11.5 shall constitute an Excluded Event (as defined in the MSA) and the MSA's Contract Price and Commercial Operation Date (as defined in the MSA) shall be adjusted accordingly pursuant to the terms and conditions therein.

Section 12. Construction Liens.

12.1 Tenant shall pay, or caused to be paid, the total cost and expense of all works of improvement, as that phrase is defined in the Mechanics' Lien Law (commencing with California Civil Code §8400). No such payment shall be construed as rent. Tenant shall not suffer or permit to be enforced against the Premises, or any part of it, any recorded mechanic's, materialman's, contractor's or subcontractor's lien, arising from any work of improvement, however it may arise.

However, Tenant may, in good faith, and at Tenant's own expense, contest the validity of any such asserted lien, claim, or demand, provided Tenant has furnished, within twenty (20) days of recordation of such a lien, the bond required in Civil Code §8424 (or any comparable statute hereafter enacted for providing a bond freeing the premises from the effect of such a lien claim). Tenant shall defend and indemnify Landlord against all liability and loss of any type, arising out of work performed on the Premises by Tenant, together with reasonable attorney's fees and all evidenced costs and expenses incurred by Landlord in negotiating, settling, defending, or otherwise protecting against such claims; provided, however, that Landlord shall not negotiate or settle any such liability or loss of any type without first securing in each instance the specific written consent of Tenant.

12.2 If Tenant does not cause to be recorded the bond described in California Civil Code §8424, or otherwise protect the Premises under any alternative or successor statute, and a final judgment has been rendered against Tenant by a court of competent jurisdiction for the foreclosure of a mechanic's, materialman's, contractor's or subcontractor's lien claim, and if Tenant fails to stay the execution of the judgment by lawful means or to pay the judgment, Landlord shall have the right, but not the duty, to pay or otherwise discharge, stay, or prevent the execution of any such judgment or lien or both. Tenant shall reimburse Landlord for all sums paid by Landlord under this Section 12.2, together with all Landlord's attorneys' fees and costs, plus interest on those sums, fees and costs.

Section 13. Insurance.

13.1 Duty to Maintain Insurance. Tenant and its contractors shall maintain insurance as laid out in Section 10 of the MSA.

Section 14. Environmental.

14.1 Tenant shall not violate, and shall indemnify Landlord against, any claims, costs, damages, fees or penalties arising from a violation by Tenant or Tenant's Agents of any federal, state or local law, ordinance, order, or regulation relating to the generation, manufacture, production, use, storage, release or threatened release, discharge, disposal, transportation or presence by Tenant or any of Tenant's Agents of any substance, material or waste which is now or hereafter classified as hazardous or toxic, or which is regulated under current or future federal, state or local laws or regulations, on or under the Premises or Lease Site, except for any such violation which is imposed by reason of the existence on or under the Premises or the Lease Site of hazardous substances on the Effective Date of this Lease, and except for a violation that is covered by Landlord's indemnity under Section 14. This provision shall survive termination of this Lease.

Section 15. Termination. Notwithstanding any default by Tenant under the MSA, and except as expressly contemplated by the MSA, Landlord shall have no right under any circumstances to terminate this Lease, revoke or suspend Tenant's rights hereunder, or otherwise

interfere with Tenant's possession or use of the Lease Site. Landlord's sole and exclusive remedy for any such default shall be limited to the remedies expressly set forth in the MSA.

Section 16. Subordination, Attornment, and Non-Disturbance. This Lease is subject and subordinate to any mortgages and deeds of trust or other security interests that now exist or may exist on the Lease Site of which the Lease Site are a part and to all renewals, modifications, consolidations, replacements, and extensions thereto, and to all present and future advances made with respect to any such mortgage or deed of trust, provided that Landlord shall obtain a subordination and non-disturbance agreement ("SNDA") from the holder of any such lien or mortgage. Any future mortgage, deed of trust or other security agreement (unless the same is a renewal, modification, consolidation replacement or extension of a previous mortgage subject to an SNDA) shall be subordinate to this Lease unless such holder of lien or mortgage enters into an SNDA with Tenant and Landlord. Any SNDA shall provide that the holder of such lien or a mortgage (i) agrees not to disturb Tenant's possession or rights under this Agreement; (ii) agrees to provide notice of defaults under the lien or a mortgage documents to Tenant; and (iii) agrees to allow Tenant and its lenders a reasonable period of time following such notice to cure such defaults on behalf of Landlord. Tenant shall pay all reasonable fees charged by Landlord's mortgagee, including but not limited to lender's reasonable attorney's fees, in connection with any mortgagee's execution and delivery of an SNDA. Furthermore, Tenant shall pay all costs in recording any such SNDA.

Section 17. Estoppel Certificate. Landlord and Tenant shall each, within ten (10) business days after receipt of a written request from the other, execute and deliver a commercially reasonable form estoppel certificate in favor of a Landlord mortgagee, a financing party, a prospective purchaser of the System, the Leased Site or the Premises, or such other party as may reasonably request same, which estoppel certificate may include a certification as to the status of this Lease and the existence of any defaults hereunder. Landlord and all Landlord mortgagees shall have the right, as against Tenant, to rely upon any certificate furnished by Tenant under this Section 17, and Tenant and any financing party shall have the right, as against Landlord, to rely upon any certificate furnished under this Section 17 furnished by Landlord.

Section 18. Memorandum of Lease. Tenant is authorized to file this Lease or a memorandum hereof in any relevant public record. Upon request by Tenant, Landlord will execute such memorandum.

Section 19. Surrender and Restoration; Acquisition by Landlord.

19.1 Surrender. Upon any termination, surrender, or expiration of this Lease, Tenant shall remove all of the System and related improvements, at Tenant's sole cost and expense, and shall peaceably deliver up to Landlord possession of Lease Site or any part thereof, and other rights granted by this Lease, and shall execute, at Landlord's request, any and all documents needed to record or evidence such termination with the appropriate governmental agencies.

Section 20. Restoration. Tenant shall perform any removal or restoration of the System in accordance with the MSA, and solely to the extent required under the MSA. All required removal and restoration shall be completed within six (6) months following the expiration or termination of the MSA. Tenant shall have no obligation to repair, maintain, or restore the roof or

any portion of the Lease Site outside the System, except as required by the MSA. Tenant shall use commercially reasonable efforts to perform any removal or restoration in a manner that does not void any warranties related to the System, and Landlord acknowledges that Tenant shall not be responsible for any warranty claims caused by Landlord's, or its agents' acts or omissions or by pre-existing conditions of the Lease Site.

Section 21. Assignment.

21.1 Assignment. Tenant shall have the right to assign or sublease its interest in the Lease Site under this Lease to the same extent as permitted in the MSA. Landlord shall not assign all or any part or benefit of this Lease without obtaining prior written consent of Tenant; provided, however, that Landlord may, upon written notice to Tenant, assign rights and obligations under this Lease without such consent to any entity which acquires all or substantially all of such Landlord's assets (whether by acquisition, merger, consolidation, or otherwise), provided, that Landlord may only assign this Lease if such assignee can demonstrate to have the same as, or higher creditworthiness than, Landlord, or an investment grade credit rating provided by S&P, Moody's or Fitch. Except as set forth herein, any purported assignment by Landlord without such consent shall be null and void.

Section 22. Notices.

Any notice, request, demand, statement, or consent required or permitted to be given shall be in writing, shall be signed by or on behalf of the party giving notice, and shall be sent by certified or registered mail, return receipt requested, postage prepaid, facsimile, or by a recognized overnight delivery service, to the other party to the respective address given herein below:

Landlord: Sonoma County Water Agency
Attn: General Manager
404 Aviation Blvd.
Santa Rosa, CA 95403

With copy to: Office of the Sonoma County Counsel
575 Administration Drive, Room 105A
Santa Rosa, CA 95403

Tenant: Scale Microgrid Solutions Operating, LLC
Attn: Ryan Goodman, CEO
51 S Broad Street
Ridgewood, NJ 07450

Any such notice given as aforesaid shall be conclusively deemed to have been given and received on the business day next following the day on which such notice was mailed or faxed. Either party may, from time to time, furnish, in writing, to the other party, notice of a change in the address to which notices are to be given hereunder.

Section 23. Entire Agreement.

21.1 This Lease and the Exhibits attached hereto contain the entire understanding and agreement of the Parties hereto and shall not be modified in any manner except by an instrument in writing executed by both Parties. If any part, term, or provision of this Lease is determined by an arbitrator or court of competent jurisdiction to be invalid, illegal, or unenforceable, such determination shall not affect or impair the validity, legality, or enforceability of any other part, term, or provision of this Lease, and shall not render this Lease unenforceable or invalid as a whole, unless the part determined to be invalid, illegal, or unenforceable is so significant that either Landlord or Tenant would not have entered into this Lease in the absence of such part. Otherwise, the part of this Lease that is found invalid or unenforceable will be amended, changed, or interpreted to achieve as nearly as possible the same objectives and economic effect as the original provision, or replaced to the extent possible, with a legal, enforceable, and valid provision that is as similar in tenor to the stricken provision, within the limits of Applicable Law or applicable court decisions, and the remainder of this Lease will remain in full force.

Section 24. Governing Law.

22.1 This Lease shall be governed, construed, and interpreted in accordance with the substantive laws of the State of California, notwithstanding its conflict of laws and principles. Any legal action arising out of or relating to this Lease shall be filed in Sonoma County, California.

Section 25. Headings.

23.1 The headings contained in this Lease are for reference purposes only and shall not affect the meaning or interpretations of this Lease.

Section 26. Incorporation by Reference.

24.1 The Recitals and the Exhibits are hereby incorporated by reference and made a part hereof.

Section 27. Waivers and Amendments.

25.1 This Lease may be amended, superseded, cancelled, renewed, or extended, and its terms or covenants hereof may be waived, only by a written instrument executed by the Parties hereto or in the case of a waiver, by the Party waiving compliance. The failure of any Party at any time or times to require performance of any provision hereof shall in no manner affect its right at a later time to enforce the same. No waiver by any party of the breach of any term or covenant contained in this Lease or in any other such instrument, whether by conduct or otherwise, shall be deemed to be, or construed as, a further or continuing waiver of any breach, or a waiver of the breach of any other term or covenant contained herein.

Section 28. Binding Effect.

26.1 This Lease shall be binding upon and inure to the benefit of the Parties, or its permitted heirs, successors or assigns.

Section 29. Further and Additional Documents.

27.1 The Parties agree to execute such other, further and additional documents as may be required to carry into effect the terms and conditions of this Lease.

Section 30. Notice and Cure; Defaults; Termination.

28.1 Should either Party become in default under any term or condition of this Lease, the non-defaulting Party shall give written notice by certified mail to defaulting party at the address provided hereinafter, setting forth the nature of each claimed event of default. The defaulting Party shall have thirty (30) days from the receipt of such notice to fully complete a cure of every alleged claimed event of default, which period shall be extended to the extent reasonably necessary to complete such cure so long as the cure was commenced within thirty (30) days after such notice is given and thereafter prosecuted with due diligence. Should the defaulting Party not timely cure the event(s) of default, the non-defaulting Party may then pursue any remedy to which it may be entitled under the laws of the State of California, which remedies may include, but not be limited to, termination of the Lease, instituting a suit for damages, including incidental and consequential damages, occasioned by the breach of this Lease by the defaulting Party. The addresses to serve such notices are set forth in Section 22 above.

Section 31. Ownership of Improvements.

31.1 The System, any Tenant Alterations, and related improvements shall not be deemed to be permanent fixtures (even if permanently affixed to the Lease Site) and shall be and remain the sole property of Tenant, unless and until transferred to Landlord pursuant to the terms and conditions of the MSA. Landlord hereby waives any statutory or common law lien that it might otherwise have in or to the System and the improvements or any part thereof by virtue of its ownership of the Premises and agrees that, notwithstanding the occurrence of an event of default under the Lease beyond all applicable notice and cure periods, Tenant may remove the System from the Premises as provided by the terms of the MSA. The System and their components may not be sold, leased, assigned, mortgaged, pledged or otherwise alienated or encumbered by Landlord, with Landlord's fee interest in the Premises.

Section 32. Force Majeure.

30.1 The Parties' obligations under this Lease shall be suspended and excused, and the Term (except for the expiration date), and any other time periods set forth herein shall continue and be extended for a like period of time, while any Party is hindered or prevented, in whole or in part, from (i) conducting Operations or (ii) complying with any term, covenant, condition or provision of this Lease, by any unforeseeable event or circumstance that prevents a Party from performing its obligations under this Lease, which event or circumstance (i) beyond the reasonable control and occurring without the fault or negligence of the Party, and (ii) by the exercise of due diligence, the Party is unable to overcome or avoid or cause to be avoided; provided, however, that economic hardship, standing alone, shall not constitute an event or circumstance excusing performance or giving rise to a right to suspend performance.

Section 33. No Partnership.

31.1 Nothing contained in this Lease shall be deemed or construed by the Parties or by any third person to create the relationship of principal and agent, partnership, or any other association between Landlord and Tenant, other than the relationship of lessor and lessee.

Section 34. Brokerage Commissions.

32.1 Landlord and Tenant each represent that such Party has not incurred, directly or indirectly, any liability on behalf of the other Party for the payment by the other Party of any real estate brokerage commission or finder's fee in connection with this Lease. Landlord and Tenant shall indemnify, defend and hold the other Party harmless from and against any claim for any brokerage commissions or finder's fees claimed to be due and owing by reason of the indemnifying Party's activities.

Section 35. No Third Party Beneficiaries.

33.1 Nothing in this Lease will provide any benefit to any third party or entitle any third party to any claim, cause of action, remedy or right of any kind, except for the rights of Landlord to acquire the System under the MSA as expressly incorporated herein.

Section 36. Relation to Conditions of Approval.

34.1 In the event of a conflict between the provisions of this Lease and any term, condition, or provision contained in a condition of approval or operation imposed by PRMD or, except as expressly provided in Section 10 of this Lease, the terms such other condition shall control.

IN WITNESS WHEREOF, the Parties hereto have caused this Lease to be executed on the day and year first above written.

LANDLORD:

SONOMA COUNTY WATER AGENCY

Grant Davis, General Manager

TENANT:

**SCALE MICROGRID SOLUTIONS
OPERATING, LLC**

Kristel Watson, CCO

EXHIBIT A

Depiction of Lease Site

