CITY OF NATIONAL CITY
2017 LEASE FINANCING

CLOSING MEMORANDUM

Time:

Preclosing: Wednesday, July 5, 2017
at 2:00 p.m. (PST) via Nossaman's online deal room

Closing: Thursday, July 6, 2017
8:30 a.m. (PST) via conference call

Parties:

City of National City (the "City")

National City Joint Powers Financing Authority (the "Authority")

NHA Advisors, LLC (the "Municipal Advisor")

Nossaman LLP ("Special Counsel")

Banc of America Public Capital Corp (the "Series A Assignee")

Banc of America Leasing & Capital, LLC (the "Series B Assignee")

Chapman and Cutler, LLP ("Purchaser's Counsel")

Hilltop Securities Inc. ("Placement Agent")

Stewart Title Guaranty Company (the "Title Company")

PRECLOSING

The documents listed below will be executed in advance of the Closing by the respective parties thereto in four (4) executed counterparts and delivered in escrow with Special Counsel, on or before Wednesday, July 5, 2017. On Thursday, July 6, 2017, a preclosing conference will be held through Special Counsel's online deal room to confirm that all documents and papers are on hand, in proper form and properly executed. All such deliveries will be deemed to have been made in escrow until the final delivery at the Closing has been made.

Responsibility for preparing or assembling the documents is indicated in parentheticals.

CITY OF NATIONAL CITY
2017 LEASE FINANCING

SCHEDULE OF TRANSCRIPT DOCUMENTS

All documents are dated July 6, 2017, unless otherwise indicated.

BASE LEGAL DOCUMENTS

1. Facilities Lease, dated as of July 1, 2017, by and between the City and the Authority. *(recorded with the San Diego County Recorder)* ***(Special Counsel/Title Company)***

2. Facilities Sublease, dated as of July 1, 2017, by and between the City and the Authority. *(recorded with the San Diego County Recorder)* ***(Special Counsel/Title Company)***

3. Assignment Agreement, dated as of July 1, 2017, by and between the Authority and the Assignees. *(recorded with the San Diego County Recorder)* ***(Special Counsel/Title Company)***

4. Rate Lock Agreement, dated as of June 27, 2017, by and between the City and the Assignees. ***(Special Counsel)***

CITY DOCUMENTS

5. Resolution No. 2017-127, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY RELATING TO THE FINANCING OF A 2017 CAPITAL IMPROVEMENT PROJECT, AND APPROVING RELATED FINANCING DOCUMENTS AND AUTHORIZING OFFICIAL ACTIONS IN CONNECTION THEREWITH". ***(Special Counsel/City)***

6. Incumbency and Signature Certificate of the City. ***(Special Counsel)***

7. Certificate of the City. ***(Special Counsel)***

8. Tax Certificate with Exhibits. ***(Special Counsel)***

9. IRS Form 8038-G. ***(Special Counsel)*** **(Post-Closing Item).**

10. IRS Form 8038-TC. ***(Special Counsel)*** **(Post-Closing Item).**

11. Acknowledgment of Receipt of Report of Proposed Debt Issuance from California Debt and Investment Advisory Commission ("CDIAC"), together with the Report and the Report of Final Sale to CDIAC. ***(Special Counsel)***

12. Evidence of Insurance, pursuant to Article VII of the Facilities Sublease. ***(Special Counsel/City)***

13. Title Report and Title Insurance Policies prepared and delivered by Stewart Title Guaranty Company (the "Title Company"). ***(Title Company)***

14. Written Request of the City to the Assignee. ***(Special Counsel)***

AUTHORITY DOCUMENTS

15. Resolution No. 2017-2 entitled, "A RESOLUTION OF THE NATIONAL CITY JOINT POWERS FINANCING AUTHORITY RELATING TO THE FINANCING OF A 2017 CAPITAL IMPROVEMENT PROJECT, AND APPROVING RELATED FINANCING DOCUMENTS AND AUTHORIZING OFFICIAL ACTIONS IN CONNECTION THEREWITH". ***(Authority)***

16. Initial Notice of a Joint Powers Agreement, filed with and certified by the Secretary of State of the State of California, together with Statement of Facts Roster Filing, as certified by the California Secretary of State. ***(Authority)***

17. Certificate Regarding Effectiveness of Joint Exercise of Powers Agreement, together with Joint Exercise of Powers Agreement. ***(Authority)***

18. Incumbency and Signature Certificate of the Authority. ***(Authority)***

19. Certificate of the Authority. ***(Authority)***

ASSIGNEE DOCUMENTS

20. Letter of Representations of the Series A Assignee, pursuant to the Assignment Agreement. ***(Special Counsel)***

21. Letter of Representations of the Series B Assignee, pursuant to the Assignment Agreement. ***(Special Counsel)***

OPINIONS

22. Opinion of Nossaman LLP, Special Counsel. ***(Special Counsel)***

23. Opinion of City Attorney. ***(City Attorney)***

MISCELLANEOUS

24. Recording Instructions addressed to the Title Company, dated June 30, 2017. ***(Special Counsel)***

25. Memorandum Regarding Flow of Funds/Wire Instructions. ***(Municipal Advisor)***

26. City's Receipt of Proceeds. ***(Special Counsel)***

27. Environmental Questionnaires ***(City)***

28. Copy of Energy Services Agreement ***(City)***

29. Payoff Letter relating to 2010 Lease Agreement ***(City)***

30. Termination Agreement relating to 2010 Lease Agreement and Assignment Agreement ***(Special Counsel)***

CERTIFIED TO BE A TRUE AND CORRECT COPY OF THE
ORIGINAL DOCUMENT RECORDED ON 7-7-2017
UNDER RECORDER'S SERIES NO. 2017-0306668
SAN DIEGO COUNTY RECORDS
STEWART TITLE GUARANTY CO.
BY: Sun Selmt

TO BE RECORDED AND WHEN
RECORDED RETURN TO:

Nossaman LLP
18101 Von Karman Avenue, Suite 1800
Irvine, CA 92612
Attention: Albert R. Reyes, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

17000300110

FACILITIES LEASE

by and between the

CITY OF NATIONAL CITY

and

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY

Dated as of July 1, 2017

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EXHIBIT A DESCRIPTION OF THE PROPERTY A-1

FACILITIES LEASE

THIS FACILITIES LEASE (this "Facilities Lease"), executed and entered into as of July 1, 2017, is by and between the CITY OF NATIONAL CITY, a municipal corporation duly organized and validly existing under the Constitution and laws of the State of California and a political subdivision of the State (the "City"), as lessor, and the NATIONAL CITY JOINT POWERS FINANCING AUTHORITY, a joint exercise of powers authority organized and existing under the laws of the State of California, as lessor (the "Authority"), as lessee.

W I T N E S S E T H:

WHEREAS, the City, located in the County of San Diego, California is a political subdivision of the State;

WHEREAS, the Authority is a joint powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act to borrow money to provide financing and refinancing for public capital improvements of the City;

WHEREAS, the City desires to implement an energy efficiency and renewable energy program across multiple sites (the "Project");

WHEREAS, the City has received allocation of authority to issue new clean renewable energy bonds under Section 54C(a) of the Internal Revenue Code from the Internal Revenue Service to finance certain qualified renewable energy facilities related to the Project desires to designate a portion of the lease payments due under the Facilities Sublease a "new clean renewable energy bond" for purposes of Section 54C(a) ("CREB");

WHEREAS, the City intends to lease to the Authority and the Authority intends to hire from the City certain real property owned by the City and the improvements thereto consisting of the City's police facility located at 1200 National City Boulevard, National City, California (the "Property") as further described in Exhibit A hereto;

WHEREAS, the City is the owner in fee of the Property and has sufficient right, title and interest to lease the Property to the Authority hereunder;

WHEREAS, under a Facilities Sublease, dated as of July 1, 2017, and recorded concurrently herewith (the "Facilities Sublease"), from the Authority to the City, the City will be obligated to make Base Rental Payments for the lease of the Property;

WHEREAS, the City will make two series of Base Rental Payments (defined herein), designated the "Series A Tax-Exempt Base Rental Payments" (being the tax-exempt portion of the Base Rental Payments related to financing the Project) and the "Series B Taxable Base Rental Payments" (being the taxable portion of the Base Rental Payments related to the CREB) and additional rental payments for the use and occupancy of the Property on the terms and conditions contained in the Facilities Sublease;

WHEREAS, all rights to receive (a) the Series A Tax-Exempt Base Rental Payments and a pro-rata portion of certain other rights under this Facilities Lease and the Facilities Sublease will be assigned without recourse by the Corporation to Banc of America Public Capital Corp (together with its successors

and assigns, the "Series A Assignee") pursuant to an Assignment Agreement, dated as of July 1, 2017 among the Authority and the Assignees and recorded concurrently herewith (the "Assignment Agreement") and (b) the Series B Taxable Base Rental Payments and a pro-rata portion of certain other rights under this Facilities Lease and the Facilities Sublease will be assigned without recourse by the Corporation to Banc of America Leasing & Capital, LLC (together with its successors and assigns, the "Series B Assignee") pursuant to the Assignment Agreement;

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Facilities Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Facilities Lease;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Except as otherwise defined herein, or unless the context clearly otherwise requires, words and phrases defined in Article I of the Facilities Sublease shall have the same meanings in this Facilities Lease.

ARTICLE II

LEASE OF THE PROPERTY; RENTAL

Section 2.01 **Lease of Property.** The City hereby leases to the Authority and the Authority hereby leases from the City, the Property, subject only to Permitted Encumbrances, to have and to hold for the term of this Facilities Lease.

Section 2.02 **Rental; Application.** The Authority shall pay to the City as and for rental of the Property hereunder, an amount equal to $5,523,602.00 (the "Facilities Lease Payment"). The Facilities Lease Payment shall be paid from the proceeds of the sale, assignment and transfer to (a) the Series A Assignee, the Series A Tax-Exempt Base Rental Payments and a respective pro-rata portion of the Authority's right, title and interest in and to this Facilities Lease and the Facilities Sublease pursuant to the Assignment Agreement and (b) the Series B Assignee, the Series B Taxable Base Rental Payments and a respective pro-rata portion of the Authority's right, title and interest in and to this Facilities Lease and the Facilities Sublease pursuant to the Assignment Agreement.

Upon receipt thereof, the Authority shall apply, or cause to be applied, the amount received from the Assignees pursuant to the Assignment Agreement to the payment of the Facilities Lease Payment under the Facilities Lease. Upon receipt thereof, the City shall apply (a) $3,638,602.00 to the tax-exempt portion of the Project, (b) $1,764,706.00 to the CREB and (c) $120,294.00 to Related Project Costs.

The Authority and the City hereby find and determine that the amount of the Facilities Lease Payment does not exceed the fair market value of the leasehold interest in the Property which is conveyed hereunder by the City to the Authority. No other amounts of rental shall be due and payable by the Authority for the use and occupancy of the Property under this Facilities Lease.

Section 2.03 **Substitution or Release of Property.** If the City, under Section 6.05 or Section 8.04 of the Facilities Sublease, substitutes or releases property for the Property in whole or in part, such substitution or release shall also automatically operate to substitute or release property for the Property leased hereunder. The description of the property leased under the Facilities Sublease shall conform at all times to the description of the property leased hereunder.

ARTICLE III

QUIET ENJOYMENT

Subject to any rights the City may have under the Facilities Sublease (in the absence of an event of default) to possession and enjoyment of the Property, the City hereby covenants and agrees that it will not take any action to prevent the Authority from having quiet and peaceable possession and enjoyment of the Property during the term hereof and will, at the request of the Authority and at the City's cost, to the extent that it may lawfully do so, join in any legal action in which the Authority asserts its right to such possession and enjoyment.

ARTICLE IV

ENVIRONMENTAL LAW AND REGULATIONS AND COMPLIANCE

Section 4.01 **Environmental Law and Regulations.**

(a) Definitions used in this Section 4.01 and in Section 4.02.

"Asbestos Containing Materials" shall mean material in friable form containing more than one percent (1%) of the asbestiform varieties of (a) chrysotile (serpentine); (b) crocidolite (ricbeckite); (c) amosite (cummington-itegrinerite); (d) anthophyllite; (e) tremolite; and (f) antinolite.

"Asbestos Operations and Maintenance Plan" shall mean that written plan for the Property relating to monitoring and maintaining all Asbestos Containing Materials used or located on the Property.

"Environmental Regulations" shall mean all Laws and Regulations, now or hereafter in effect, with respect to Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.) (together with the regulations promulgated thereunder, "CERCLA"), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.) (together with the regulations promulgated thereunder, "RCRA"), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, et seq.) (together with the regulations promulgated thereunder, "Title III"), the Clean Water Act, as amended (33 U.S.C. Section 1251, et seq.) (together with the regulations promulgated thereunder, "CWA"), the Asbestos Hazard Emergency Response Act ("AHERA"), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.) (together with the regulations promulgated thereunder, "CAA"), the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601, et seq.) (together with the regulations promulgated thereunder, "TSCA"), the Occupational Safety and Health Act, as amended (29 U.S.C. Section 651 et seq.) (together with regulations promulgated thereunder, "OSHA") and any similar federal, state or local laws and regulations and any so-called local, state or federal "superfund" or "superlien" law.

"Hazardous Materials" shall mean flammable explosives, polychlorinated biphenyl compounds, heavy metals, chlorinated solvents, cyanide, radon, petroleum products, asbestos or any Asbestos Containing Materials, methane, radioactive materials, pollutants, hazardous materials, hazardous wastes,

hazardous, toxic, or regulated substances or related materials, as characterized, regulated or defined in CERCLA, RCRA, CWA, CAA, TSCA, OSHA and Title III, and the regulations promulgated pursuant thereto, and in any other Environmental Regulations applicable to the City, any of the Property or the business operations conducted by the City therein.

"Laws and Regulations" shall mean any applicable law, regulation, code, order, rule, judgment or consent agreement, including, without limitation, those relating to zoning, building, use and occupancy, fire safety, health, sanitation, air pollution, ecological matters, environmental protection, hazardous or toxic materials, substances or wastes, conservation, parking, architectural barriers to the handicapped, or restrictive covenants or other agreements affecting title to the Property. For the avoidance of doubt, "Laws and Regulations" includes all "Laws and Regulations" as defined in the Facilities Sublease.

(b) No portion of the Property is located in an area of high potential incidence of radon.

(c) The City has not received any notice from any insurance company which has issued a policy with respect to the Property or from the applicable state or local government agency responsible for insurance standards (or any other body exercising similar functions) requiring the performance of any repairs, alterations or other work, which repairs, alterations or other work have not been completed at the Property. The City has not received any notice of default or breach which has not been cured under any covenant, condition, restriction, right-of-way, reciprocal easement agreement or other easement affecting the Property which is to be performed or complied with by it.

Section 4.02 **Environmental Compliance.**

(a) Neither the City nor the Authority shall use or permit the Property or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary to maintain the Property and then, only in compliance with all Environmental Regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee and agent, the storage, transportation, disposal or use of Hazardous Materials or the pumping, spilling, leaking, disposing of, emptying, discharging or releasing (hereinafter collectively referred to as "Release") or threat of Release of Hazardous Materials on, from or beneath the Property or onto any other real property excluding, however, those Hazardous Materials in those amounts ordinarily found in the inventory of an office building, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Environmental Regulations. Upon the occurrence of any Release or threat of Release, or presence, of Hazardous Materials, the City shall promptly commence and perform, or cause to be commenced and performed promptly, without cost to the Assignees or the Authority, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so Released or present, on, from or beneath the Property, in compliance with all Environmental Regulations.

(b) The City and the Authority shall comply with, and shall cause its tenants, subtenants, licensees, guests, invitees, contractors, employees and agents to comply with, all Environmental Regulations, and shall keep the Property free and clear of any liens imposed pursuant thereto (provided, however, that any such liens, if not discharged, may be bonded). The City and the Authority shall cause each tenant, and use its best efforts to cause all of such tenant's subtenants, agents, licensees, employees, contractors, guests and invitees and the guests and invitees of all of the foregoing to comply with all Environmental Regulations with respect to the

Property; provided, however, that notwithstanding that a portion of this covenant is limited to the City and the Authority's use of its best efforts, the Authority and the City shall remain solely responsible for ensuring such compliance and such limitation shall not diminish or affect in any way the City and the Authority's obligations contained in subsection (c) hereof as provided in subsection (c) hereof. Upon receipt of any notice from any individual or Person with regard to the presence of, or Release of Hazardous Materials on, from or beneath the Property, the City and the Authority shall give prompt written notice thereof to the Assignees (and, in any event, prior to the expiration of any period in which to respond to such notice under any Environmental Regulation).

(c) Irrespective of whether any representation or warranty contained in Section 4.01 is not true or correct, the City and the Authority shall, to the extent permitted by law, defend, indemnify and hold harmless the Assignees, and its employees, agents, officers, directors, trustees, successors and assigns, from and against any claims, demands, penalties, fines, attorneys' fees (including, without limitation, attorneys' fees incurred to enforce the indemnification contained in this Section 4.02), consultants' fees, investigation and laboratory fees, liabilities, settlements (five (5) Business Days' prior notice of which the Authority or the Assignees, as appropriate, shall have delivered to the City and the Authority), court costs, damages, losses, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, occurring in whole or in part, arising out of, or in any way related to, (i) the presence, disposal, Release, threat of Release, removal, discharge, storage or transportation of any Hazardous Materials on, from or beneath the Property, (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, (iii) any lawsuit brought or threatened, settlement reached (five (5) Business Days' prior notice of which the Authority or the Assignees, as appropriate, shall have delivered to the City and the Authority), or governmental order relating to Hazardous Materials on, from or beneath any of the Property, (iv) any violation of Environmental Regulations or subsection (a) or (b) hereof by it or any of its agents, tenants, employees, contractors, licensees, guests, subtenants or invitees, and (v) the imposition of any governmental lien for the recovery of environmental cleanup or removal costs. To the extent that the Authority or the City is strictly liable under any Environmental Regulation, its obligation to the Assignees and the other indemnitees under the foregoing indemnification shall likewise be without regard to fault on its part with respect to the violation of any Environmental Regulation which results in liability to any indemnitee. Its obligations and liabilities under this Section 4.02(c) shall survive any termination of this Facilities Lease and the Facilities Sublease or exercise of any remedies hereunder and thereunder, and the satisfaction of all obligations hereunder and thereunder.

(d) The City and the Authority shall specifically comply with all requirements regarding lead paint and Asbestos Containing Materials, including the Asbestos Hazard Emergency Response Act (referred to as "AHERA" and constituting an Environmental Regulations), and shall inspect the Property and develop, maintain, update and keep copies of relevant management plans at the Property in accordance with all Environmental Regulations. The City shall also maintain all Asbestos Containing Materials and lead paint in an undamaged state and perform any demolition, renovation or other activities in accordance with all Environmental Regulations.

ARTICLE V

SPECIAL COVENANTS AND REPRESENTATIONS

Section 5.01 **Waste.** The Authority agrees that at all times that it is in possession of the Property, it will not commit, suffer or permit any waste on the Property, and that it will not willfully or knowingly use or permit the use of the Property for any illegal purpose or act.

Section 5.02 **Further Assurances and Corrective Instruments.** The City and the Authority agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby leased or intended so to be or for carrying out the expressed intention of this Facilities Lease and the Facilities Sublease.

Section 5.03 **Waiver of Personal Liability.** All liabilities under this Facilities Lease on the part of the Authority shall be solely liabilities of the Authority as a joint powers authority, and the City hereby releases each and every director, officer and employee of the Authority of and from any personal or individual liability under this Facilities Lease. No director, officer or employee of the Authority shall at any time or under any circumstances be individually or personally liable under this Facilities Lease to the City or to any other party whomsoever for anything done or omitted to be done by the Authority hereunder.

All liabilities under this Facilities Lease on the part of the City shall be solely liabilities of the City as a general law city, and the Authority hereby releases each and every member, officer and employee of the City of and from any personal or individual liability under this Facilities Lease. No member, officer or employee of the City shall at any time or under any circumstances be individually or personally liable under this Facilities Lease to the Authority or to any other party whomsoever for anything done or omitted to be done by the City hereunder.

Section 5.04 **Taxes.** The City covenants and agrees to pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Property.

Section 5.05 **Right of Entry.** The City reserves the right for any of its duly authorized representatives to enter upon the Property at any reasonable time to inspect the same.

Section 5.06 **Representations of the City.** The City represents and warrants to the Authority and the Assignees as follows:

(a) the City is the owner in fee of the Property;

(b) the City has the full power and authority to enter into, to execute and to deliver this Facilities Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Facilities Lease;

(c) the Property is not subject to any dedication, easement, right of way, reservation in patent, covenant, condition, restriction, lien or encumbrance which would prohibit or materially interfere with the use of the Property as contemplated by the City;

(d) all taxes, assessments or impositions of any kind with respect to the Property, except current taxes, have been paid in full;

(e) the Property is necessary to the City in order for the City to perform its governmental function relating to public safety; and the City is in full compliance with all applicable Environmental Regulations and the Asbestos Operations and Maintenance Plan and to the best of the City's knowledge, no Hazardous Substances exist on the Property.

Section 5.07 **Representations of the Authority.** The Authority represents and warrants to the City and the Assignees that the Authority has the full power and authority to enter into, to execute and to deliver this Facilities Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution and delivery of this Facilities Lease.

Section 5.08 **Eminent Domain.** If the whole or any part of the Property, or any improvements thereon, are taken by eminent domain proceedings, the interest of the Authority will be 102% of the aggregate amount of the then unpaid principal components of all of the Base Rental Payments and any Additional Payments payable under the Facilities Sublease and the balance of the award, if any, will be paid to the City. The City hereby waives any and all rights that it has or may hereafter have to acquire the interest of the Authority in and to the Property through the eminent domain powers of the City. The City hereby agrees, to the extent permitted by law, that the compensation to be paid in any condemnation proceedings brought by or on behalf of the City with respect to the Property or any improvement thereon shall be in an amount not less than the 100% of the total unpaid principal component of all of the Base Rental Payments plus the interest component of Base Rental Payments accrued to the date of payment of all Base Rental Payments under the Facilities Sublease plus any Additional Payments.

ARTICLE VI

ASSIGNMENT, SELLING AND SUBLEASING

Section 6.01 **Assignment, Selling and Subleasing.** This Facilities Lease may be assigned or sold, and the Property may be subleased, as a whole or in part, by the Authority, without the necessity of obtaining the consent of the City, if an event of default occurs under the Facilities Sublease. The Authority shall, within 30 days after such an assignment, sale or sublease, furnish or cause to be furnished to the City a true and correct copy of such assignment, sublease or sale, as the case may be.

The City understands and agrees that, upon the execution and delivery of the Assignment Agreement (which is occurring simultaneously with the execution and delivery hereof), all right, title and interest of the Authority in and to this Facilities Lease will be sold, assigned and transferred to the Assignees. The City hereby consents to such sale, assignment and transfer. Upon the execution and delivery of the Assignment Agreement, references in the provisions hereof to the Authority shall be deemed to be references to the Assignees, as assignees of the Authority, provided however, that the obligations of the Authority are not assigned to Assignees. All rights and remedies of the Authority under this Facilities Lease and the Facilities Sublease shall be exercised by the Lease Servicer identified under the Assignment Agreement as directed by the Assignees pursuant to the Assignment Agreement.

Section 6.02 **Restrictions on the City.** The City agrees that, except with respect to Permitted Encumbrances, it will not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Property during the term of this Facilities Lease.

ARTICLE VII

IMPROVEMENTS

Subject to the terms and provisions of the Facilities Sublease, including Article VI thereof, title to all improvements made on the Property during the term hereof shall vest in the City.

ARTICLE VIII

TERM; TERMINATION

Section 8.01 **Term.** The term of this Facilities Lease shall commence as of the date of commencement of the term of the Facilities Sublease and shall remain in full force and effect from such date to and including June 1, 2037, unless such term is extended or sooner terminated as hereinafter provided.

Section 8.02 **Extension; Early Termination.** If, on June 1, 2037, the Rental Payments shall remain due and payable or shall have been abated at any time and for any reason, and notwithstanding any exercise of remedies by the Authority under the terms of the Facilities Sublease, including termination of the Facilities Sublease, then the term of this Facilities Lease shall be automatically extended until the date upon which all Rental Payments shall have been paid in full, or provision therefor shall have been made in accordance with the terms of the Facilities Sublease, except that the term of this Facilities Lease shall in no event be extended more than ten years. If prior to June 1, 2037, or prior to the date to which the term of this Facilities Lease has been extended pursuant to this Section, all Rental Payments shall have been paid in full, or provision therefor shall have been made in accordance with the terms of the Facilities Sublease, the term of this Facilities Lease shall end simultaneously therewith.

Section 8.03 **Action on Default.** In each and every case upon the occurrence and during the continuance of a default by the Authority hereunder, the City shall have all the rights and remedies permitted by law, except that no merger of this Facilities Lease and the Facilities Sublease shall be deemed to occur as a result thereof, and the City, to the extent permitted by law, waives any and all rights to terminate this Facilities Lease.

ARTICLE IX

MISCELLANEOUS

Section 9.01 **Binding Effect.** This Facilities Lease shall inure to the benefit of and shall be binding upon the City, the Authority and their respective successors and assigns. The Lease Servicer and the Assignees are third-party beneficiaries of this Facilities Lease.

Section 9.02 **Severability.** In the event any provision of this Facilities Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.03 **Amendments; Substitution and Release.** This Facilities Lease may be amended, changed, modified, altered or terminated only in accordance with the provisions of the Facilities Sublease. The City shall have the right to substitute alternate real property for the Property or to release portions of the Property as provided in the Facilities Sublease.

Section 9.04 **Execution in Counterparts.** This Facilities Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 9.05 **Applicable Law.** This Facilities Lease shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

Section 9.06 **Captions.** The captions or headings in this Facilities Lease are for convenience only and in no way define or limit the scope or intent of any provision of this Facilities Lease.

IN WITNESS WHEREOF, the parties hereto have caused this Facilities Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first written above.

CITY OF NATIONAL CITY

By: _____
City Manager

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY

By: _____
Chairman

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

COUNTY OF San Diego)

On June 26, 2017 before me, Angelita Palma, Notary Public,

personally appeared Leslie Deese,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

ANGELITA PALMA
COMM. # 2046693
NOTARY PUBLIC • CALIFORNIA
SAN DIEGO COUNTY
Commission Expires OCTOBER 25, 2017

POS2 POS2

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

COUNTY OF San Diego)

On June 26, 2017 before me, Angelita Palma, Notary Public,

personally appeared Ron Morrison,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

ANGELITA PALMA
COMM. # 2046693
NOTARY PUBLIC • CALIFORNIA
SAN DIEGO COUNTY
Commission Expires OCTOBER 25, 2017

Place Notary Seal Above

Signature of Notary Public

EXHIBIT A

DESCRIPTION OF THE PROPERTY

Real property in the State of California, County of San Diego Unincorporated and described as follows:

PARCEL A: (APN: 560-013-07-00 and 560-013-08-00

PARCEL(S) 1 AND 2 OF PARCEL MAP NO. 4027, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY AUGUST 21, 1975 AS FILE NO. 75-224074 OF OFFICIAL, RECORDS.

PARCEL B: APN: 560-013-02-00

THE WEST 33-1/3 FEET OF LOTS 7 TO 10, INCLUSIVE, IN BLOCK 13 OF THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 348, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL C: APN: 560-013-03-00

THE WESTERLY 33 1/3 FEET OF THE EASTERLY 66 2/3 FEET OF LOTS 7 TO 10 INCLUSIVE IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL D: APN: 560-013-04-00

THE EASTERLY 33 1/3 FEET OF LOTS 7, 8, 9 AND 10 OF BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL E: APN: 560-013-05-00

THE SOUTHERLY 100 FEET OF LOT 11 AND THE SOUTHERLY 100 FEET OF THE WESTERLY EIGHT AND ONE-THIRD FEET OF LOT 12 EN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL F: APN: 560-013-06-00

LOTS 13 THROUGH 17 IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL G: APN: 560-013-09-00

LOT 6, THE NORTH 25 FEET OF LOTS 11 AND 12 AND THE EAST 16 2/3 FEET OF SOUTH 100 FEET OF LOT 12, ALL IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL H:

A. PERMANENT EASEMENT AND RIGHT-OF-WAY TO CONSTRUCT, RECONSTRUCT, MAINTAIN, OPERATE AND REPAIR AN UNDERGROUND EMERGENCY GENERATOR FUEL TANK, DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF 12TH STREET, LYING NORTHERLY OF BLOCK 13 OF MAP NUMBER 348, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWESTERLY CORNER OF SAID BLOCK 13, BEING ALSO THE NORTHWESTERLY CORNER OF PARCEL 1 OF PARCEL MAP NUMBER 4027; THENCE EASTERLY, ALONG THE NORTHERLY LINE OF PARCEL MAP NUMBER 4027; THENCE EASTERLY, ALONG THE NORTHERLY LINE OF SAID PARCEL 1.75 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING EASTERLY ALONG SAID NORTHERLY LINE, EIGHT FEET; THENCE LEAVING SAID
NORTHERLY LINE, AT RIGHT ANGLES, NORTH SIX FEET; THENCE WESTERLY, PARALLEL WITH THE NORTHERLY LINE OF SAID PARCEL 1, EIGHT FEET; THENCE AT RIGHT ANGLES, SOUTH, SIX FEET TO THE TRUE POINT OF BEGINNING, CONTAINING 48 SQUARE FEET.

APN: 560-013-07-00; 560-013-08-00; 560-013-02-00; 560-013-03-00; 560-013-04-00; 560-013-05-00; 560-013-06-00; 560-013-09-00

(End of Legal Description)

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the real property conveyed by the foregoing FACILITIES LEASE, dated July 1, 2017 (the "Facilities Lease"), from the CITY OF NATIONAL CITY to the NATIONAL CITY JOINT POWERS FINANCING AUTHORITY (the "Authority"), a joint powers authority, is hereby accepted by the undersigned officer on behalf of the Commission of the Authority (the "Commission") pursuant to authority conferred by resolution of the Commission adopted on June 20, 2017, and the Authority, as grantee, consents to recordation thereof by its duly authorized officer.

I have executed this Certificate of Acceptance on July 6, 2017.

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY

By: _____
Chairman

CERTIFIED TO BE A TRUE AND CORRECT COPY OF THE ORIGINAL DOCUMENT RECORDED ON 7-7-17 UNDER RECORDER'S SERIES NO. 2017-0306669 SAN DIEGO COUNTY RECORDS
STEWART TITLE GUARANTY CO.
BY: Shm Schmit

TO BE RECORDED AND WHEN RECORDED RETURN TO:

Nossaman LLP
18101 Von Karman Avenue, Suite 1800
Irvine, CA 92612
Attention: Albert R. Reyes, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

170003001 10

FACILITIES SUBLEASE

by and between

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY

and

CITY OF NATIONAL CITY

Dated as of July 1, 2017

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FACILITIES SUBLEASE

THIS FACILITIES SUBLEASE (this "Facilities Sublease"), executed and entered into and dated as of July 1, 2017, is by and between the CITY OF NATIONAL CITY, a municipal corporation duly organized and validly existing under the Constitution and laws of the State of California and a political subdivision of the State (the "City"), as lessee, and the NATIONAL CITY JOINT POWERS FINANCING AUTHORITY, a joint exercise of powers authority organized and existing under the laws of the State of California, as lessor (the "Authority"), as lessor.

WITNESSETH:

WHEREAS, the City, located in the County of San Diego, California is a political subdivision of the State;

WHEREAS, the Authority is a joint powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act to borrow money to provide financing and refinancing for public capital improvements of the City;

WHEREAS, the City desires to implement an energy efficiency and renewable energy program across multiple sites (the "Project");

WHEREAS, in order to finance the Project, the City will lease certain real property owned by the City and the improvements thereto consisting of the City's police facility located at 1200 National City Boulevard, National City, California (the "Property") to the Authority pursuant to a Facilities Lease, dated as of the date hereof and recorded concurrently herewith (the "Facilities Lease") and the City will sublease the Property back from the Authority pursuant to this Facilities Sublease;

WHEREAS, the City has received allocation of authority to issue new clean renewable energy bonds under Section 54C(a) of the Internal Revenue Code from the Internal Revenue Service to finance certain qualified renewable energy facilities related to the Project desires to designate a portion of the lease payments due under this Facilities Sublease a "new clean renewable energy bond" ("CREB") for purposes of Section 54C(a);

WHEREAS, the City will make two series of Base Rental Payments (defined herein), designated the "Series A Tax-Exempt Base Rental Payments" (being the tax-exempt portion of the Base Rental Payments related to financing the Project) and the "Series B Taxable Base Rental Payments" (being the taxable portion of the Base Rental Payments related to the CREB and additional rental payments for the use and occupancy of the Property on the terms and conditions contained in this Facilities Sublease;

WHEREAS, the Property is more particularly described in Exhibit A hereto; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Facilities Lease do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Facilities Lease.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Facilities Sublease, have the meanings herein specified, which meanings shall be equally applicable to both the singular and plural forms of any of the terms herein defined.

"**Additional Rental Payments**" means all amounts payable by the City as Additional Rental Payments pursuant to Section 4.02 hereof.

"Assignees" and "Assignee" means, respectively, collectively and individually (a) the Series A Assignee and (b) the Series B Assignee, and assigns.

"**Aggregate Rental Payments**" means, as of the date of determination, the sum of (a) the aggregate principal components of unpaid Series A Tax-Exempt Base Rental Payments *plus* (b) the aggregate principal components of unpaid Series B Taxable Base Rental Payments.

"**Assigned Series A Rights**" means all of the Authority's rights, title and interest in and to the Series A Tax-Exempt Base Rental Payments and the Series A Assignee Pro Rata Percentage of all of the Authority's right, title and interest in and to the Facilities Lease and the Facilities Sublease.

"**Assigned Series B Rights**" means all of the Authority's rights, title and interest in and to the Series B Taxable Base Rental Payments and the Series B Assignee Pro Rata Percentage of all of the Authority's right, title and interest in and to the Facilities Lease and the Facilities Sublease.

"**Assignment Agreement**" means the Assignment Agreement, dated as of the date hereof, by and between the Authority and the Assignees, as originally executed and as it may from time to time be amended in accordance with the provisions thereof and hereof.

"**Authority**" means National City Joint Powers Financing Authority, a joint exercise of powers authority, organized and existing under the laws of the State.

"**Authorized Officer**" means the Mayor, City Manager, Deputy City Manager, Director of Finance and any other person authorized by the City Council of the City to act on behalf of the City under or with respect to this Facilities Sublease.

"**Base Rental Payment Dates**" means June 1 and December 1 of each year commencing December 1, 2017.

"**Base Rental Payment Schedules**" means the schedule of Base Rental Payments payable to the Authority from the City pursuant to Section 4.01 hereof and attached hereto as Exhibit B.

"**Base Rental Payments**" means all amounts payable to the Authority from the City as Base Rental Payments pursuant to Section 4.01 hereof. The Base Rental Payments shall include the Series A Tax-Exempt Base Rental Payments related to financing the tax-exempt portion of the Project, set forth in

Exhibit B-1 hereto and the Series B Taxable Base Rental Payments related to the CREB, set forth in Exhibit B-2 hereto.

"**Business Day**" means a day which is not (a) a Saturday, Sunday or legal holiday in the State of California, or (b) a day on which banking institutions in the State of California, or in any state in which the Office of any Assignee is located is required or authorized by law (including executive order) to close.

"**Certificate of the City**" means a written certificate signed by an Authorized Officer.

"**City**" means the City of National City, a municipal corporation organized and existing under the laws of the State.

"**Code**" means the Internal Revenue Code of 1986, as amended.

"**CREB**" means that portion of the Series B Taxable Base Rental Payments designated as "CREB Principal" payable to the Authority by the City pursuant to Section 4.01 hereof and as set forth in Exhibit B-2.

"**Delivery Date**" means July 6, 2017.

"**Environmental Regulations**" means all Laws and Regulations, now or hereafter in effect, with respect to Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.) (together with the regulations promulgated thereunder, "CERCLA"), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.) (together with the regulations promulgated thereunder, "RCRA"), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, et seq.) (together with the regulations promulgated thereunder, "Title III"), the Clean Water Act, as amended (33 U.S.C. Section 1321, et seq.) (together with the regulations promulgated thereunder, "CWA"), the Asbestos Hazard Emergency Response Act ("AHERA"), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.) (together with the regulations promulgated thereunder, "CAA") and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601 et seq.) (together with the regulations promulgated thereunder, "TSCA"), the Occupational Safety and Health Act (together with any regulations promulgated thereunder, "OSHA"), as amended (29 U.S.C. Section 651 et seq.) and any state or local similar Laws and Regulations and any so-called local, state or federal "superfund" or "superlien" law.

"**Event of Default**" means one or more of the events described in Section 9.01 hereof.

"**Expenditure Period**" means the "expenditure period" defined in Section 54A(d)(2)(B)(ii) of the Code and consists of the period beginning on the date of issue and ending on the later of the date 3 years after the date of issue or such later date, if any, as permitted by the Internal Revenue Service in response to a request to extend the Expenditure Period.

"**Extended Lease Term**" means a period (and any successive period) during which the original term of this Facilities Sublease is extended pursuant to abatement as provided herein and is equal in duration to any period during which the City does not pay Rental Payments (in whole or in part) when scheduled as a result of the occurrence of an event that results in abatement of the City's obligation to make Rental Payments in accordance with the payment schedule attached hereto.

"**Facilities Lease**" means the Facilities Lease, dated as of the date hereof, by and between the City and the Authority, as originally executed and as it may from time to time be amended in accordance with the provisions thereof and hereof.

"**Facilities Lease Payment**" has the meaning ascribed to such term in the Facilities Lease.

"**Facilities Sublease**" means this Facilities Sublease, as the same may be amended or supplemented pursuant to the provisions hereof.

"**Fair Rental Value**" means, with respect to the Property, the annual fair rental value thereof.

"**Governmental Authority**" means any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other person with authority to bind a party at law.

"**Hazardous Materials**" means flammable explosives, polychlorinated biphenyl compounds, heavy metals, chlorinated solvents, cyanide, radon, petroleum products, asbestos, any Asbestos Containing Materials (as defined in the Facilities Lease), methane, radioactive materials, pollutants, hazardous materials, hazardous wastes, hazardous, toxic, or regulated substances or related materials, all as characterized, regulated or defined in CERCLA, RCRA, CWA, CAA, TSCA, OSHA and Title III, and the regulations promulgated pursuant thereto, and in all other Environmental Regulations applicable to the City , any of the Property or the business operations conducted by the City therein.

"**Laws and Regulations**" means federal, regional, state and local laws, statutes, rules, ordinances, regulations, codes, licenses, authorizations, decisions, injunctions, interpretations, orders or decrees of any court or other Governmental Authority having jurisdiction as may be in effect from time to time. For the avoidance of doubt "Laws and Regulations" includes all "Laws and Regulations" as defined in the Facilities Lease.

"**Net Proceeds**" means any insurance proceeds or condemnation award paid with respect to any of the Property, remaining after payment therefrom of all reasonable expenses incurred in the collection and administration thereof.

"**Opinion of Counsel**" means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed and paid by the City.

"**Permitted Encumbrances**" means, with respect to the Property, as of any particular time, (a) liens for general *ad valorem* taxes and assessments, if any, not then delinquent, or which the City may, pursuant to provisions of Section 5.04 hereof, permit to remain unpaid, (b) the Assignment Agreement, (c) this Facilities Sublease, (d) the Facilities Lease, (e) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law as normally would exist with respect to properties similar to the Property for the purposes for which it was acquired or is held by the City, (f) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record as of the Delivery Date which the City certifies in writing will not affect the intended use of the Property and will not interfere with the City's beneficial use and enjoyment of the Property or result in any abatement of Rental Payments under this Facilities Sublease and to which the Authority consents in writing, and (g) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions established following the Delivery Date which the City certifies in writing do not affect the intended use of the Property and will not interfere with the City's beneficial use and enjoyment of the Property or result in any abatement of Rental Payments under this Facilities Sublease and to which the Authority consents in writing.

"**Property**" means the real property described in Exhibit A hereto and any improvements thereto. From and after the date of any substitution or release of property pursuant to the terms hereof, the term *"Property"* means the real property which remains subject to this Facilities Sublease following such substitution or release.

"**Related Project Costs**" means all the costs of executing and delivering the Facilities Lease, the Facilities Sublease, the Assignment Agreement and the related documents and instruments, including, but not limited to, printing expenses, filing and recording fees, fees, charges and disbursements of attorneys, financial advisors, accounting firms, consultants and other professionals, and any other cost, charge or fee in connection with the original execution and delivery of the Facilities Lease, the Facilities Sublease, the Assignment Agreement and the related documents and instruments or the implementation of the financing contemplated thereby.

"**Rental Payments**" means, collectively, the Base Rental Payments and the Additional Rental Payments.

"**Rental Period**" means the period from the Delivery Date through May 31, 2018, and, thereafter, the twelve-month period commencing on June 1 of each year during the term of this Facilities Sublease.

"Series A Assignee" means (a) initially, Banc of America Public Capital Corp, a Kansas corporation, and its successors and assigns, as assignee of the Assigned Series A Rights pursuant to the Assignment Agreement, and (b) any other entity to whom the Assigned Series A Rights (or any interest therein) are assigned and transferred as provided in Section 10.06 hereof.

"Series A Assignee Pro Rata Percentage" means, as of any date of calculation, a fraction, the numerator of which is the unpaid aggregate principal components of Series A Tax-Exempt Base Rental Payments and the denominator of which is the Aggregate Rental Payments, which is expressed as a percentage.

"**Series A Tax-Exempt Base Rental Payments**" means the Base Rental Payments set forth in Exhibit B-1 hereto.

"Series B Assignee" means (a) initially, Banc of America Leasing & Capital, LLC, a Delaware limited liability corporation, and its successors and assigns, as assignee of the Assigned Series B Rights pursuant to the Assignment Agreement, and (b) any other entity to whom the Assigned Series B Rights (or any interest therein) are assigned and transferred as provided in Section 10.06 hereof.

"Series B Assignee Pro Rata Percentage" means, as of any date of calculation, a fraction, the numerator of which is the unpaid aggregate principal components of Series B Taxable Base Rental Payments and the denominator of which is the Aggregate Rental Payments, which is expressed as a percentage.

"**Series B Taxable Base Rental Payments**" means the Base Rental Payments set forth in Exhibit B-2 hereto.

"Servicer" has the meaning set forth in the Assignment Agreement.

"**State**" means the State of California.

"**Tax Certificate**" means the Tax Certificate executed by the City at the time of execution and delivery of the Facilities Sublease, executed and delivered by the City on the Delivery Date, including all

exhibits attached thereto, as such certificate may from time to time be modified or supplemented in accordance with the terms thereof.

"**Termination Date**" means June 1, 2037, unless extended or sooner terminated as provided in Section 3.02 and Section 4.06 hereof.

ARTICLE II

USE OF PROCEEDS; REPRESENTATIONS AND WARRANTIES

Section 2.01. **Application of Moneys.** The Facilities Lease provides that the Authority is to pay to the City, as and for rental of the Property thereunder, the Facilities Lease Payment in an amount equal to $5,523,602.00. The Assignment Agreement provides that (a) the Series A Assignee, in consideration of the sale, assignment and transfer to the Assignee of the respective pro-rata portion of the Authority's right, title and interest in and to the Facilities Lease and this Facilities Sublease, is to pay to the Authority an aggregate amount equal to $3,723,602.00 and (b) the Series B Assignee, in consideration of the sale, assignment and transfer to the Assignee of the respective pro-rata portion of the Authority's right, title and interest in and to the Facilities Lease and this Facilities Sublease, is to pay to the Authority an aggregate amount equal to $1,800,000.00 (the "Series B Proceeds"). Upon receipt thereof, the Authority shall apply, or cause to be applied, the amount received from the Assignees pursuant to the Assignment Agreement to the payment of the Facilities Lease Payment under the Facilities Lease. Upon receipt thereof, the City shall apply (i) $3,638,602.00 to the tax-exempt portion of the Project, (ii) $1,764,706.00 to the CREB portion of the Project, (iii) apply $85,000.00 to the payment of Related Project Costs relating to the tax-exempt portion of the Project and (iv) apply $35,294.00 (which shall not exceed 2% of the Series B Proceeds) to the payment of Related Project Costs relating to the CREB portion of the Project.

Section 2.02. **Representations and Warranties of the City.** The City represents and warrants to the Authority as follows:

(a) The City is a municipal corporation duly organized and existing under the Constitution and laws of the State.

(b) The City has duly authorized and executed this Facilities Sublease and the Facilities Lease in accordance with the Constitution and laws of the State.

(c) The Constitution and laws of the State authorize the City to enter into this Facilities Sublease and the Facilities Lease, and to enter into the transactions contemplated hereby and thereby and to carry out its obligations hereunder and thereunder, the City has duly authorized and executed this Facilities Sublease and the Facilities Lease, and this Facilities Sublease and the Facilities Lease constitute the legal, valid and binding obligations of the City enforceable in accordance with their respective terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

(d) Neither the execution and delivery of this Facilities Sublease or the Facilities Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any applicable law, restriction or any agreement or instrument to which the City is now a party or by which the City is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or

encumbrance whatsoever upon any of the property or assets of the City, which conflict, breach, default, lien, charge or encumbrance would have a material adverse effect on the City's ability to perform its obligations under this Facilities Sublease or the Facilities Lease.

(e) Neither the execution and delivery of this Facilities Sublease or the Facilities Lease, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, results in the creation or imposition of any lien, charge or encumbrance whatsoever upon the Property, except for Permitted Encumbrances.

(f) There are no actions or proceedings against the City pending (service of process having been accomplished) or overtly threatened in writing or otherwise known to the City (i) to restrain or enjoin the payment of the Rental Payments, (ii) in any way contesting the validity of the Facilities Lease or the Facilities Sublease or the authority of the City to enter into the Facilities Lease or the Facilities Sublease, (iii) in any way contesting the powers of the City in connection with any action contemplated by the Facilities Lease or the Facilities Sublease, or (iv) in which a final adverse decision could materially adversely affect the operation of the City or its ability to perform its obligations under the Facilities Lease or the Facilities Sublease.

(g) The Property is essential to the City's efficient and economic operations and the lease thereof for use by the City is in the best interest of the City.

(h) The Property complies in all material respects with applicable zoning, environmental and safety ordinances, and the City does not believe there to be any adverse environmental conditions on the Property.

(i) There has been no material adverse change in the City's financial condition subsequent to June 30, 2016, and the City's financial statements dated as of said date fairly and accurately present the City's financial condition in all material respects.

(j) The City acknowledges that (i) each Assignee is acting solely as assignee of the Authority's right, title and interest in this Facilities Sublease for its own account and not as a fiduciary for the City or in the capacity of broker, dealer, municipal securities underwriter, placement agent, or municipal advisor, (ii) no Assignee has provided, and no Assignee will provide, financial, legal, tax, accounting or other advice to or on behalf of the City with respect to its purchase of the Authority's right, title and interest in this Facilities Sublease, and (iii) the City has sought and obtained financial, legal, tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the financing effectuated through the Facilities Sublease and the Facilities Lease from its financial, legal and other advisors (and not any Assignee) to the extent that the City desired to obtain such advice.

(k) As of the Delivery Date, the insured replacement value of the improvements on portion of the Property relating consisting of real property (excluding land) is not less than $5,523,602.00.

(l) The exceptions set forth in the title insurance policy issued by Stewart Title Guaranty Company do not affect the intended use of the Property or interfere with the City's beneficial use and enjoyment of the Property. The City owns the Property in fee simple subject only to Permitted Encumbrances.

(m) No consent or approval of any trustee or holder of any indebtedness of the City or of the voters of the City, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery by the City of the Facilities Lease and this Facilities Sublease, or the consummation of any transaction therein or herein contemplated, except as have been obtained or made and as are in full force and effect, or except as would not materially adversely effect the transactions contemplated hereby.

Section 2.03. **Representations and Warranties of the Authority.** The Authority represents and warrants to the City as follows:

(a) The Authority is a joint exercise of powers authority, duly organized and existing under the laws of the State.

(b) The Authority has duly authorized and executed this Facilities Sublease, the Facilities Lease and the Assignment Agreement in accordance with the laws of the State.

(c) The Authority has the power to enter into this Facilities Sublease, the Facilities Lease and the Assignment Agreement, is possessed of full power to own and hold real and personal property, and to lease and sell the same, has duly authorized the execution and delivery of this Facilities Sublease, the Facilities Lease and the Assignment Agreement, and this Facilities Sublease, the Facilities Lease and the Assignment Agreement constitute the legal, valid and binding obligations of the Authority, enforceable in accordance with their respective terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

(d) Neither the execution and delivery of this Facilities Sublease, the Facilities Lease or the Assignment Agreement, nor the fulfillment of or compliance with the terms and conditions hereof or thereof, nor the consummation of the transactions contemplated hereby or thereby, conflicts with or results in a breach of the terms, conditions or provisions of any applicable law, restriction or any agreement or instrument to which the Authority is now a party or by which the Authority is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Authority, which conflict, breach, default, lien, charge or encumbrance would have a material adverse effect on the Authority's ability to perform its obligations under this Facilities Sublease, the Facilities Lease or the Assignment Agreement.

(e) There are no actions or proceedings against the Authority pending (service of process having been accomplished) or overtly threatened in writing or otherwise known to the Authority (i) to restrain or enjoin the payment of the Rental Payments, (ii) in any way contesting the validity of the Facilities Lease, this Facilities Sublease or the Assignment Agreement or the authority of the Authority to enter into the Facilities Lease, this Facilities Sublease or the Assignment Agreement, (iii) in any way contesting the powers of the Authority in connection with any action contemplated by the Facilities Lease, this Facilities Sublease or the Assignment Agreement, or (iv) in which a final adverse decision could materially adversely affect the operation of the Authority or its ability to perform its obligations under the Facilities Lease, this Facilities Sublease or the Assignment Agreement.

ARTICLE III

LEASE OF PROPERTY; TERM

Section 3.01. **Lease of Property.** (a) The Authority hereby leases to the City and the City hereby leases from the Authority the Property, on the terms and conditions hereinafter set forth, subject to all Permitted Encumbrances.

(b) The leasing of the Property by the City to the Authority pursuant to the Facilities Lease shall not effect or result in a merger of the City's leasehold estate in the Property as lessee under this Facilities Sublease and its fee estate in the Property as lessor under the Facilities Lease, and the Authority shall continue to have a leasehold estate in the Property pursuant to the Facilities Lease throughout the term thereof and hereof. This Facilities Sublease shall constitute a sublease with respect to the Property. The leasehold interest in the Property granted by the City to the Authority pursuant to the Facilities Lease is and shall be independent of this Facilities Sublease; this Facilities Sublease shall not be an assignment or surrender of the leasehold interest in the Property granted to the Authority under the Facilities Lease.

Section 3.02. **Term; Occupancy.** (a) The term of this Facilities Sublease shall commence on the Delivery Date and end on the Termination Date, unless such term is extended or sooner terminated as hereinafter provided. If on the Termination Date the Rental Payments shall remain due and payable or shall have been abated at any time and for any reason, then the term of this Facilities Sublease shall, subject to the right of the Authority to exercise its remedies as provided in Section 9.01, be automatically extended until the date upon which all Rental Payments shall have been paid in full, or provision therefor shall have been made in accordance with the terms hereof, except that the term of this Facilities Sublease shall in no event be extended more than ten years beyond the Termination Date. If prior to the Termination Date, or prior to the date to which the term of this Facilities Sublease has been extended pursuant to this Section, all Rental Payments shall have been paid in full, or provision therefor shall have been made in accordance with the terms hereof, the term of this Facilities Sublease shall end simultaneously therewith.

(b) The City shall take possession of the Property on the Delivery Date.

Section 3.03. **Title to Property.** Upon the termination or expiration of this Facilities Sublease (other than as provided in Sections 8.01 and 9.01 hereof), all right, title and interest in and to the Property shall vest in the City. Upon any such termination or expiration, the Authority shall execute such conveyances, deeds and other documents as may be necessary to effect such vesting of record.

ARTICLE IV

RENTAL PAYMENTS

Section 4.01. **Base Rental Payments.** (a) *General.* Subject to the provisions hereof relating to a revision of the Base Rental Payment Schedules pursuant to subsection (b) of this Section, the City shall pay to the Authority, as Base Rental Payments (subject to the provisions of Section 4.06 and Article VIII of this Facilities Sublease) the amount at the times specified in the Base Rental Payment Schedules set forth in Exhibit B hereto and made a part hereof, a portion of which Base Rental Payments shall constitute principal components and a portion of which shall constitute interest components. The portion of the principal component of the Series B Taxable Base Rental Payments are hereby designated a "new clean renewable energy bond" for purposes of Section 54C(a) of the Internal Revenue Code (the "CREB"). The interest components of the Base Rental Payments shall be paid by the City as and

constitute interest paid on the principal components of the Base Rental Payments. Except to the extent specified in Section 4.06 hereof, Rental Payments, including Base Rental Payments, shall be paid by the City to the Authority for and in consideration of the right to use and occupy the Property and in consideration of the continued right to the quiet use and enjoyment thereof during each Rental Period for which such Rental Payments are to be paid and such obligation to pay Rental Payments and the City's obligation to observe the other covenants and agreements contained in this Agreement shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including, without limitation, the failure or inability (for whatever reason) of the City to receive (or delay in receipt of) all or any portion of the direct cash subsidy payment with respect to this Facilities Sublease, the availability to the City of energy or savings from the Project, the nonpayment of any amounts payable by any vendor pursuant to any vendor agreement related to the Project or any other issues with respect to Project.

The obligation of the City to make the Base Rental Payments does not constitute a debt of the City or of the State or of any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the City or the State is obligated to levy or pledge any form of taxation or for which the City or the State has levied or pledged any form of taxation.

(b) *Payments other than Regularly Scheduled Payments.* If the term of this Facilities Sublease shall have been extended pursuant to Sections 3.02 or 4.06 hereof, the obligation of the City to pay Rental Payments shall continue through the date of termination of this Facilities Sublease (as so extended pursuant to Sections 3.02 or 4.06 hereof). Upon such extension, the principal and interest components of the Base Rental Payments shall be established so that the principal components will in the aggregate be sufficient to pay all extended and unpaid principal components and the interest components will in the aggregate be sufficient to pay all extended and unpaid interest components; provided, however, that the Rental Payments payable in any Rental Period shall not exceed the annual fair rental value of the Property

Section 4.02. **Additional Rental Payments.** The City shall also pay, as Additional Rental Payments, such amounts as shall be required for the payment of the following:

(a) all taxes and assessments of any type or nature charged to the Authority or the City or affecting the Property or the respective interests or estates of the Authority or the City therein;

(b) all reasonable administrative costs of the Authority relating to the Property including, but without limiting the generality of the foregoing, salaries, wages, fees and expenses, fees of auditors, accountants, attorneys or engineers, and all other necessary and reasonable administrative costs of the Authority or charges required to be paid by it in order to maintain its existence or to comply with the terms of this Facilities Sublease or to defend the Authority and its members, directors, officers, agents and employees;

(c) insurance premiums for all insurance required pursuant to Article VII hereof;

(d) any amounts with respect to this Facilities Sublease required to be rebated to the federal government in accordance with section 148(f) of the Code; and

(e) all other payments required to be paid by the City under the provisions of this Facilities Sublease.

Amounts constituting Additional Rental Payments payable hereunder shall be paid by the City directly to the person or persons to whom such amounts shall be payable. The City shall pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 60 days after notice in writing from the Authority to the City stating the amount of Additional Rental Payments then due and payable and the purpose thereof.

Section 4.03. **Fair Rental Value.** The parties hereto have agreed and determined that the Rental Payments are not in excess of the Fair Rental Value of the Property. In making such determination of Fair Rental Value, consideration has been given to the uses and purposes that may be served by the Property and the benefits therefrom which will accrue to the City and the general public. Payments of the Rental Payments for the Property during each Rental Period shall constitute the total rental for said Rental Period.

Section 4.04. **Payment Provisions.** Each installment of Base Rental Payments payable hereunder shall be paid in lawful money of the United States of America to or upon the order of the Authority, or such other place or entity as the Authority shall designate. Each Base Rental Payment shall be deposited with the Authority no later than the Base Rental Payment Date on which such Base Rental Payment is due. Any Base Rental Payment which shall not be paid by the City when due and payable under the terms of this Facilities Sublease shall bear interest from the date when the same is due hereunder until the same shall be paid at the rate of 12% per annum. Notwithstanding any dispute between the Authority and the City, the City shall make all Rental Payments when due without deduction or offset of any kind and shall not withhold any Rental Payments pending the final resolution of such dispute. In the event of a determination that the City was not liable for said Rental Payments or any portion thereof, said payments or excess of payments, as the case may be, shall be credited against subsequent Rental Payments due hereunder or refunded at the time of such determination.

Section 4.05. **Appropriations Covenant.** The City covenants to take such action as may be necessary to include all Rental Payments due hereunder in its annual budgets and to make necessary annual appropriations for all such Rental Payments. The covenants on the part of the City herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in this Facilities Sublease agreed to be carried out and performed by the City.

Section 4.06. **Rental Abatement.** Except as otherwise specifically provided in this Section, during any period in which, by reason of material damage to, or destruction or condemnation of, the Property, or any defect in title to the Property, there is substantial interference with the City's use and occupancy of any portion of the Property, Rental Payments shall be abated proportionately (and such portion of Rental Payments to be abated shall be allocated on a pro-rata basis across the Series A Tax-Exempt Base Rental Payments and the Series B Taxable Base Rental Payments), and the City waives the benefits of California Civil Code Sections 1932(1), 1932(2) and 1933(4) and any and all other rights to terminate this Facilities Sublease by virtue of any such interference, and this Facilities Sublease shall continue in full force and effect. The City shall immediately notify the Authority upon the occurrence of any event causing substantial interference with the City's beneficial use and enjoyment of any of the Property and the portion of the Property that is unavailable. The City and the Authority shall, in a reasonable manner and in good faith, determine the amount of such abatement; provided, however, that the Rental Payments due for any Rental Period shall not exceed the annual fair rental value of that portion of the Property available for use and occupancy by the City during such Rental Period. Such abatement shall continue for the period commencing with the date of interference resulting from such damage, destruction, condemnation or title defect and end on the earlier of (i) the date on which the beneficial use

and enjoyment thereof are restored to the City, or (ii) the date on which the City either (x) repairs or replaces the affected Property or substitutes additional property therefore as provided herein, (y) uses the proceeds of insurance or condemnation award to pay the applicable prepayment price therefor or (z) uses legally available funds to pay the applicable prepayment price therefor if no insurance proceeds or condemnation award are available for purposes of the foregoing clause (y). The Term of this Facilities Sublease shall be extended for an Extended Lease Term and further extended successively for any additional Extended Lease Term as a result of the occurrence of any subsequent similar event, except that the term of this Facilities Sublease shall in no event be extended more than ten years beyond the Termination Date and the initial stated term of this Facilities Sublease shall not exceed the maximum term established by the Secretary of the Treasury that is applicable to this Agreement. The date on which abatement ends as determined pursuant to the next preceding sentence is referred to herein as an "Abatement End Date."

The terms and conditions during any Extended Lease Term under this Agreement shall be the same as the terms and conditions during the original lease term, except that (i) the then unpaid aggregate principal component under this Agreement shall be amortized at the applicable interest rate over a period equal to the duration of the then remainder of such original lease term and such Extended Lease Term and with Rental Payments payable on each Rental Payment Date provided in the Base Rental Payment Schedules; (ii) the Authority shall prepare, and the Authority and the City shall execute and deliver, revised Base Rental Payment Schedules based on the factors described in the preceding clause (i); (iii) if the Extended Lease Term does not end on an applicable Rental Payment Date, the final date for payment of Rental Payments shall be the last business day of the Extended Lease Term under this Agreement; and (iv) the City shall take such actions as may be reasonably necessary to maintain the federal tax-exemption of the interest component of the Series A Tax-Exempt Base Rental Payments hereunder, including preparing, executing and filing an information reporting return in compliance with the Code in the event that the revised Base Rental Payment Schedules may result in treatment of such revised Base Rental Payment Schedules as a reissuance of this Facilities Sublease for federal income tax purposes. In connection with the execution and delivery of revised Base Rental Payment Schedules as herein provided, the City shall deliver to the Authority, at the City's expense, a written opinion of special tax counsel (selected by the City and reasonably acceptable to the Authority) with respect to the federal tax matters described in this paragraph. The City shall direct such special tax counsel to cooperate with the Authority in connection with federal tax matters that relate to the calculations that the Authority is required to make as provided in the first sentence of this paragraph. The Authority shall establish the Extended Lease Term, calculate the increased interest component and revised amortization of the then unpaid aggregate principal component hereunder and prepare the revised Base Rental Payment Schedules, all as provided in the first sentence of this paragraph, within thirty days after the Abatement End Date. Once the Authority has prepared such revised Base Rental Payment Schedules, the Authority shall promptly deliver such revised Base Rental Payment Schedules to the City for acceptance, execution and delivery by the City and return to the Authority; *provided* that the revised Base Rental Payment Schedules prepared in accordance with this subsection shall become immediately effective for the period from and after such Abatement End Date upon acceptance by the City.

Section 4.07. **Net-Net-Net Lease.** This Facilities Sublease shall be deemed and construed to be a "net-net-net lease" and the City hereby agrees that the Rental Payments shall be an absolute net return to the Authority, free and clear of any expenses, charges or set-offs whatsoever and notwithstanding any dispute between the City and the Authority.

ARTICLE V

COVENANTS

Section 5.01. **Quiet Enjoyment.** The City, by keeping and performing the covenants and agreements herein contained, shall at all times during the term of this Facilities Sublease peaceably and quietly have, hold and enjoy the Property without suit, trouble or hindrance from the Authority.

Section 5.02. **Right of Entry.** The Authority and its assignees shall have the right to enter upon and to examine and inspect the Property during reasonable business hours and upon reasonable notice of not less than 48 hours (and in emergencies at all times) for any purpose connected with the Authority's rights or obligations under this Facilities Sublease, and for all other lawful purposes.

Section 5.03. **Liens.** The City will not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Property, other than as herein contemplated and except for such Permitted Encumbrances as the City certifies in writing to the Authority do not materially and adversely affect the leasehold estate in the Property hereunder and for which the Servicer on behalf of the Assignees approves in writing, which approval may not be unreasonably withheld. Except as expressly provided in this Article V, the City will promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, other than Permitted Encumbrances, if the same shall arise at any time. The City will reimburse the Authority for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim.

Section 5.04. **Taxes.** The City shall pay or cause to be paid all taxes and assessments of any type or nature charged to the Authority or affecting the Property or the respective interests or estates therein; provided, however, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are required to be paid during the term of this Facilities Sublease as and when the same become due.

After giving notice to the Authority, the City or any sublessee may, at the City's or such sublessee's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Authority shall notify the City or such sublessee that, in the opinion of independent counsel, by nonpayment of any such items, the interest of the Authority in the Property will be materially endangered or the Property, or any part thereof, will be subject to loss or forfeiture, in which event the City or such sublessee shall promptly pay such taxes, assessments or charges or provide the Authority with full security against any loss which may result from nonpayment, in form satisfactory to the Authority.

Section 5.05. **Use of the Property.** The City shall not use, operate or maintain the Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Facilities Sublease. In addition, the City shall comply in all respects (including, without limitation, with respect to the use, maintenance and operation of the Property) with all laws of the jurisdictions in which its operations may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Property; provided, however, that the City may contest in good faith the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Authority, adversely affect the estate of the Authority in and to any of the Property or its interest or rights under this Facilities Sublease.

Section 5.06. **Environmental Compliance.** (a) The City shall not use or permit the Property or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary to maintain the improvements on the Property and then, only in compliance with all Environmental Regulations, and any state equivalent laws and regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee and agent, the storage, transportation, disposal or use of Hazardous Materials or the release or threat of release of Hazardous Materials on, from or beneath the Property or onto any other property excluding, however, those Hazardous Materials in those amounts ordinarily found in the inventory of a city, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Environmental Regulations. Upon the occurrence of any release or threat of release of Hazardous Materials, the City shall promptly commence and perform, or cause to be commenced and performed promptly, without cost to the Authority, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so released, on, from or beneath the Property or other property, in compliance with all Environmental Regulations.

(b) The City shall comply with, and shall cause all tenants, subtenants, licensees, guests, invitees, contractors, employees and agents on the Property to comply with, all Environmental Regulations, and shall keep the Property free and clear of any liens imposed pursuant thereto. The City shall remain solely responsible for ensuring such compliance and any noncompliance shall not diminish or affect in any way the City's obligations contained in subsection (c) of this Section. Upon receipt of any notice from any person with regard to the release of Hazardous Materials on, from or beneath the Property, the City shall give prompt written notice thereof to the Authority prior to the expiration of any period in which to respond to such notice under any Environmental Regulation.

(c) The City shall, to the extent permitted by law, defend, indemnify and hold harmless, the Authority and its respective employees, agents, officers, directors, trustees, successors and assigns, from and against any claims, demands, penalties, fines, attorneys' fees (including, without limitation, attorneys' fees incurred to enforce the indemnification contained in this subsection, consultants' fees, investigation and laboratory fees, liabilities, settlements (five Business Days' prior notice of which the Authority shall have delivered to the City), court costs, damages, losses, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, occurring in whole or in part, arising out of, or in any way related to, (i) the presence, disposal, release, threat of release, removal, discharge, storage or transportation of any Hazardous Materials on, from or beneath the Property, (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazardous Materials, (iii) any lawsuit brought or threatened, settlement reached (five Business Days' prior notice of which the Authority shall have delivered to the City), or governmental order relating to Hazardous Materials on, from or beneath the Property, (iv) any violation of Environmental Regulations or subsection (a) or (b) of this Section by it or any of its agents, tenants, employees, contractors, licensees, guests, subtenants or invitees, and (v) the imposition of any governmental lien for the recovery of environmental cleanup or removal costs. To the extent that the City is strictly liable under any Environmental Regulation, its obligation to the Authority and the other indemnitees under the foregoing indemnification shall likewise be without regard to fault on its part and the other indemnities with respect to the violation of any Environmental Regulation which results in liability to any indemnitee. The obligations and liabilities under this Section shall survive the payment and satisfaction of all Rental Payments.

(d) In connection with its covenants provided in this Section 5.06, the City shall specifically comply with all requirements regarding lead paint and Asbestos Containing

Materials, including the Asbestos Hazard Emergency Response Act (referred to as "AHERA" and constituting an Environmental Regulations), and shall inspect the Property and develop, maintain, update and keep copies of relevant management plans at the Property in accordance with all Environmental Regulations. The City shall also maintain all Asbestos Containing Materials and lead paint in an undamaged state and perform any demolition, renovation or other activities in accordance with all Environmental Regulations. As used herein, the term *"Asbestos Containing Materials"* means material in friable form containing more than one percent (1%) of the asbestiform varieties of chrysotile (serpentine), crocidolite (ricbeckite), amosite (cummington-itegrinerite), anthophyllite, tremolite and antinolite

Section 5.07. **Tax Covenants.** The City and the Authority shall at all times do and perform all acts and things permitted by law which are necessary or desirable in order to assure that the interest component of the Series A Tax-Exempt Base Rental Payments will not be included in the gross income of the owner thereof for federal income tax purposes and shall take no action that would result in such interest being so included. In the event all or any portion of the interest component of the Series A Tax-Exempt Base Rental Payments is or becomes includable in gross income of the owner thereof for federal income tax purposes (a "taxable event") as determined by notice or action of the Internal Revenue Service or a written opinion by an attorney or firm of attorneys of nationally recognized standing on the subject of tax-exempt municipal finance (the date of such notice, action or opinion, the "determination date"), then (a) the interest rate applicable to the interest component of the Series A Tax-Exempt Base Rental Payments will be adjusted upwards to an interest rate determined by the Series A Assignee to maintain the same after-tax yield on such Base Rental Payments following the taxable event as it was before the taxable event (the "taxable rate") and the applicable Base Rental Payment Schedules shall be revised accordingly and (b) the City will pay to the Series A Assignee within 30 days of receiving an invoice therefor (i) an additional amount equal to the difference between (A) the interest component paid on the Series A Tax-Exempt Base Rental Payments prior to the determination date and (B) the amount of interest that would have been paid on the Series A Tax-Exempt Base Rental Payments prior to the determination date had such Base Rental Payments borne interest at the taxable rate plus (ii) an amount equal to any interest, penalties on overdue interest and additions to tax applicable to the series A Assignee, as a result of the interest component being includable in gross income of the owner thereof for federal income tax purposes. With respect to the Series B Taxable Base Rental Payments, neither the City nor the Authority shall take any action, or fail to take any action, if such action or failure to take such action would cause (x) the Project to not be a qualified project under Section 54C(a)(3) of the Code or (y) the Series B Taxable Base Rental Payments not to be a "new clean renewable energy bond" for purposes of Section 54C(a) of the Code. Without limiting the generality of the foregoing, the City shall comply with the requirements of the Tax Certificate, which is incorporated herein as if fully set forth herein.

Section 5.08. **Financial Statements.** The City shall, furnish or cause to be furnished to the Authority, at the City's expense (a) the audited financial statements of the City within nine months of the end of each fiscal year of the City, or as soon as practicable thereafter, and (b) any interim or unaudited financial statements that may be reasonably requested by the Authority as soon as available. Any audited financial statements furnished to the Authority shall be prepared in accordance with generally accepted accounting principles, consistently applied, and shall fairly present the City's financial condition as of the date of the statements.

Section 5.09. **Authority Covenants.** To the extent permitted by law, the Authority shall, during the term hereof, maintain its existence as a joint powers authority, qualified to do business in the State, and shall not dissolve.

Section 5.10. **Authority Not Liable.** The Authority and its directors, members, officers, agents, employees and successors and assigns (each, an "indemnified party"), shall not be liable to the

City or to any other party whomsoever for any death, injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the Property. To the extent permitted by law, the City shall, at its expense, indemnify and hold the Authority and all other indemnified parties harmless against and from any and all claims by or on behalf of any person, firm, corporation or governmental authority arising from the acquisition, construction, occupation, use, operation, maintenance, possession, conduct or management of or from any work done in or about the Property or from the subletting of any part thereof, including any liability for violation of conditions, agreements, restrictions, laws, ordinances, or regulations affecting the Property or the occupancy or use thereof, but excepting the gross negligence or willful misconduct of the indemnified party. The City also covenants and agrees, at its expense, to pay and indemnify and save the Authority and all other indemnified parties harmless against and from any and all claims arising from (a) any condition of the Property and the adjoining sidewalks and passageways, (b) any breach or default on the part of the City in the performance of any covenant or agreement to be performed by the City pursuant to this Facilities Sublease, (c) any act or negligence of licensees in connection with their use, occupancy or operation of the Property, or (d) any accident, injury or damage whatsoever caused to any person, firm or corporation in or about the Property or upon or under the sidewalks, and in all cases and from and against all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any claim referred to in this Section, but excepting the gross negligence or willful misconduct of the indemnified party. In the event that any action or proceeding is brought against the Authority or any indemnified party, by reason of any such claim, the City, upon notice from the Authority or such other indemnified party, covenants to resist or defend such action or proceeding by counsel reasonably satisfactory to the Authority or such other indemnified party.

Notwithstanding the fact that it is the intention of the parties that the Authority and all other indemnified parties shall not incur any pecuniary liability by reason of the terms of this Facilities Sublease, or the undertakings required of the Authority hereunder or any other indemnified party, by reason of the execution or authorization of any document or certification in connection with this Facilities Sublease including, but not limited to, this Facilities Sublease, by reason of the performance or nonperformance of any act required of any of them by this Facilities Sublease or by reason of the performance or nonperformance of any act requested of any of them by the City or the Authority, including all claims, liabilities or losses arising in connection with the violation of any statutes or regulation pertaining to the foregoing; nevertheless, if the Authority or any other indemnified party should incur any such pecuniary liability, then in such event the City shall indemnify and hold harmless the Authority and all other indemnified parties, against all claims by or on behalf of any person, firm, corporation or governmental authority arising out of the same, or in connection with any action or proceeding brought thereon, but excepting the gross negligence or willful misconduct of the indemnified party, and upon notice from the Authority or other indemnified party, the City shall defend the Authority or other indemnified party in any such action or proceeding. This Section shall survive the termination of this Facilities Sublease.

Section 5.11. **Representations of the City.** The City represents and warrants to the Authority that the City has the full power and authority to enter into, to execute and to deliver this Facilities Sublease and the Facilities Lease, and to perform all of its duties and obligations hereunder and thereunder, and has duly authorized the execution and delivery of this Facilities Sublease and the Facilities Lease.

Section 5.12. **Representation of the Authority.** The Authority represents and warrants to the City that the Authority has the full power and authority to enter into, to execute and to deliver this Facilities Sublease, the Facilities Lease and the Assignment Agreement, and to perform all of its duties

and obligations hereunder and thereunder, and has duly authorized the execution and delivery of this Facilities Sublease, the Facilities Lease and the Assignment Agreement.

Section 5.13. **Authority's Purpose.** The Authority covenants that, prior to the discharge of this Facilities Sublease, the Facilities Lease and the Assignment Agreement, it will not engage in any activities inconsistent with the purposes hereof or thereof or otherwise for which the Authority is organized, as set forth in its Articles of Incorporation and Bylaws.

Section 5.14. **Condemnation.** The City shall not exercise the power of condemnation with respect to the Property. If for any reason the foregoing covenant shall be held by a court of competent jurisdiction to be unenforceable and the City condemns the Property or if the City breaches such covenant, the City agrees that the value of the City's leasehold estate hereunder in the Property shall be not less than the amount sufficient to prepay the Base Rental Payments pursuant to Section 8.03 plus any Additional Payments.

Section 5.15. **Advances.** If the City fails to perform any of its obligations under Articles V or VI and fails to cure such deficiency within 30 days upon receipt of notice from the Authority, or if the City fails to perform any of its obligations under Article VII, the Authority may take such action as may be necessary to cure such failure, including the advancement of money, and the City shall be obligated to repay all such advances as additional rental hereunder, with interest at a rate equal to the interest rate at which the interest component on Base Rental Payments has been calculated plus 5% per annum or the maximum amount permitted by law, whichever is less.

ARTICLE VI

MAINTENANCE; ALTERATIONS; SUBLEASING; SUBSTITUTION

Section 6.01. **Maintenance and Utilities.** Throughout the term of this Facilities Sublease, as part of the consideration for rental of the Property, all improvement, repair and maintenance of the Property shall be the responsibility of the City, and the City shall pay for or otherwise arrange for the payment of all utility services supplied to the Property, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, ventilation, air conditioning, water and all other utility services, and shall pay for or otherwise arrange for payment of the cost of the repair and replacement of the Property resulting from ordinary wear and tear or want of care on the part of the City or any assignee or sublessee thereof. In exchange for the Rental Payments, the Authority agrees to provide only the Property.

Section 6.02. **Additions to Property.** The City has the right, at its own expense, to make additions, modifications and improvements to the Property or any portion thereof. All additions, modifications and improvements to the Property will thereafter comprise part of the Property and become subject to the provisions of this Facilities Sublease. Such additions, modifications and improvements may not in any way damage the Property, or cause the Property to be used for purposes other than those authorized under the provisions of State and federal law; and the Property, upon completion of any additions, modifications and improvements made thereto under this Section, must be of a value which is not substantially less than the value thereof immediately prior to the making of such additions, modifications and improvements. The City will not permit any mechanic's or other lien to be established or remain against the Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the City under this Section; *provided* that if any such lien is established and the City first notifies the Authority of the City's intention to do so, the City may in good faith contest any lien filed or established against the Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the

period of such contest and any appeal therefrom and will provide the Authority with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Authority. The Authority will cooperate fully in any such contest, upon the request and at the expense of the City.

Section 6.03. **Installation of City's Equipment.** The City and any sublessee may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed items of equipment or other personal property in or upon the Property. All such items shall remain the sole property of the City or such sublessee, and the Authority shall have no interest therein. The City or such sublessee may remove or modify such equipment or other personal property at any time, provided that such party shall repair and restore any and all damage to the Property resulting from the installation, modification or removal of any such items. Nothing in this Facilities Sublease shall prevent the City or any sublessee from purchasing items to be installed pursuant to this Section under a conditional sale or lease purchase contract, or subject to a vendor's lien or security agreement as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the Property.

Section 6.04. **Assignment and Subleasing.** Neither this Facilities Sublease nor any interest of the City hereunder shall be sold, mortgaged, pledged, assigned, or transferred by the City by voluntary act or by operation of law or otherwise; provided such subletting shall not affect the tax-exempt status of the interest components of the Series A Tax-Exempt Base Rental Payments payable by the City hereunder, as evidenced by an Opinion of Counsel addressed to the Authority and the Series A Assignee to such effect. Notwithstanding the foregoing, the Property may be subleased in whole or in part by the City with the prior written consent of the Authority and the Assignees and, provided further that, any such sublease shall be subject to all of the following conditions:

(a) this Facilities Sublease and the obligation of the City to make all Rental Payments hereunder shall remain the primary obligation of the City;

(b) the City shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Authority a true and complete copy of such sublease;

(c) no such sublease by the City shall cause the Property to be used for a purpose other than a governmental or proprietary function authorized under the provisions of the Constitution and laws of the State of California;

(d) any sublease of the Property by the City shall explicitly provide that such sublease is subject to all rights of the Authority under this Facilities Sublease, including, the right to re-enter and re-let the Property or terminate this Facilities Sublease upon a default by the City ; and

(e) the City shall furnish the Authority and the Series B Assignee with an Opinion of Counsel to the effect that such sublease will not, in and of itself, adversely affect the status of the CREB as a *"new clean renewable energy bond"* under and as defined in Sections 54A(d)(1)(B) and 54C of the Code.

Section 6.05. **Substitution or Release of the Property.** The City shall have the right to substitute alternate unencumbered real property for any portion of the Property or to release a portion of the Property from this Facilities Sublease pursuant to this Section. All costs and expenses incurred in connection with such substitution or release shall be borne by the City. Notwithstanding any substitution or release pursuant to this Section, there shall be no reduction in or abatement of the Base Rental

Payments due from the City hereunder as a result of such substitution or release. Any such substitution or release of any portion of the Property shall be subject to the following specific conditions, which are hereby made conditions precedent to such substitution or release:

(a) the Authority and the Assignees shall have consented in writing to such substitution or release which shall be in its sole discretion;

(b) the City shall have provided the Authority and the respective Assignee with an Opinion of Counsel to the effect that such substitution or release will not, in and of itself, (i) cause the interest component of the Series A Tax-Exempt Base Rental Payments to be included in gross income for federal income tax purposes, or (ii) adversely affect the status of the Series B Taxable Base Rental Payments and CREB as a *"new clean renewable energy bond"* under and as defined in Sections 54A(d)(1)(B) and 54C of the Code;

(c) the City and the Authority shall have executed, and the City shall have caused to be recorded with the San Diego County Recorder, any document necessary to reconvey to the City the portion of the Property being substituted or released and to include any substituted real property in the description of the Property contained herein and in the Facilities Lease;

(d) the City has obtained an CLTA Standard Policy insuring the City's fee interest in the Property being substituted and the Authority's interests in the estate established under the Facilities Lease in the Property being substituted, subject only to Permitted Encumbrances, in an amount equal to the original principal components of the Base Rental Payments and naming both the Servicer and the Assignees as additional insureds;

(e) the City has certified in writing to the Authority and the Assignees that no Event of Default has occurred and is continuing and that the Property being substituted is essential to the City's efficient and economic operation, serves an essential governmental function of the City and constitutes property which the City is permitted to lease under the laws of the State of California, and that the estimated value and the estimated fair rental value of the Property being substituted is at least equal to the estimated value and the estimated fair rental value, respectively, of the former Property as of the date hereof, and that the useful life of the Property being substituted extends to or beyond June 1, 2047. If requested by the Assignees, the City has delivered to the Assignees valuations prepared or confirmed by an independent third party, which might include, without limitation, an appraisal or a valuation by an insurance company. The Property being substituted does not cause the City to violate any of its covenants, representations and warranties made herein. No event giving rise to an abatement of Rental Payments has occurred or is continuing with respect to the Property being substituted; and

(f) the City has delivered to the Assignees an environmental survey or surveys with respect to the proposed substitute Property, and other documents that the Assignees may reasonably require; provided, however, that if the environmental studies have recommended that remedial action be taken with respect to the Property being substituted so that it will be in compliance with applicable Environmental Regulations, the Authority, at the direction of the Assignees, does not have an obligation or duty to accept the proposed substitute Property until such time as the remedial action has been completed and the Assignees have received assurances to their satisfaction that the proposed substitute Property is in compliance with applicable Environmental Regulations.

ARTICLE VII

INSURANCE

Section 7.01. Public Liability and Property Damage Insurance; Workers' Compensation Insurance; Rental Interruption Insurance. (a) The City shall maintain or cause to be maintained throughout the term of this Facilities Sublease a standard comprehensive general insurance policy or policies in protection of the City, the Authority and their respective members, officers, agents, employees and assigns. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Property. Such policy or policies must provide coverage of at least $1,000,000 per occurrence, $3,000,000 in aggregate and $5,000,000 excess liability and may be subject to such deductibles as the City deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the City, and may be maintained in whole or in part in the form of the participation by the City in a joint powers authority or other program providing pooled insurance. The City will apply the proceeds of such liability insurance toward extinguishment or satisfaction of the liability with respect to which such proceeds have been paid.

(b) The City shall maintain or cause to be maintained, throughout the term of this Facilities Sublease, workers' compensation insurance issued by a responsible carrier authorized under the laws of the State to insure employers against liability for compensation under the California Labor Code, or any act enacted as an amendment or supplement thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the City in connection with the Property and to cover full liability for compensation under any such act; provided, however, that with the prior written consent of the Servicer at the direction of the Assignees, the City's obligations under this subsection may be satisfied by self-insurance.

(c) The City shall maintain or cause to be maintained casualty insurance insuring the Property against fire, lightning and all other risks covered by an extended coverage endorsement, vandalism, and malicious mischief insurance and sprinkler system leakage insurance, but only including earthquake and flood insurance to the extent provided herein. Said extended coverage insurance shall cover loss or damage by fire, explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance, including earthquake coverage if such coverage is available at commercially reasonable cost from a reputable insurer in the reasonable determination of the City. Such insurance shall be in an amount at least equal to the greater of (i) the replacement value of the insured Property, or (ii) the aggregate unpaid principal components of the Base Rental Payments, and may be subject to such deductibles as the City deems adequate and prudent. With the prior written consent of the Servicer at the direction of the Assignees, the City's obligations under this subsection may be satisfied by self-insurance. The Net Proceeds of such casualty insurance shall be applied as provided in Article VIII hereof.

(d) The City shall maintain rental interruption insurance to cover the Authority's loss, total or partial, of Base Rental Payments resulting from the loss, total or partial, of the use of any part of the Property as a result of any of the hazards required to be covered pursuant to subsection (c) of this Section in an amount at least equal to the maximum Base Rental Payments coming due and payable during any future 24-month period. The City's obligations under this subsection may not be satisfied by self-insurance. All Net Proceeds received under said policy or policies shall be deposited with the Authority and applied to the payment of the Base Rental Payments in the order in which such Base Rental Payments become due and payable.

(e) Should the Property be damaged or destroyed as a result of an event for which federal or State of California disaster aid is available, the Authority and/or the City shall promptly apply for disaster aid. Any disaster aid proceeds received shall be used to repair, reconstruct, restore or replace the damaged or destroyed portions of the Property or, at the option of the City and the Authority, to prepay the Base Rental Payments if permitted under the disaster aid program and the law.

(f) If at any time and for so long as the Property is located in a 100-year flood area as shown on a Flood Insurance Rate Map published by the Federal Emergency Management Agency, the policy or policies of casualty insurance provided under this Section 7.01 shall include insurance against loss or damage to the Property due to flooding. If the City obtains an exception or waiver to the designation of the Property as being within a 100-year flood area from the Federal Emergency Management Agency, the City shall not be required to provide flood insurance as set forth in this subsection (f). To the extent the City fails to procure adequate flood insurance within 30-days after receipt of notification that such flood insurance is required, any Assignee may take such action as is necessary to procure such flood insurance, including advancing payment for such flood insurance, and the City shall be obligated to promptly (within 30 days) repay such Assignee the cost of such flood insurance and all such advances as additional rental hereunder, with interest at the rate set forth in Section 4.04.

(g) The insurance required by this Section shall be provided by carriers rated at least "A" by Fitch, A.M. Best Company or S&P, unless the Assignees shall approve in writing an insurer with a lower rating.

Section 7.02. **Additional Insurance Provision; Form of Policies.** The City shall pay or cause to be paid when due the premiums for all insurance policies required by Section 7.01 hereof. All such policies shall contain such additional insured and loss payee provisions and endorsements as required under Section 7.05. All such policies shall provide that the Authority shall be given 30 days' notice of the expiration thereof, any intended cancellation thereof or any reduction in the coverage provided thereby. The City shall cause to be delivered to the Authority upon request a schedule of the insurance policies being maintained in accordance herewith and a Certificate of the City stating that such policies are in full force and effect and that the City is in full compliance with the requirements of this Article. The City shall, upon request of the Assignee, deliver to the Assignee certificates or duplicate originals or certified copies of each insurance policy described in such schedule. The Authority shall be entitled to rely upon said Certificate of the City as to the City's compliance with this Article. The Authority shall not be responsible for the sufficiency of coverage or amounts of such policies.

Section 7.03. **[Reserved.]**

Section 7.04. **Recordation Hereof; Title Insurance.** On or before the Delivery Date, the City shall, at its expense, (a) cause the Assignment Agreement, the Facilities Lease and this Facilities Sublease, or a memorandum hereof or thereof, to be recorded in the office of the San Diego County Recorder with respect to the Property, and (b) obtain an CLTA Standard Policy insuring the City's fee interest in the Property and Authority's interests in the estate established under the Facilities Lease in the Property, subject only to Permitted Encumbrances, in an amount equal to the original principal components of the Base Rental Payments and naming both the Servicer and the Assignees as additional insureds. The City shall apply the Net Proceeds received under such title insurance policy to prepay Base Rental Payments under Section 8.03(a).

Section 7.05. **Form of Policies.** All insurance policies (or riders) required by this Article VII shall be taken out and maintained with responsible insurance companies organized under the laws of one

of the states of the United States and qualified to do business in the State of California, and shall contain a provision that the insurer shall not cancel or revise coverage thereunder without giving written notice to the insured parties at least 30 days before the cancellation or revision becomes effective. Each insurance policy or rider required hereunder shall name the City and the Assignees as additional insured and loss payee and shall include a lender's loss payable endorsement for the benefit of the Assignees. Prior to the date of execution and delivery of this Facilities Sublease, the City will deposit with the Servicer policies (and riders and endorsements, if applicable) evidencing any such insurance procured by it, or a certificate or certificates of the respective insurers stating that such insurance is in full force and effect. Before the expiration of any such policy (or rider), the City will furnish to the Servicer evidence that the policy has been renewed or replaced by another policy conforming to the provisions of this Article VII unless such insurance is no longer obtainable, in which event the City shall notify the Servicer of such fact.

ARTICLE VIII

EMINENT DOMAIN; DAMAGE OR DESTRUCTION; PREPAYMENT

Section 8.01. **Eminent Domain.** If all of the Property (or portions thereof such that the remainder is not usable for public purposes by the City) shall be taken under the power of eminent domain, the term hereof shall cease as of the day that possession shall be so taken. If less than all of the Property shall be taken under the power of eminent domain and the remainder is usable for public purposes by the City at the time of such taking, then this Facilities Sublease shall continue in full force and effect as to such remainder, and the parties waive the benefits of any law to the contrary, and in such event there shall be a partial abatement of the Rental Payments in accordance with the provisions of Section 4.06 hereof. Any Net Proceeds received in respect of eminent domain proceedings for the taking of the Property, or any portion thereof, shall be paid to the Authority and applied to the prepayment of Base Rental Payments as provided in Section 8.03(a) hereof. Any such Net Proceeds remaining after all amounts due hereunder have been fully paid, shall be paid to the City.

Section 8.02. **Damage or Destruction.** (a) If the Property or any portion thereof shall be damaged or destroyed, subject to the further requirements of this Section, the City shall, as expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted the repair or replacement thereof, unless the City elects not to repair or replace the Property or the affected portion thereof in accordance with the provisions of subsection (d) of this Section 8.02.

(b) The Net Proceeds of any casualty insurance, including the proceeds of any self-insurance, received on account of any damage or destruction of the Property or a portion thereof shall as soon as possible be deposited by the City in a special account and made available for and, to the extent necessary, shall be applied to the cost of repair or replacement of the Property or the affected portion thereof. The City shall provide the Authority with written evidence of any such deposit.

(c) Notwithstanding the provisions of subsection (b) of this Section, the City shall, within 60 days of the occurrence of the event of damage or destruction, notify the Authority in writing as to whether the City intends to replace or repair the Property or the portions of the Property which were damaged or destroyed. If the City does intend to replace or repair the Property or portions thereof, the City shall deposit in said special account the full amount of any insurance deductible. The City shall provide the Authority with written evidence of any such deposit.

(d) If such damage, destruction or loss was such that there resulted a substantial interference with the City 's right to the use and occupancy of the Property and an abatement in

whole or in part of Rental Payments would result from such damage or destruction pursuant to Section 4.06 hereof, then the City shall be required either to (i) apply sufficient funds from the insurance proceeds and other legally available funds to the replacement or repair of the Property or the portions thereof which have been damaged to the condition which existed prior to such damage or destruction, or (ii) apply sufficient funds from the insurance proceeds and other legally available funds to the prepayment, as set forth in Section 8.03(a) hereof, in full of such portion of the Base Rental Payments which would be abated as a result of the damage or destruction. Any Net Proceeds of any casualty insurance, including the proceeds of any self-insurance remaining after the portion of the Property which was damaged or destroyed is restored to and made available to the City in substantially the same condition and annual fair rental value as that which existed prior to the damage or destruction as required by clause (i) above or the prepayment of Base Rental Payments as required by clause (ii) above, in each case as evidenced by a Certificate of the City to such effect delivered to the Authority, shall be withdrawn from such special account and used by the City for any lawful purpose. If the City is not required to replace or repair the Property, or the affected portion thereof, as set forth in clause (i) above or to use such amounts to prepay Base Rental Payments as set forth in clause (ii) above, then such Net Proceeds shall, if there is first delivered to the Authority a Certificate of the City to the effect that the annual fair rental value of the Property after such damage or destruction, and after any repairs or replacements made as a result of such damage or destruction, is at least equal to 100% of the maximum amount of Base Rental Payments becoming due under the Facilities Sublease in the then current Rental Period and in any subsequent Rental Period and the fair replacement value of the Property after such damage or destruction is at least equal to the sum of the then unpaid principal components of Base Rental Payments be withdrawn from such special account and used by the City for any lawful purpose.

Section 8.03. **Prepayment.** (a) The City shall prepay on any date from Net Proceeds required pursuant to the provisions hereof to be applied thereto, all or any part of the principal components of the Base Rental Payments then unpaid on a pro-rata basis across Aggregate Rental Payments, at a prepayment price equal to 102% of the principal components of the Base Rental Payments so prepaid, plus the unpaid interest component thereof from the last payment date to the date fixed for prepayment. The City shall provide at least 30 days' prior written notice of its intent to prepay. If prepayment hereunder is in part, the principal components of the Base Rental Payments shall be prepaid in inverse order of due date on a pro-rata basis across Aggregate Rental Payments.

(b) (1) Prior to December 1, 2023, the City may prepay either (x) the Series B Taxable Base Rental Payments) in whole on any Base Rental Payment Date on or after the first Base Rental Payment Date by giving written notice to the Authority at least 30 days before the date fixed for prepayment and paying to the Authority a prepayment price equal to 102% of the principal components of all of the outstanding Series B Taxable Base Rental Payments or (y) the Aggregate Rental Payments (i.e. both the Series A Tax-Exempt Base Rental Payments together with the Series B Taxable Base Rental Payments) in whole on any Base Rental Payment Date on or after the first Base Rental Payment Date by giving written notice to the Authority at least 30 days before the date fixed for prepayment and paying to the Authority a prepayment price equal to 102% of the principal components of all of the outstanding Aggregate Rental Payments (consisting of both the Series A Tax-Exempt Base Rental Payments and the Series B Taxable Base Rental Payments), plus the unpaid interest component thereof from the last date that the interest component was paid to the date fixed for prepayment; and (2) on and after December 1, 2023, the City may prepay either or both the Series A Tax-Exempt Base Rental Payments and/or the Series B Taxable Base Rental Payments in whole on any Base Rental Payment Date on or after the first Base Rental Payment Date by giving written notice to the Authority at least 30 days before the date fixed for prepayment and paying to the Authority a prepayment price equal to

102% of the principal components of the Base Rental Payments so prepaid, plus the unpaid interest component thereof from the last date that the interest component was paid to the date fixed for prepayment.

(c) The City agrees that if, following any prepayment hereunder, the Property is damaged or destroyed or taken by eminent domain, the City shall not be entitled to, and by such prepayment waives the right of, abatement of such prepaid Base Rental Payments and shall not be entitled to any reimbursement of such Base Rental Payments.

(d) After the end of the Expenditure Period, all moneys remaining on deposit with the City from the Series B Proceeds (as defined in the Assignment Agreement) portion of the Facilities Lease Payment made by the Authority under the Facilities Lease shall be applied by the City within 90 days following the Expenditure Period, to prepay the principal component of Series B Taxable Base Rental Payments in whole or in part in inverse order of Rental Payment Dates at a prepayment price of 102% of the principal components of the Base Rental Payments so prepaid, plus the unpaid interest component thereof from the last date that the interest component was paid to the date fixed for prepayment.

Section 8.04. **Substitution of Property upon certain circumstances.** In the event of damage to or destruction of all or a portion of the Property due to earthquake or other uninsured casualty for which the proceeds of rental interruption insurance are not available, the City shall, to the extent permitted by law, promptly after the occurrence of such event, subject to the City 's compliance with requirements under then applicable State of California law and subject to action by its governing body, use its best efforts to substitute and add as Property under this Facilities Sublease other real or personal property of the City that is unimpaired and unencumbered, the fair rental value of which shall be at least equal to the Rental Payments due during each fiscal year for the remainder of the term of this Facilities Sublease and which shall otherwise satisfy the requirements of this Facilities Sublease.

ARTICLE IX

DEFAULTS AND REMEDIES

Section 9.01. **Defaults and Remedies.** (a) (i) If the City shall fail (A) to pay any Rental Payment payable hereunder when the same becomes due and payable, time being expressly declared to be of the essence in this Facilities Sublease, or (B) to maintain insurance as required herein or (C) to keep, observe or perform any other term, covenant or condition contained herein to be kept or performed by the City and fail to cure such deficiency as described in this clause (C) within 30 days upon receipt of notice, or (ii) upon the happening of any of the following events, the City shall be deemed to be in default hereunder and it shall be lawful for the Authority to exercise any and all remedies available pursuant to law or granted pursuant to this Facilities Sublease: if (1) the City's interest in this Facilities Sublease or any part thereof be assigned or transferred, either voluntarily or by operation of law or otherwise, without the written consent of the Authority, as hereinafter provided for, (2) the City or any assignee shall file any petition or institute any proceeding under any act or acts, state or federal, dealing with or relating to the subject or subjects of bankruptcy or insolvency, or under any amendment of such act or acts, either as a bankrupt or as an insolvent, or as a debtor, or in any similar capacity, wherein or whereby the City asks or seeks or prays to be adjudicated a bankrupt, or is to be discharged from any or all of the City's debts or obligations, or offers to the City's creditors to effect a composition or extension of time to pay the City's debts or asks, seeks or prays for reorganization or to effect a plan of reorganization, or for a readjustment of the City 's debts, or for any other similar relief, or if any such petition or any such proceedings of the same or similar kind or character be filed or be instituted or taken against the City, or if a receiver of the business or of the property or assets of the City shall be appointed by any court, except a receiver

appointed at the instance or request of the Authority, or if the City shall make a general assignment for the benefit of the City's creditors, (3) any representation, warranty or certification made by the City hereunder or in connection herewith shall have been incorrect or misleading when made, (4) any default occurs under any other agreement for borrowing money or receiving credit under which the City may be obligated as borrower, if such default consists of (A) the failure to pay any amount when due under such agreement or (B) the failure to perform any other obligation thereunder and such failure gives the holder of such agreement the right to accelerate the amounts payable thereunder, or (5) the City shall abandon or vacate the Property, then the City shall be deemed to be in default hereunder. The City shall in no event be in default in the observance or performance of any covenant, condition or agreement in this Facilities Sublease on its part to be observed or performed, other than as referred to in clause (i) or (ii) of the preceding sentence, unless the City shall have failed, for a period of 30 days or such additional time as is reasonably required, but in no event greater than 60 days without the prior written consent of the Authority, to correct any such default after notice by the Authority to the City properly specifying wherein the City has failed to perform any such covenant, condition or agreement. Upon any such default, the Authority, in addition to all other rights and remedies it may have at law, shall have the option to do any of the following:

(b) To terminate this Facilities Sublease in the manner hereinafter provided on account of default by the City, notwithstanding any re-entry or re-letting of the Property as hereinafter provided for in subparagraph (2) hereof, and to re-enter the Property and remove all persons in possession thereof and all personal property whatsoever situated upon the Property and place such personal property in storage in any warehouse or other suitable place within the County of San Diego, for the account of and at the expense of the City. In the event of such termination, the City agrees to surrender immediately possession of the Property, without let or hindrance, and to pay the Authority all damages recoverable at law that the Authority may incur by reason of default by the City, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon the Property and removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained, and such costs, losses and damages shall be payable at the same time and in the same manner as is herein provided in the case of payment of Base Rental Payments and Additional Payments. Any surplus received by the Authority from re-letting shall be applied by the Authority on a pro-rata basis to all Base Rental Payments due under this Facilities Sublease. Neither notice to pay Rental Payments or to deliver up possession of the Property given pursuant to law nor any entry or re-entry by the Authority nor any proceeding in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Property nor the appointment of a receiver upon initiative of the Authority to protect the Authority's interest under this Facilities Sublease shall of itself operate to terminate this Facilities Sublease, and no termination of this Facilities Sublease on account of default by the City shall be or become effective by operation of law or acts of the parties hereto, or otherwise, unless and until the Authority shall have given written notice to the City of the election on the part of the Authority to terminate this Facilities Sublease. The City covenants and agrees that no surrender of the Property or of the remainder of the term hereof or any termination of this Facilities Sublease shall be valid in any manner or for any purpose whatsoever unless stated by the Authority by such written notice.

(c) Without terminating this Facilities Sublease, (x) to collect each installment of Rental Payments as the same become due and enforce any other terms or provisions hereof to be kept or performed by the City, regardless of whether or not the City has abandoned the Property, or (y) to exercise any and all rights of entry and re-entry upon the Property. In the event the Authority does not elect to terminate this Facilities Sublease in the manner provided for in subparagraph (1) hereof, the City shall remain liable and agrees to keep or perform all covenants

and conditions herein contained to be kept or performed by the City and, if the Property is not re-let, to pay the full amount of the Rental Payments to the end of the term of this Facilities Sublease or, in the event that the Property is re-let, to pay any deficiency in Rental Payments that results therefrom; and further agrees to pay said Rental Payments and/or Rental Payment deficiency punctually at the same time and in the same manner as hereinabove provided for the payment of Rental Payments hereunder, notwithstanding the fact that the Authority may have received in previous years or may receive thereafter in subsequent years Rental Payments in excess of the Rental Payments herein specified, and notwithstanding any entry or re-entry by the Authority or suit in unlawful detainer, or otherwise, brought by the Authority for the purpose of effecting such re-entry or obtaining possession of the Property. Should the Authority elect to re-enter as herein provided, the City hereby irrevocably appoints the Authority as the agent and attorney-in-fact of the City to re-let the Property, or any part thereof, from time to time, either in the Authority's name or otherwise, upon such terms and conditions and for such use and period as the Authority may deem advisable and to remove all persons in possession thereof and all personal property whatsoever situated upon the Property and to place such personal property in storage in any warehouse or other suitable place within the County of San Diego, for the account of and at the expense of the City, and the City hereby indemnifies and agrees to save harmless the Authority from any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such reentry upon and re-letting of the Property and removal and storage of such property by the Authority or its duly authorized agents in accordance with the provisions herein contained. The City agrees that the terms of this Facilities Sublease constitute full and sufficient notice of the right of the Authority to re-let the Property in the event of such re-entry without effecting a surrender of this Facilities Sublease, and further agrees that no acts of the Authority in effecting such re-letting shall constitute a surrender or termination of this Facilities Sublease irrespective of the use or the term for which such re-letting is made or the terms and conditions of such re-letting, or otherwise, but that, on the contrary, in the event of such default by the City the right to terminate this Facilities Sublease shall vest in the Authority to be effected in the sole and exclusive manner provided for in subparagraph (1) hereof. The City further agrees to pay the Authority the cost of any alterations or additions to the Property necessary to place the Property in condition for re-letting immediately upon notice to the City of the completion and installation of such additions or alterations. The City agrees to surrender and quit possession of the Property upon demand of the Authority for the purpose of enabling the Property to be re-let under this paragraph, and the City further waives the right to any rental obtained by the Authority in excess of the Base Rental Payments and hereby conveys and releases such excess to the Authority as compensation to the Authority for its services in re-leasing the Property. The proceeds from the exercise of any remedies under this Facilities Sublease or the Facilities Lease that are applied to pay Base Rental Payments be applied on a pro-rata basis to the Aggregate Rental Payments.

(d) *Proceedings at Law or In Equity.* If an Event of Default occurs and continues hereunder, the Authority may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce any other of its rights hereunder.

(e) *Remedies under the Facilities Lease.* If an Event of Default occurs and continues hereunder, the Authority may exercise its rights under the Facilities Lease.

The City hereby waives any and all claims for damages caused or which may be caused by the Authority in re-entering and taking possession of the Property as herein provided and all claims for damages that may result from the destruction of or injury to the Property and all claims for damages to or loss of any property belonging to the City, or any other person, that may be in or upon the Property.

In addition to the other remedies set forth in this Section, upon the occurrence of an event of default, the Authority and the Servicers and the Assignees shall be entitled to proceed to protect and enforce the rights vested in the Authority and the Servicer and the Assignees by this Facilities Sublease or by law.

The provisions of this Facilities Sublease and the duties of the City and of its council, officers or employees shall be enforceable by the Authority or its assignee by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction. Without limiting the generality of the foregoing, the Authority and its assignee shall have the right to bring the following actions:

(i) *Accounting*. By action or suit in equity to require the City and its council, officers and employees and its assigns to account as the trustee of an express trust.

(ii) *Injunction*. By action or suit in equity to enjoin any acts or things which may be unlawful or in violation of the rights of the Authority or its assignee.

(iii) *Mandamus*. By mandamus or other suit, action or proceeding at law or in equity to enforce the Authority's or its assignee's rights against the City (and its council, officers and employees) and to compel the City to perform and carry out its duties and obligations under the law and its covenants and agreements with the City as provided herein.

Each and all of the remedies given to the Authority hereunder or by any law now or hereafter enacted are cumulative and the single or partial exercise of any right, power or privilege hereunder shall not impair the right of the Authority to the further exercise thereof or the exercise of any or all other rights, powers or privileges. The term "re-let" or "re-letting" as used in this Section shall include, but not be limited to, re-letting by means of the operation by the Authority of the Property. If any statute or rule of law validly shall limit the remedies given to the Authority hereunder, the Authority nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law.

In the event the Authority shall prevail in any action brought to enforce any of the terms and provisions of this Facilities Sublease, the City agrees to pay a reasonable amount as and for attorney's fees incurred by the Authority in attempting to enforce any of the remedies available to the Authority hereunder.

Notwithstanding anything to the contrary contained in this Facilities Sublease, the Authority shall have no right upon a default hereunder by the City to accelerate Rental Payments.

(a) Notwithstanding anything herein to the contrary, the termination of this Facilities Sublease by the Authority on account of a default by the City under this Section shall not effect or result in a termination of the lease of the Property by the City to the Authority pursuant to the Facilities Lease.

Section 9.02. **Waiver.** Failure of the Authority to take advantage of any default on the part of the City shall not be, or be construed as, a waiver thereof, nor shall any custom or practice which may grow up between the parties in the course of administering this instrument be construed to waive or to lessen the right of the Authority to insist upon performance by the City of any term, covenant or condition hereof, or to exercise any rights given the Authority on account of such default. A waiver of a particular default shall not be deemed to be a waiver of any other default or of the same default subsequently occurring. The acceptance of Rental Payments hereunder shall not be, or be construed to be, a waiver of any term, covenant or condition of this Facilities Sublease.

ARTICLE X

MISCELLANEOUS

Section 10.01. Governing Law. THIS FACILITIES SUBLEASE SHALL BE GOVERNED EXCLUSIVELY BY THE PROVISIONS HEREOF AND BY THE LAWS OF THE STATE OF CALIFORNIA AS THE SAME FROM TIME TO TIME EXIST.

Section 10.02. Notices. All written notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the City:	City of National City 1243 National City Boulevard National City, CA 91950 Attn: City Manager Email: cmo@nationalcityca.gov
If to the Authority:	National City Joint Powers Financing Authority 1243 National City Boulevard National City, CA 91950 Attn: Executive Director Email: cmo@nationalcityca.gov
If to the initial Servicer:	Banc of America Public Capital Corp 11333 McCormick Road Mail Code: MD5-032-07-05 Hunt Valley, MD 21031 Attention: Contract Administration Fax No.: (443) 541-3057 E-mail: Terri.preston@baml.com

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if personally served or delivered, upon delivery, (b) if given by electronic communication, whether by telex, telegram or telecopier, upon the sender's receipt of an appropriate answerback or other written acknowledgment, (c) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, (d) if given by overnight courier, with courier charges prepaid, 24 hours after delivery to said overnight courier, or (e) if given by any other means, upon delivery at the address specified in this Section.

Section 10.03. Validity and Severability. If for any reason this Facilities Sublease shall be held by a court of competent jurisdiction to be void, voidable or unenforceable by the Authority or by the City , or if for any reason it is held by such a court that any of the covenants and conditions of the City hereunder, including the covenant to pay Rental Payments, is unenforceable for the full term hereof, then and in such event this Facilities Sublease is and shall be deemed to be a Facilities Sublease under which the Rental Payments are to be paid by the City annually in consideration of the right of the City to possess, occupy and use the Property, and all of the terms, provisions and conditions of this Facilities Sublease, except to the extent that such terms, provisions and conditions are contrary to or inconsistent with such holding, shall remain in full force and effect.

Section 10.04. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Facilities Sublease.

Section 10.05. Amendments. This Facilities Sublease and the Facilities Lease, and the rights and obligations of the Authority and the City hereunder and thereunder, may be amended at any time by an amendment hereto or thereto which shall become binding upon execution by the City and the Authority.

Section 10.06. Assignment to Assignees; Effect; Restrictions on Assignments. (a) The City understands and agrees that, upon the execution and delivery of the Assignment Agreement (which is occurring simultaneously with the execution and delivery hereof), all right, title and interest of the Authority in and to this Facilities Sublease and the Facilities Lease (collectively, the "Assigned Rights") will be sold, assigned and transferred on a pro rata basis to the respective Assignees. The City hereby consents to such sale, assignment and transfer. Upon the execution and delivery of the Assignment Agreement, references in the operative provisions hereof to the Authority shall be deemed to be references to the Assignees, as assignee of the Authority, provided however that none of the Assignees or the Servicer is responsible for any obligations of the Authority under this Facilities Sublease.

(b) The respective portion of the Assigned Rights may be further assigned and reassigned in whole or in part to one or more assignees or subassignees by the Assignees (including, but not limited to, in connection with the creation of fractional interests with institutional investors so long as such assignment complies with applicable State law), without the necessity of obtaining the consent of the City; *provided,* that any such assignment, transfer or conveyance (i) shall be made only to investors each of whom the transferor Assignee reasonably believes is a *"qualified institutional buyer"* as defined in Rule 144A(a)(1) promulgated under the Securities Act of 1933, as amended (the *"Securities Act"*) or an *"accredited investor"* as defined in Sections 501(a)(1), (2), (3) and (7) of Regulation D promulgated under the Securities Act and is purchasing the Assigned Rights (or any interest therein) for its own account with no present intention to resell or distribute the Assigned Rights (or interest therein), subject to each investor's right at any time to dispose of the Assigned Rights or any interest therein as it determines to be in its best interests, (ii) shall not result in more than 35 owners of the Assigned Rights or the creation of any interest in the Assigned Rights in an aggregate principal component that is less than $100,000, (iii) shall not require the City to make Base Rental Payments, send notices or otherwise deal with respect to matters arising under this Facilities Sublease with or to more than one trustee, owner, servicer or other fiduciary or agent or entity (herein referred to as the *"Lease Servicer"*) and any trust agreement, participation agreement or custodial agreement under which multiple ownership interests in the Assigned Rights are created shall provide the method by which the owners of such interests shall establish the rights and duties of a single Lease Servicer to act on their behalf with respect to the Assigned Rights, including with respect to the exercise of rights and remedies on behalf of such owners upon the occurrence of an Event of Default hereunder and (iv) prior to December 1, 2023, shall be subject to the following limitation: if Banc of America Public Capital Corp and/or one of its affiliates (each a "BofA Entity") are both the Series A Assignee and the Series B Assignee, the Series A Assignee may only assign its Assigned Rights if the Assigned Rights of both Assignees are assigned to one or more subsequent assignees or subassignees at the same time; provided that the restriction on assignment set forth in this clause (iv) shall no longer apply (A) if any Event of Default, or event or condition which, with notice, the passage of time or any combination of the foregoing, would constitute an Event of Default, occurs, or (B) if at any time neither the Series A Assignee nor the Series B Assignee is a BofA Entity. The Authority (including the initial Assignees pursuant to the Assignment Agreement) and the City hereby acknowledge and agree that the restrictions and limitations on transfer as provided in this Section 10.06 shall apply to the first and subsequent assignees and sub-assignees of any of the Assigned Rights (or any interest therein).

(c) No assignment, transfer or conveyance permitted by this Section 10.06 that changes the Lease Servicer or its payment instructions or mailing address shall be effective until the City shall have received a written notice of assignment that discloses the name, payment instructions and address of each such assignee; *provided,* that if such assignment is made to a bank or trust company as trustee or paying agent for owners of certificates of participation, trust certificates or partnership interests evidencing interests in the Assigned Rights, it shall thereafter be sufficient that the City receives notice of the name, payment instructions and address of such bank or trust company that acts as the Lease Servicer. During the term of this Facilities Sublease, the City shall, if necessary to comply with applicable law, including any applicable federal tax law, keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with such laws. The City shall retain all such notices as a register of all Assignees and shall make all payments to the respective Assignee or Lease Servicer designated in such register. The City shall not have the right to, and shall not, assert against the initial Assignee or any subsequent Assignee any claim, counterclaim or other right that the City may have against the Authority. If an Assignee notifies the City of its intent to assign its portion of the Assigned Rights (or any interest therein) to a different Assignee, the City agrees that it shall execute and deliver to the requesting Assignee a notice and acknowledgment of assignment in form reasonably required by such Assignee within five (5) business days after its receipt of such request.

Section 10.07. Execution in Counterparts. This Facilities Sublease may be simultaneously executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Facilities Sublease to be executed by their respective officers thereunto duly authorized, all as of the day and year first written above.

CITY OF NATIONAL CITY

By: _____
City Manager

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY

By: _____
Chairman

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

COUNTY OF San Diego)

On June 26, 2017 before me, Angelita Palma, Notary Public,

personally appeared Leslie Deese,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

ANGELITA PALMA
COMM. # 2046693
NOTARY PUBLIC • CALIFORNIA
SAN DIEGO COUNTY
Commission Expires OCTOBER 25, 2017

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

COUNTY OF San Diego)

On June 26, 2017 before me, Angelita Palma, Notary Public,

personally appeared Ron Morrison,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

ANGELITA PALMA
COMM. # 2046693
NOTARY PUBLIC • CALIFORNIA
SAN DIEGO COUNTY
Commission Expires OCTOBER 25, 2017

POS2

Place Notary Seal Above

Signature of Notary Public

EXHIBIT A

DESCRIPTION OF THE PROPERTY

Real property in the State of California, County of San Diego Unincorporated and described as follows:

PARCEL A: (APN: 560-013-07-00 and 560-013-08-00

PARCEL(S) 1 AND 2 OF PARCEL MAP NO. 4027, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY AUGUST 21, 1975 AS FILE NO. 75-224074 OF OFFICIAL, RECORDS.

PARCEL B: APN: 560-013-02-00

THE WEST 33-1/3 FEET OF LOTS 7 TO 10, INCLUSIVE, IN BLOCK 13 OF THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 348, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL C: APN: 560-013-03-00

THE WESTERLY 33 1/3 FEET OF THE EASTERLY 66 2/3 FEET OF LOTS 7 TO 10 INCLUSIVE IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL D: APN: 560-013-04-00

THE EASTERLY 33 1/3 FEET OF LOTS 7, 8, 9 AND 10 OF BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL E: APN: 560-013-05-00

THE SOUTHERLY 100 FEET OF LOT 11 AND THE SOUTHERLY 100 FEET OF THE WESTERLY EIGHT AND ONE-THIRD FEET OF LOT 12 EN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL F: APN: 560-013-06-00

LOTS 13 THROUGH 17 IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL G: APN: 560-013-09-00

LOT 6, THE NORTH 25 FEET OF LOTS 11 AND 12 AND THE EAST 16 2/3 FEET OF SOUTH 100 FEET OF LOT 12, ALL IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL H:

A. PERMANENT EASEMENT AND RIGHT-OF-WAY TO CONSTRUCT, RECONSTRUCT, MAINTAIN, OPERATE AND REPAIR AN UNDERGROUND EMERGENCY GENERATOR FUEL TANK, DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF 12TH STREET, LYING NORTHERLY OF BLOCK 13 OF MAP NUMBER 348, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWESTERLY CORNER OF SAID BLOCK 13, BEING ALSO THE NORTHWESTERLY CORNER OF PARCEL 1 OF PARCEL MAP NUMBER 4027; THENCE EASTERLY, ALONG THE NORTHERLY LINE OF PARCEL MAP NUMBER 4027; THENCE EASTERLY, ALONG THE NORTHERLY LINE OF SAID PARCEL 1.75 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING EASTERLY ALONG SAID NORTHERLY LINE, EIGHT FEET; THENCE LEAVING SAID
NORTHERLY LINE, AT RIGHT ANGLES, NORTH SIX FEET; THENCE WESTERLY, PARALLEL WITH THE NORTHERLY LINE OF SAID PARCEL 1, EIGHT FEET; THENCE AT RIGHT ANGLES, SOUTH, SIX FEET TO THE TRUE POINT OF BEGINNING, CONTAINING 48 SQUARE FEET.

APN: 560-013-07-00; 560-013-08-00; 560-013-02-00; 560-013-03-00; 560-013-04-00; 560-013-05-00; 560-013-06-00; 560-013-09-00

(End of Legal Description)

EXHIBIT B-1

SERIES A TAX-EXEMPT BASE RENTAL PAYMENT SCHEDULE

PERIOD ENDING	PRINCIPAL	INTEREST	TOTAL SERIES A TAX-EXEMPT BASE RENTAL PAYMENTS
12/01/2017	$ 102,749.00	$ 41,544.02	$ 144,293.02
06/01/2018	90,356.00	50,148.81	140,504.81
12/01/2018	61,086.00	48,897.38	109,983.38
06/01/2019	61,932.00	48,051.34	109,983.34
12/01/2019	66,765.00	47,193.58	113,958.58
06/01/2020	67,690.00	46,268.89	113,958.89
12/01/2020	80,845.00	45,331.38	126,176.38
06/01/2021	81,965.00	44,211.68	126,176.68
12/01/2021	87,610.00	43,076.46	130,686.46
06/01/2022	88,823.00	41,863.07	130,686.07
12/01/2022	94,704.00	40,632.87	135,336.87
06/01/2023	96,016.00	39,321.22	135,337.22
12/01/2023	60,052.00	37,991.39	98,043.39
06/01/2024	60,884.00	37,159.67	98,043.67
12/01/2024	64,765.00	36,316.43	101,081.43
06/01/2025	65,662.00	35,419.44	101,081.44
12/01/2025	69,705.00	34,510.02	104,215.02
06/01/2026	70,670.00	33,544.60	104,214.60
12/01/2026	74,880.00	32,565.82	107,445.82
06/01/2027	75,917.00	31,528.74	107,445.74
12/01/2027	80,300.00	30,477.29	110,777.29
06/01/2028	81,412.00	29,365.13	110,777.13
12/01/2028	85,976.00	28,237.57	114,213.57
06/01/2029	87,166.00	27,046.81	114,212.81
12/01/2029	91,918.00	25,839.56	117,757.56
06/01/2030	93,191.00	24,566.49	117,757.49
12/01/2030	98,136.00	23,275.80	121,411.80
06/01/2031	99,495.00	21,916.61	121,411.61
12/01/2031	104,643.00	20,538.61	125,181.61
06/01/2032	106,092.00	19,089.30	125,181.30
12/01/2032	111,449.00	17,619.93	129,068.93
06/01/2033	112,992.00	16,076.36	129,068.36
12/01/2033	118,566.00	14,511.42	133,077.42
06/01/2034	120,208.00	12,869.28	133,077.28
12/01/2034	126,007.00	11,204.40	137,211.40
06/01/2035	127,753.00	9,459.20	137,212.20
12/01/2035	133,786.00	7,689.82	141,475.82
06/01/2036	135,640.00	5,836.89	141,476.89
12/01/2036	141,915.00	3,958.27	145,873.27
06/01/2037	143,881.00	1,992.75	145,873.75
TOTAL	$ 3,723,602.00	$ 1,167,148.30	$ 4,890,750.30

EXHIBIT B-2

SERIES B TAXABLE BASE RENTAL PAYMENT SCHEDULE

PERIOD ENDING	PRINCIPAL	INTEREST	TOTAL SERIES B TAXABLE BASE RENTAL PAYMENTS
12/01/2017	–	$ 35,017.50	$ 35,017.50
06/01/2018	–	43,470.00	43,470.00
12/01/2018	–	43,470.00	43,470.00
06/01/2019	–	43,470.00	43,470.00
12/01/2019	–	43,470.00	43,470.00
06/01/2020	–	43,470.00	43,470.00
12/01/2020	–	43,470.00	43,470.00
06/01/2021	–	43,470.00	43,470.00
12/01/2021	–	43,470.00	43,470.00
06/01/2022	–	43,470.00	43,470.00
12/01/2022	–	43,470.00	43,470.00
06/01/2023	–	43,470.00	43,470.00
12/01/2023	$ 42,090.00	43,470.00	85,560.00
06/01/2024	42,545.00	42,453.53	84,998.53
12/01/2024	44,913.00	41,426.06	86,339.06
06/01/2025	45,400.00	40,341.42	85,741.42
12/01/2025	47,858.00	39,245.01	87,103.01
06/01/2026	48,376.00	38,089.24	86,465.24
12/01/2026	50,929.00	36,920.95	87,849.95
06/01/2027	51,480.00	35,691.02	87,171.02
12/01/2027	54,130.00	34,447.78	88,577.78
06/01/2028	54,716.00	33,140.54	87,856.54
12/01/2028	57,466.00	31,819.15	89,285.15
06/01/2029	58,088.00	30,431.34	88,519.34
12/01/2029	60,942.00	29,028.52	89,970.52
06/01/2030	61,601.00	27,556.77	89,157.77
12/01/2030	64,563.00	26,069.10	90,632.10
06/01/2031	65,262.00	24,509.91	89,771.91
12/01/2031	68,335.00	22,933.83	91,268.83
06/01/2032	69,075.00	21,283.54	90,358.54
12/01/2032	72,263.00	19,615.38	91,878.38
06/01/2033	73,046.00	17,870.23	90,916.23
12/01/2033	76,354.00	16,106.17	92,460.17
06/01/2034	77,180.00	14,262.22	91,442.22
12/01/2034	80,612.00	12,398.32	93,010.32
06/01/2035	81,484.00	10,451.54	91,935.54
12/01/2035	85,044.00	8,483.70	93,527.70
06/01/2036	85,964.00	6,429.89	92,393.89
12/01/2036	89,657.00	4,353.86	94,010.86
06/01/2037	90,627.00	2,188.64	92,815.64
TOTAL	$ 1,800,000.00	$ 1,224,205.16	$ 3,024,205.16

EXHIBIT C

FORM OF ASSIGNEE LETTER OF REPRESENTATIONS

City of National City
National City, California

Re: Assignment of Facilities Sublease dated as of July 1, 2017], between the City of National City and the National City Joint Powers Financing Authority

Dear Sir/Madam:

A pro rata portion of the rights of the National City Joint Powers Financing Authority (the "Authority") under the Facilities Lease dated as of July 1, 2017, between the Authority and the City of National City (the "City"), and the Facilities Sublease dated as of July 1, 2017 (the "Facilities Sublease"), between the City and the Authority (collectively, the "Assigned Property"), including the right to receive _____% of the [Series A Tax-Exempt Base Rental Payments] [the Series B Taxable Base Rental Payments] (as defined in the Facilities Sublease), are being assigned to the undersigned (the "Assignee"). Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Facilities Sublease.

The Assignee hereby certifies, represents, warrants, acknowledges and covenants to the City as follows:

(a) The Assignee understands and acknowledges that the City will rely on the certifications, representations, warranties, acknowledgements and covenants contained in this Letter of Representations.

(b) The Assignee is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it was incorporated or formed and is authorized to accept the assignment of the Assigned Property.

(c) The Assignee (MARK OR INDICATE APPROPRIATELY):

[ ] is a "qualified institutional buyer" (a "Qualified Institutional Buyer") within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act"), or

[ ] is an "accredited investor" as described in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act (an "Institutional Accredited Investor").

(d) The Assignee understands and acknowledges that, under the provisions of the Facilities Sublease, the Assigned Property is subject to the transfer limitations described in the Facilities Sublease and in the Assignment Agreement.

(e) The Assignee has sufficient knowledge and experience in financial and business matters, including the acquisition and ownership of municipal obligations similar to the Assigned Property, to be capable of evaluating the merits and risks of its accepting the assignment

of and retaining ownership of the Assigned Property. The Assignee is a lender that regularly extends credit by acquiring loans in the form of state and local government obligations such as the Facilities Sublease in the normal course of its business, and the Assignee is able to bear the economic risks of such a financial transaction.

(f) Except to the extent provided in the Facilities Sublease, the Facilities Lease and the Assignment Agreement, and the documents and other information delivered pursuant thereto (including without limitation opinions and title reports), the Assignee is not relying upon the City or its employees or consultants for advice as to the merits and risks of acquiring the Assigned Property and the Assignee has not relied upon the City's legal counsel, financial advisor, placement agent(s), facilities consultant, or other consultants to the City for any information, representations, or opinions regarding the City, the Property, the Assigned Property, or the Assignee's acquisition of the Assigned Property, other than those contained in the Facilities Lease and the Facilities Sublease. The Assignee has sought such accounting, legal, and tax advice as it has considered necessary to make an informed decision concerning its acquisition of the Assigned Property.

(g) The Assignee has conducted its own independent examination of, and has had an opportunity to ask questions and receive answers concerning, the City, the Assigned Property and the security therefor, and the transactions and documents related to or contemplated by the foregoing.

(h) The Assignee has been furnished with, or given access to, all documents and information that the Assignee has requested regarding the City, the Property, the Assigned Property and the security therefor, and the transactions and documents related to or contemplated by the foregoing, and all matters related thereto.

(i) The Assignee understands that no official statement, offering memorandum, or circular has been or will be issued in connection with the assignment of the Assigned Property and that the Assigned Property and underlying obligations are not rated by any accredited rating agency.

(j) The Assignee understands that the Facilities Sublease has not been registered under the Securities Act and that such registration is not legally required. Additionally, the Facilities Sublease has not been registered, and no qualification for sale has been made, under the Blue Sky Laws of any state. The Assignee will not sell, convey, pledge, or otherwise transfer the Assigned Property without prior compliance with applicable state and federal laws and the provisions of the Facilities Sublease and this Letter of Representations. The Assignee is not acting in the capacity of broker, dealer, municipal securities underwriter, placement agent, financial advisor, or municipal advisor in connection with its acquisition of the Assigned Property.

(k) The person executing this letter on behalf of the Assignee is duly authorized to do so on the Assignee's behalf.

IN WITNESS WHEREOF, the Assignee has executed this Letter of Representations as of the date set forth below.

Dated: _____, 2027 Firm Name:

By: _____

Name: _____

Title: _____

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in the real property conveyed by the foregoing FACILITIES SUBLEASE, dated July 1, 2017 (the "Facilities Sublease"), from the NATIONAL CITY JOINT POWERS FINANCING AUTHORITY to the CITY OF NATIONAL CITY (the "City"), a governmental agency, is hereby accepted by the undersigned officer on behalf of the City Council of the City (the "City Council") pursuant to authority conferred by resolution of the City Council adopted on June 20, 2017, and the City, as grantee, consents to recordation thereof by its duly authorized officer.

I have executed this Certificate of Acceptance on July 6, 2017.

CITY OF NATIONAL CITY

By: _____
City Manager

TO BE RECORDED AND WHEN RECORDED RETURN TO:

CERTIFIED TO BE A TRUE AND CORRECT COPY OF THE ORIGINAL DOCUMENT RECORDED ON 7-7-17 UNDER RECORDER'S SERIES NO. 2017-0306660 SAN DIEGO COUNTY RECORDS
STEWART TITLE GUARANTY CO.
BY: Shm Schmitz

Nossaman LLP
18101 Von Karman Avenue, Suite 1800
Irvine, CA 92612
Attention: Albert R. Reyes, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

17000300110

ASSIGNMENT LEASE AGREEMENT

by and among the

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY,

BANC OF AMERICA PUBLIC CAPITAL CORP, as Series A Assignee, and

BANC OF AMERICA LEASING & CAPITAL, LLC, as Series B Assignee

Dated as of July 1, 2017

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT (this "Assignment Agreement"), executed and entered into as of July 1, 2017, is by and among the NATIONAL CITY JOINT POWERS FINANCING AUTHORITY, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Authority"), BANC OF AMERICA PUBLIC CAPITAL CORP, a Kansas corporation and its successors and assigns as assignee of the Assigned Series A Rights (the "Series A Assignee), and BANC OF AMERICA LEASING & CAPITAL, LLC, a limited liability corporation organized under the laws of the United States of America and its successors and assigns as assignee of the Assigned Series B Rights (the "Series B Assignee," and together with the Series A Assignee, the "Assignees").

W I T N E S S E T H:

WHEREAS, pursuant to a Facilities Lease, dated as of the date hereof (the "Facilities Lease"), which Facilities Lease is recorded concurrently herewith, the City of National City (the "City") has leased to the Authority certain real property owned by the City and the improvements thereon consisting of the City's police facility located at 1200 National City Boulevard, National City, California (the "Property"); and

WHEREAS, the Property is more particularly described in Exhibit A hereto; and

WHEREAS, pursuant to a Facilities Sublease, dated as of the date hereof (the "Facilities Sublease") which Facilities Sublease is recorded concurrently herewith, the Authority has leased the Property back to the City; and

WHEREAS, under the Facilities Sublease, the City is obligated to make Base Rental Payments (as defined in the Facilities Sublease) to the Authority for the lease of the Property; and

WHEREAS, the City will make two series of Base Rental Payments, designated the "Series A Tax-Exempt Base Rental Payments" (being the tax-exempt portion of the Base Rental Payments related to financing the Project) and the "Series B Taxable Base Rental Payments" (being the taxable portion of the Base Rental Payments related to the CREB) and additional rental payments for the use and occupancy of the Property on the terms and conditions contained in this Facilities Sublease;

WHEREAS, the Authority desires to assign, without recourse, on a pro-rata basis certain of its rights in the Facilities Lease and the Facilities Sublease, including its rights to receive the respective portion of Base Rental Payments under the Facilities Sublease, to the respective Assignee; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of this Assignment Agreement do exist, have happened and have been performed in regular and

due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into this Assignment Agreement;

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties hereto do hereby agree as follows:

Section 1. Payment; Application. In consideration of the sale, assignment and transfer to the Series A Assignee of all of the Authority's right, title and interest in the Series A Tax-Exempt Base Rental Payments and the Series A Assignee Pro Rata Percentage of the Authority's right, title and interest in to the Facilities Lease and the Facilities Sublease (the "Assigned Series A Rights"), as provided herein, the Series A Assignee shall pay to, or upon the order of, the Authority an amount equal to $3,723,602.00 (the "Series A Proceeds"). In consideration of the sale, assignment and transfer to the Series B Assignee of all of the Authority's right, title and interest in the Series B Taxable Base Rental Payments and the Series B Assignee Pro Rata Percentage of the Authority's right, title and interest in to the Facilities Lease and the Facilities Sublease (the "Assigned Series B Rights"), as provided herein, the Series B Assignee shall pay to, or upon the order of, the Authority an amount equal to $1,800,000.00 (the "Series B Proceeds"). Upon receipt of the Series A Proceeds and the Series B Proceeds, the Authority shall apply such amount, or cause the same to be applied, to the payment of the Facilities Lease Payment pursuant to the Facilities Lease.

Section 2. Assignment. The Authority, for good and valuable consideration, the receipt of which is hereby acknowledged, does hereby sell, assign and transfer to (a) the Series A Assignee, irrevocably and absolutely, without recourse, all of the Assigned Series A Rights, and (b) the Series B Assignee, irrevocably and absolutely, without recourse, all of the Assigned Series B Rights (collectively, the Assigned Series A Rights and the Assigned Series B Rights are referred to as the "Assigned Property"). This assignment is absolute and is presently effective.

Section 3. Acceptance. Each Assignee hereby accepts the foregoing assignment and the rights so assigned shall be exercised by the Lease Servicer on behalf of the respective Assignees as provided in the Facilities Sublease.

Section 4. Conditions. Excepting only the sale, assignment and transfer to each Assignee of the respective and pro-rata portion Authority's right, title and interest in and to the Facilities Lease and the Facilities Sublease pursuant to Section 1 hereof, this Assignment Agreement shall impose no obligations whatsoever upon the Assignees beyond those expressly provided in the Facilities Sublease.

Section 5. Representations and Warranties of the Authority. The Authority represents and warrants to the Assignees as follows:

(a) The Authority is a joint powers authority duly organized, existing and in good standing under the laws of the State.

(b) The Authority has duly authorized and executed this Assignment Agreement, the Facilities Lease and the Facilities Sublease in accordance with the laws of the State.

(c) The Authority has the power to enter into this Assignment Agreement, the Facilities Lease and the Facilities Sublease, has duly authorized the execution and delivery of this Assignment Agreement, the Facilities Lease and the Facilities Sublease, and this Assignment Agreement, the Facilities Lease and the Facilities Sublease constitute the legal, valid and binding obligations of the Authority, enforceable in accordance with their respective terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles affecting the rights of creditors generally.

(d) There are no present and outstanding claims on or involving the Authority's right, title and interest in and to the Facilities Lease or the Facilities Sublease, or the Base Rental Payments payable thereunder, sold, assigned and transferred by the Authority to the Assignees hereunder.

(e) The Authority has sold, assigned and transferred to each Assignee good and marketable title to the respective portion of the Assigned Property and the pro-rata portion of the Authority's right, title and interest in and to the Facilities Lease and the Facilities Sublease, free and clear of any liens, security interests, encumbrances or other claims, and the Authority has not sold, assigned or transferred any of such right, title and interest assigned hereunder to any party other than the respective Assignee.

(f) The execution and delivery of the Facilities Lease, the Facilities Sublease and this Assignment Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof and thereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Authority is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Authority, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Facilities Lease, the Facilities Sublease and this Assignment Agreement or the financial condition, assets, properties or operations of the Authority.

(g) No consent or approval of any trustee or holder of any indebtedness of the Authority, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery by the Authority of the Facilities Lease, the Facilities Sublease and this Assignment Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect, or except as would not materially adversely affect the transactions contemplated hereby.

(h) There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the Authority after reasonable investigation, threatened against or affecting the Authority or the assets, properties or operations of the Authority which, if determined adversely to the Authority or its interests, would have a material and adverse effect upon the consummation of

the transactions contemplated by or the validity of the Facilities Lease, the Facilities Sublease and this Assignment Agreement, or upon the financial condition, assets, properties or operations of the Authority, and the Authority is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by the Facilities Lease, the Facilities Sublease and this Assignment Agreement or the financial condition, assets, properties or operations of the Authority.

Section 6. No Right to Amend; No Impairment. The Authority acknowledges and agrees that, as a consequence of the sale, assignment and transfer of the Authority's right, title and interest in and to the Facilities Sublease and Facilities Lease hereunder, the Authority has no right to amend, modify, compromise, release or terminate the Facilities Sublease or the Facilities Lease. The Authority shall not take any action that may impair the payment of any of the Base Rental Payments or the validity or enforceability of the Facilities Sublease or the Facilities Lease.

Section 7. Limitation on Further Assignment. Each Assignee hereby acknowledges that Section 10.06 of the Facilities Sublease places certain limitations on any future assignment of its respective portion of the Assigned Property. Each Assignee hereby acknowledges and agrees that any future assignment of its respective portion of the Assigned Property may only be made in accordance with Section 10.06 of the Facilities Sublease. This Section shall not be amended or revised without the express prior written consent of the City.

Section 8. Authority's Receipt of Base Rental Payments. The respective Base Rental Payments received by the Authority or other amount properly payable to an Assignee and received by the Authority shall be received in trust for such Assignee, and the Authority shall immediately deliver such Base Rental Payments and other amounts to the applicable Assignee in the form received and, if applicable, duly endorsed by the Authority for deposit by such Assignee. The Assignees are secured on a pro-rata basis under the Facilities Lease and the Facilities Sublease with respect to all proceeds thereunder following an Event of Default.

Section 9. Further Assurances. The Authority shall make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Assignment Agreement, and for the better assuring and confirming to the Assignees, the rights, titles and interests intended to be sold, assigned and transferred pursuant hereto.

Section 10. Financing Statements. The Authority shall execute and deliver to the Assignees such notices of assignment, UCC financing statements, assignments of financing statements and other documents, in form and substance reasonably satisfactory to the Assignees, and the Authority shall take such other actions, as the Assignees may reasonably request from time to time to evidence, perfect, maintain and enforce each Assignee's rights in the right, title and interest of the Authority assigned hereunder. Any Assignee may, where permitted by law, file such UCC financing statements without the Authority's signature.

Section 11. Servicer for Title Insurance Policy. (a) The Authority and each Assignee hereby agree that Banc of America Public Capital Corp, shall act as servicer (in such capacity, the "Servicer") solely for the purpose of (1) exercising rights and remedies under the Facilities Lease and Facilities Sublease on behalf of the Assignees and (2) being named and acting as an insured under the Title Insurance Policy (as hereinafter defined) and, as such insured, making any claim and exercising related rights or interests of an insured thereunder for the benefit of the Assignees (including their successors by operation of law and any successor Servicer as provided in subsection (e) of this Section 11) and any assignees of the rights and interests of the Assignees under the Facilities Sublease (herein referred to as "Subsequent Assignees"). Banc of America Public Capital Corp hereby agrees to act as Servicer for the purpose and on the terms provided in this Section 11 from the date hereof to the date on which the Facilities Lease expires or terminates in accordance with its terms. As used herein, "Title Insurance Policy" shall mean, collectively, the Policy of Title Insurance issued by Stewart Title Guaranty Company relating to the title policy obtained by the City pursuant to Section 7.04 of the Facilities Sublease.

(a) Upon being advised of any Assignee's discovery of any material defect in title to the Property or upon the Servicer's receipt of written notice from any Subsequent Assignee with respect to a material defect in title to the Property, in either case that has given, or may give, rise to a claim under the Title Insurance Policy, the Servicer shall take such actions as it may determine to be necessary or advisable to make a claim and otherwise exercise its rights and interests as a named insured under the Title Insurance Policy; *provided,* that if any Assignee or a Subsequent Assignee has transferred all of its rights and interests in the Facilities Lease and the Facilities Sublease to a Subsequent Assignee that then owns 100% of the Assignee's rights and interests in the Facilities Lease and the Facilities Sublease, the Servicer shall have no obligation to take any action under this Section 11 except at the written direction and expense of such Subsequent Assignee; and *provided, further, however,* that if any Assignee or a Subsequent Assignee has transferred its rights and interests in the Facilities Lease and the Facilities Sublease to more than one Subsequent Assignee that then own (by fractional, participation or other interest) 100% of the Assignee's rights and interests in the Facilities Lease and the Facilities Sublease, the Servicer shall have no obligation to take any action under this Section 11 except at the written direction and expense of such Subsequent Assignees that then own at least a majority in Aggregate Rental Payments outstanding under the Facilities Sublease. Nothing in this Section 11 is intended, or shall be construed, to obligate the Servicer at any time to seek out or determine whether any material title defect exists or may hereafter exist.

(b) All proceeds received by the Servicer with respect to a claim under the Title Insurance Policy shall be applied *first* to pay all expenses incurred in the collection and administration thereof (including to the Servicer to the extent not otherwise paid as provided in subsection (b) of this Section 11) and then the Net Proceeds shall be applied as provided in Sections 8.02 and 8.03 of the Facilities Sublease. For any period during which such insurance proceeds are held by the Servicer, the Servicer shall hold Net Proceeds in a non-interest bearing account as fiscal agent for the ratable benefit of the then owners of 100% in aggregate principal component of Base Rental Payments under the Facilities Sublease until applied in accordance with Sections 8.02 and 8.03 of the Facilities Sublease, but need not be segregated in any manner from any other monies of the Servicer and may be deposited by the Servicer in any general account maintained by the Servicer.

(c) The Servicer undertakes to perform, as Servicer for the Title Insurance Policy as herein provided, such duties and only such duties as are specifically set forth herein, and no implied covenants or obligations shall be read into this Section 11 against the Servicer. The Servicer shall not be liable to any Assignee or any Subsequent Assignee for any action taken or omitted to be taken by it in good faith as Servicer under this Section 11. The Servicer may rely and shall be protected in acting or refraining from acting upon any written direction or certificate of the Required Assignees reasonably believed by it to be genuine and to have been signed or presented by the proper party or parties. The Servicer shall not be bound to make any investigation into the facts or matters stated in any such written direction or certificate. The Servicer shall not be required to take any action nor shall any provision set forth in this Section 11 be deemed to impose a duty on the Servicer to take any action, if the Servicer shall have been advised by counsel that such action is contrary to the terms of the Title Insurance Policy or is otherwise contrary to law.

(d) The owners of at least a majority in aggregate principal component of Base Rental Payments outstanding may at any time remove the Servicer initially appointed and any successor thereto and may appoint a successor or successors thereto by an instrument in writing. The Servicer may at any time resign by giving written notice of such resignation to the then owners of 100% in aggregate principal component of Base Rental Payments outstanding. Upon receiving such notice of resignation, the then owners of at least a majority in aggregate principal component of Base Rental Payments outstanding shall promptly appoint a successor Servicer. Any removal or resignation of a Servicer and appointment of a successor Servicer shall become effective only upon the acceptance of appointment by the successor Servicer. The successor Servicer shall send written notice of its acceptance to the owners of 100% in aggregate principal component of Base Rental Payments outstanding.

(e) Each Assignee shall, promptly upon the loan or credit officer(s) principally responsible for the administration of its portion of the Assigned Property (each, a "Responsible Officer") obtaining actual knowledge of the existence of any Event of Default or any event or condition which, with notice, the passage of time or any combination of the foregoing, would constitute an Event of Default (other than pursuant to a notice delivered to it by Servicer), deliver a written notice of such Event of Default (each, a "Notice of Default") to the other Assignees and the Servicer. If any Event of Default under the Facilities Sublease that is specific to a particular Assignee's portion of the Assigned Property is cured or waived, the affected Assignee shall promptly deliver to the Servicer and the other Assignees notice that such Notice of Default has been rescinded. A Notice of Default shall be deemed to have been given when the notice referred to in the preceding sentence has actually been received by the Servicer and to have been rescinded when the Servicer has actually received from an Assignee notice withdrawing such Notice. Each Assignee shall, promptly upon a Responsible Officer obtaining actual knowledge of the existence of any abatement event or taxable event under the Facilities Sublease or any failure of the City to make any Rental Payment as and when due (other than pursuant to a notice delivered to it by the Servicer), deliver a written notice of such abatement event or taxable event or failure of the City to make any Rental Payment to the other Assignees and the Servicer. At any time when an Event of Default or abatement event shall have occurred and be continuing, the Servicer shall exercise all such rights, powers and remedies as shall be available to the Assignees under the Facilities Sublease in accordance with any written request or direction (which may relate to the exercise of specific remedies or to the exercise of remedies in general)

received from the holders of a majority of the Aggregate Rental Payments outstanding under the Facilities Sublease (the "Required Assignees"), after compliance with subsection (h) below. The Servicer may exercise such rights, powers and remedies in its own name or in the name of the Assignees.

(f) The Servicer will give the Assignees written notice (a "Notice of Abatement" or "Notice of Taxability" or "Notice of Payment Failure", as applicable) of any actual or anticipated abatement event or taxable event under the Facilities Sublease or any failure of the City to make any Rental Payment as and when due of which it is notified in writing by the City , the Authority or an Assignee, within five (5) Business Days after receipt of such notice from the City, the Authority or an Assignee.

(g) Following delivery by the Servicer of a Notice of Default or a Notice of Abatement, the Assignees will consult with each other in good faith for a period of not less than twenty (20) days (or such shorter or longer period agreed to by all of the Assignees) regarding a strategy for the exercise of the Assignees' remedies under the Facilities Sublease. Following such period of consultation, the Required Assignees may provide instructions to the Servicer from time to time with respect to the exercise of the Assignees' remedies under the Facilities Sublease.

Section 12. Governing Law. This Assignment Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

Section 13. Execution in Counterparts. This Assignment Agreement may be simultaneously executed in several counterparts, each of which shall be deemed to be an original and all of which shall constitute but one and the same instrument.

Section 14. Captions. The captions or headings in this Assignment Agreement are for convenience only and in no way define or limit the scope or intent of any provision of this Assignment Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first written above.

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY

By: _____
Chairman

BANC OF AMERICA PUBLIC CAPITAL CORP, AS SERIES A ASSIGNEE AND AS INITIAL SERVICER

By: _____

Title: _____

BANC OF AMERICA LEASING & CAPITAL, LLC, AS SERIES B ASSIGNEE

By: _____

Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first written above.

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY

By: _____
Chairman

BANC OF AMERICA PUBLIC CAPITAL CORP, AS SERIES A ASSIGNEE AND AS INITIAL SERVICER

By: _____

Title: Authorized Agent

BANC OF AMERICA LEASING & CAPITAL, LLC, AS SERIES B ASSIGNEE

By: _____

Title: Vice President

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

COUNTY OF San Diego)

On June 26, 2017 before me, Angelita Palma, Notary Public,

personally appeared Ron Morrison,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

ANGELITA PALMA
COMM. # 2046693
NOTARY PUBLIC • CALIFORNIA
SAN DIEGO COUNTY
Commission Expires OCTOBER 25, 2017

POS2 POS2

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF ~~CALIFORNIA~~ MARYLAND)

COUNTY OF Baltimore)

On June 22, 2017 before me, Arlene Sobieck, Notary Public,

personally appeared Terri S. Preston,

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of ~~California~~ MARYLAND that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

ARLENE SOBIECK
Notary Public
Baltimore County
Maryland
My Commission Expires Aug. 1, 2018

Place Notary Seal Above

Signature of Notary Public

EXHIBIT A

DESCRIPTION OF THE PROPERTY

Real property in the State of California, County of San Diego Unincorporated and described as follows:

PARCEL A: (APN: 560-013-07-00 and 560-013-08-00

PARCEL(S) 1 AND 2 OF PARCEL MAP NO. 4027, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY AUGUST 21, 1975 AS FILE NO. 75-224074 OF OFFICIAL, RECORDS.

PARCEL B: APN: 560-013-02-00

THE WEST 33-1/3 FEET OF LOTS 7 TO 10, INCLUSIVE, IN BLOCK 13 OF THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 348, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL C: APN: 560-013-03-00

THE WESTERLY 33 1/3 FEET OF THE EASTERLY 66 2/3 FEET OF LOTS 7 TO 10 INCLUSIVE IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL D: APN: 560-013-04-00

THE EASTERLY 33 1/3 FEET OF LOTS 7, 8, 9 AND 10 OF BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL E: APN: 560-013-05-00

THE SOUTHERLY 100 FEET OF LOT 11 AND THE SOUTHERLY 100 FEET OF THE WESTERLY EIGHT AND ONE-THIRD FEET OF LOT 12 EN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL F: APN: 560-013-06-00

LOTS 13 THROUGH 17 IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL G: APN: 560-013-09-00

LOT 6, THE NORTH 25 FEET OF LOTS 11 AND 12 AND THE EAST 16 2/3 FEET OF SOUTH 100 FEET OF LOT 12, ALL IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL H:

A. PERMANENT EASEMENT AND RIGHT-OF-WAY TO CONSTRUCT, RECONSTRUCT, MAINTAIN, OPERATE AND REPAIR AN UNDERGROUND EMERGENCY GENERATOR FUEL TANK, DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF 12TH STREET, LYING NORTHERLY OF BLOCK 13 OF MAP NUMBER 348, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWESTERLY CORNER OF SAID BLOCK 13, BEING ALSO THE NORTHWESTERLY CORNER OF PARCEL 1 OF PARCEL MAP NUMBER 4027; THENCE EASTERLY, ALONG THE NORTHERLY LINE OF PARCEL MAP NUMBER 4027; THENCE EASTERLY, ALONG THE NORTHERLY LINE OF SAID PARCEL 1.75 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING EASTERLY ALONG SAID NORTHERLY LINE, EIGHT FEET; THENCE LEAVING SAID NORTHERLY LINE, AT RIGHT ANGLES, NORTH SIX FEET; THENCE WESTERLY, PARALLEL WITH THE NORTHERLY LINE OF SAID PARCEL 1, EIGHT FEET; THENCE AT RIGHT ANGLES, SOUTH, SIX FEET TO THE TRUE POINT OF BEGINNING, CONTAINING 48 SQUARE FEET.

APN: 560-013-07-00; 560-013-08-00; 560-013-02-00; 560-013-03-00; 560-013-04-00; 560-013-05-00; 560-013-06-00; 560-013-09-00

(End of Legal Description)

RATE LOCK AGREEMENT

This RATE LOCK AGREEMENT (*"Agreement"*) is made and entered into as of June 27, 2017, by and between the CITY OF NATIONAL CITY, a municipal corporation duly organized and validly existing under the Constitution and laws of the State of California and a political subdivision of the State (the "City"), and BANC OF AMERICA LEASING & CAPITAL, LLC, a limited liability corporation (together with its successors and assigns, the *"Assignee"*).

RECITALS

WHEREAS, pursuant to a facility lease, to be dated as of July 1, 2017 (the *"Facility Lease"*), the City will lease to the National City Joint Powers Financing Authority, a joint exercise of powers authority, organized and existing under the laws of the State (the *"Authority"*) certain real property owned by the City and the improvements thereon (the *"Property"*); and

WHEREAS, pursuant to a facility sublease, to be dated as of July 1, 2017 (the *"Facility Sublease"*), the Authority will lease the Property back to the City; and

WHEREAS, under the Facility Sublease, the City will be obligated to make Series A Tax-Exempt Base Rental Payments and Series B Taxable Base Rental Payments (as defined in the Facility Sublease) to the Authority for the lease of the Property; and

WHEREAS, pursuant to an assignment agreement, to be dated as of July 1, 2017 among the Authority, the Assignee and Banc of America Public Capital Corp as the Series A Assignee (the *"Assignment Agreement"* and, together with the Facilities Lease and the Facilities Sublease, the *"Transaction Documents"*), the Authority desires to assign, without recourse, on a pro-rata basis certain of its rights in the Facility Lease and the Facility Sublease, including its rights to receive the Series B Taxable Base Rental Payments under the Facility Sublease, to the Assignee; and

WHEREAS, the City desires to designate the Series B Taxable Base Rental Payments under the Facility Sublease as a "new clean renewable energy bond" (the *"CREB"*) for purposes of Section 54C(a) of the Internal Revenue Code; and

WHEREAS, the City has requested, and the Assignee has agreed, subject to the terms and conditions of this Agreement, to establish and "lock" the interest rates allocable to the interest portion of the Series B Taxable Base Rental Payments; and

WHEREAS, the City and the Assignee intend for this Agreement to serve as a binding, written contract for the sale or exchange of the CREB for purposes of establishing the applicable credit rate pursuant to IRS Notice 2010-35; and

WHEREAS, as a condition to locking the fixed rate of interest on the Facility Sublease with respect to the Series B Taxable Base Rental Payments, the Assignee requires that the City execute this Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Assignee and the City agree as follows:

SECTION 1. DEFINITIONS.

(a) *"Closing Date"* shall mean July 6, 2017, unless the City, the Authority and the Assignee agree to a different date.

(b) *"Documentation"* shall mean the Facility Sublease, the Facility Lease and the Assignment Agreement and all other documentation relating to the transactions provided in the Facility Sublease, the Facility Lease and the Assignment Agreement shall be executed and delivered in form and content acceptable to the Assignee, the City and the Authority.

(c) *"Rental Payments"* shall mean the rental payments due and payable under the Facility Sublease, consisting of a principal portion and an interest portion, which will be payable on the dates and in the amounts set forth on Exhibits B-1 and B-2 to the Facility Sublease, and as set forth on Exhibit A-1 and Exhibit A-2 hereto, subject to the provisions of the Facility Sublease.

(d) *"Facility Sublease Term"* shall mean the term of the Facility Sublease, from the Closing Date to June 1, 2037, subject to extension as provided in the Facility Sublease.

SECTION 2. RATE LOCK AUTHORIZATION.

The City hereby requests and authorizes the Assignee, subject to the terms and conditions herein, to establish the interest rate for the interest portion of Series B Taxable Base Rental Payments as 4.83%.

SECTION 3. SOURCE OF PAYMENT AND SECURITY.

Except for the abatement of Rental Payments upon the occurrence of certain events of damage, destruction or condemnation, Rental Payments, including Series B Taxable Base Rental Payments, shall be paid by the City for and in consideration of the right to use and occupy the Property and in consideration of the continued right to the quiet use and enjoyment thereof and shall be absolute and unconditional in all events without abatement, diminution, deduction, set-off or defense, for any reason, including, without limitation, the failure or inability (for whatever reason) of the City to receive (or delay in receipt of) all or any portion of the direct cash subsidy payment with respect to the Facility Sublease (as described under "US Treasury Direct Cash Subsidy Payments" below), the availability to the City of energy or savings from the Project, the nonpayment of any amounts payable by any vendor pursuant to any vendor agreement related to the Project or any other issues with respect to Project (as defined in the Facility Sublease).

The City's obligations under the Facility Sublease shall be secured by the lease and leaseback of the Property under the Facility Lease.

SECTION 4. US TREASURY DIRECT CASH SUBSIDY PAYMENTS.

Pursuant to the Facility Sublease, the City will designate the Facility Sublease as a "new clean renewable energy bond" within the meaning of Section 54(C)(a)(3) of the Code. The City will irrevocably elect to receive a direct cash subsidy payment from the United States Department of the Treasury with respect to the Facility Sublease (the *"Direct Subsidy Payments"*) and acknowledges that, as a consequence of such election, the Assignee (including its successors and assigns) will not be entitled to a tax credit as a result of ownership of the Facility Sublease.

The City will be solely responsible to calculate the amount of the Direct Subsidy Payments, apply for the Direct Subsidy Payments and comply with applicable provisions of the Code during the Facility Sublease Term to obtain payment of the Direct Subsidy Payments from the United States Department of the Treasury. The amount of the Direct Subsidy Payments will be based on the credit rate published by the Secretary of the Treasury on the date hereof upon acceptance of this offer by the City. Such credit rate on the date hereof is 4.08%.

SECTION 5. CLOSING CONDITIONS.

The following are conditions precedent to the Assignee's obligations under this Agreement:

(a) At or prior to the Closing Date, the City will deliver to the Assignee the following:

(b) the Facility Sublease, the Facility Lease, the Assignment Agreement and all other Documentation, executed by the respective parties thereto and evidence of recording thereof;

(c) certified copies of resolutions adopted by the governing boards of the Authority and the City authorizing the execution and delivery of the Facility Sublease, the Facility Lease, the Assignment Agreement and this Agreement and an incumbency and authorization certificate of the City and the Authority in form and content acceptable to the Assignee;

(d) opinions of counsels to the City and the Authority (including the opinion of Nossaman LLP, as special counsel to the City) in form and content reasonably acceptable to the Assignee;

(e) evidence of insurance (including title insurance and rental interruption insurance) as required by Article VII of the Facility Sublease;

(f) fully completed and executed I.R.S. information reporting return form 8038-G with respect to the Facility Sublease;

(g) certificates from authorized officers of the City and the Authority to the effect that (a) all financial statements and other information delivered to the Assignee are correct and complete; and (b) from the date hereof to the Closing Date, there has not occurred material adverse change in the City's or the Authority's financial condition or operations that would have an adverse effect on the City's or the Authority's ability to perform its respective obligations under the Facility Sublease, the Facility Lease or the Assignment Agreement, as applicable;

(h) flood diligence completed to the satisfaction of Assignee;

(i) environmental diligence completed to the satisfaction of Assignee and related covenants to establish the absence of environmental matters adversely affecting the Property (including with respect to lead based paint and asbestos/AHERA compliance);

(j) environmental diligence completed to the satisfaction of Assignee to establish the absence of environmental matters adversely affecting the Property;

(k) the concurrent purchase of the Series A Tax-Exempt Base Rental Payments by Banc of America Public Capital Corp as the Series A Assignee;

(l) payoff to Bank of America, N.A. and termination of the Lease Agreement dated as of September 1, 2010 between the Authority and the City, and the Assignment Agreement dated September 1, 2010 between the Authority and Bank of America, N.A.; and

(m) such other items reasonably required by Assignee.

From the date hereof to the Closing Date, there shall not have occurred any (i) material adverse change in the City's or the Authority's financial condition or operations that would have an adverse effect on the City's or the Authority's ability to perform its respective obligations under the Facility Sublease, the Facility Lease or the Assignment Agreement, as applicable, (ii) event, court decision, proposed law or rule that may have the effect of changing the federal income tax incidents of the Facility Sublease or the contemplated transaction, (iii) international or national crisis or banking moratorium materially affecting, in the reasonable opinion of the Assignee, the market value of the Facility Sublease or (iv) new restrictions on the extension of credit by banks or other lending institutions by any federal or state agency.

SECTION 6. REPRESENTATIONS AND WARRANTIES.

In order to induce the Assignee to enter into this Agreement and lock the interest rate on Facility Sublease, the City hereby represents and warrants that all of the following statements are true, complete, and correct in all material respects:

(a) The City is a municipal corporation duly organized and existing under the Constitution and laws of the State, has full legal right, power and authority to enter into this Agreement and to carry out all of its obligations under and consummate all transactions contemplated hereby, and has duly authorized the execution, delivery and performance of this Agreement.

(b) The representative of the City executing this Agreement is duly and properly in office and fully authorized to execute the same.

(c) This Agreement has been duly authorized, executed and delivered by the City.

(d) This Agreement will constitute the legal, valid and binding agreement of the City enforceable against the City in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally, by the application of equitable principles regardless of whether enforcement is sought in a proceeding at law or in equity and by public policy.

(e) The execution and delivery of this Agreement, the consummation of the transactions herein contemplated and the fulfillment of or compliance with the terms and conditions hereof, will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under the organizational documents of the City, any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement or instrument to which the City is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the City, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Agreement or the financial condition, assets, properties or operations of the City.

(f) No consent or approval of any trustee or holder of any indebtedness of the City or any guarantor of indebtedness of or other provider of credit or liquidity of the City, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Agreement, or the consummation of any transaction herein or therein contemplated, or the fulfillment of or compliance with the terms and conditions hereof or thereof, except as have been obtained or made and as are in full force and effect or such construction-related permits that will be obtained in the ordinary course.

(g) There is no action, suit, proceeding, inquiry or investigation, before or by any court or federal, state, municipal or other governmental authority, pending, or to the knowledge of the City, after reasonable investigation, threatened, against or affecting the City or the assets, properties or operations of the City which, if determined adversely to the City or its interests, would have a material adverse effect upon the consummation of the transactions contemplated by, or the validity of, this Agreement, or upon the financial condition, assets, properties or operations of the City, and the City is not in default (and no event has occurred and is continuing which with the giving of notice or the passage of time or both could constitute a default) with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Agreement, or the financial condition, assets, properties or operations of the City.

The City acknowledges that the Assignee is relying upon the truth and accuracy of all representations made in this Agreement and all representations, warranties, statements, certificates and other information furnished to the Assignee in connection with its execution and delivery of the Assignment Agreement and this Agreement.

SECTION 7. FEES AND EXPENSES.

The City shall be responsible to pay fees and expenses related to this transaction, including fees and expenses of its counsel and the Authority's counsel) and any CDIAC reporting fee. Such fees and expenses will be paid by the City on the Closing Date upon submission of invoices for such fees and expenses.

In the event that the Assignee shall engage the services of an attorney at law to enforce the provisions of this Agreement against the City, the City shall pay all costs of such enforcement, including any reasonable attorneys' fees and costs actually incurred.

SECTION 8. GOVERNING LAW.

This Agreement shall be governed by the laws of the State of California.

SECTION 9. CONSENT TO JURISDICTION AND VENUE.

The City agrees that any controversy arising under or in relation to this Agreement shall be litigated exclusively in the County of San Diego, State of California. The state and federal courts and authorities with jurisdiction in the State of California shall have exclusive jurisdiction over all controversies which shall arise under or in relation to this Agreement. The City irrevocably consents to service, jurisdiction, and venue of such courts for any such litigation and waives any other venue to which it might be entitled by virtue of domicile, habitual residence or otherwise.

SECTION 10. WAIVER OF TRIAL BY JURY.

TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LAW, CITY AND ASSIGNEE (A) AGREE NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES AS ASSIGNEE AND CITY THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVE ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY EACH PARTY, KNOWINGLY AND VOLUNTARILY WITH THE BENEFIT OF COMPETENT LEGAL COUNSEL.

SECTION 11. SEVERABILITY; AMENDMENTS.

If any provision of this Agreement shall be invalid, illegal, unenforceable or inoperative, it shall not affect or impair the validity, legality, enforceability and operability of the other provisions of this Agreement or the Transaction Documents. This Agreement may not be amended, modified or changed, nor shall any waiver of any provision hereof be effective, except by a written instrument signed by the party against whom enforcement of the waiver, amendment, change, or modification is sought.

SECTION 12. COUNTERPARTS.

This Agreement may be executed in multiple counterparts, each of which shall constitute an original document and all of which together shall constitute one agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Rate Lock Agreement or caused this Rate Lock Agreement to be duly executed and delivered by their authorized representatives as of the date first set forth above.

CITY:

CITY OF NATIONAL CITY

By: _____
City Manager

ASSIGNEE:

BANC OF AMERICA LEASING & CAPITAL, LLC, a limited liability company

By: _____
Vice President

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Rate Lock Agreement or caused this Rate Lock Agreement to be duly executed and delivered by their authorized representatives as of the date first set forth above.

CITY:

CITY OF NATIONAL CITY

By:_____
City Manager

ASSIGNEE:

BANC OF AMERICA LEASING & CAPITAL, LLC, a limited liability company

By:_____
Vice President

EXHIBIT A

SERIES A TAX-EXEMPT BASE RENTAL PAYMENT SCHEDULE

PERIOD ENDING	PRINCIPAL	INTEREST	TOTAL SERIES A TAX-EXEMPT BASE RENTAL PAYMENTS
12/01/2017	$ 102,749.00	$ 41,544.02	$ 144,293.02
06/01/2018	90,356.00	50,148.81	140,504.81
12/01/2018	61,086.00	48,897.38	109,983.38
06/01/2019	61,932.00	48,051.34	109,983.34
12/01/2019	66,765.00	47,193.58	113,958.58
06/01/2020	67,690.00	46,268.89	113,958.89
12/01/2020	80,845.00	45,331.38	126,176.38
06/01/2021	81,965.00	44,211.68	126,176.68
12/01/2021	87,610.00	43,076.46	130,686.46
06/01/2022	88,823.00	41,863.07	130,686.07
12/01/2022	94,704.00	40,632.87	135,336.87
06/01/2023	96,016.00	39,321.22	135,337.22
12/01/2023	60,052.00	37,991.39	98,043.39
06/01/2024	60,884.00	37,159.67	98,043.67
12/01/2024	64,765.00	36,316.43	101,081.43
06/01/2025	65,662.00	35,419.44	101,081.44
12/01/2025	69,705.00	34,510.02	104,215.02
06/01/2026	70,670.00	33,544.60	104,214.60
12/01/2026	74,880.00	32,565.82	107,445.82
06/01/2027	75,917.00	31,528.74	107,445.74
12/01/2027	80,300.00	30,477.29	110,777.29
06/01/2028	81,412.00	29,365.13	110,777.13
12/01/2028	85,976.00	28,237.57	114,213.57
06/01/2029	87,166.00	27,046.81	114,212.81
12/01/2029	91,918.00	25,839.56	117,757.56
06/01/2030	93,191.00	24,566.49	117,757.49
12/01/2030	98,136.00	23,275.80	121,411.80
06/01/2031	99,495.00	21,916.61	121,411.61
12/01/2031	104,643.00	20,538.61	125,181.61
06/01/2032	106,092.00	19,089.30	125,181.30
12/01/2032	111,449.00	17,619.93	129,068.93
06/01/2033	112,992.00	16,076.36	129,068.36
12/01/2033	118,566.00	14,511.42	133,077.42
06/01/2034	120,208.00	12,869.28	133,077.28
12/01/2034	126,007.00	11,204.40	137,211.40
06/01/2035	127,753.00	9,459.20	137,212.20
12/01/2035	133,786.00	7,689.82	141,475.82
06/01/2036	135,640.00	5,836.89	141,476.89
12/01/2036	141,915.00	3,958.27	145,873.27
06/01/2037	143,881.00	1,992.75	145,873.75
TOTAL	$ 3,723,602.00	$ 1,167,148.30	$ 4,890,750.30

SERIES B TAXABLE BASE RENTAL PAYMENT SCHEDULE

PERIOD ENDING	PRINCIPAL	INTEREST	TOTAL SERIES B TAXABLE BASE RENTAL PAYMENTS
12/01/2017	–	$ 35,017.50	$ 35,017.50
06/01/2018	–	43,470.00	43,470.00
12/01/2018	–	43,470.00	43,470.00
06/01/2019	–	43,470.00	43,470.00
12/01/2019	–	43,470.00	43,470.00
06/01/2020	–	43,470.00	43,470.00
12/01/2020	–	43,470.00	43,470.00
06/01/2021	–	43,470.00	43,470.00
12/01/2021	–	43,470.00	43,470.00
06/01/2022	–	43,470.00	43,470.00
12/01/2022	–	43,470.00	43,470.00
06/01/2023	–	43,470.00	43,470.00
12/01/2023	$ 42,090.00	43,470.00	85,560.00
06/01/2024	42,545.00	42,453.53	84,998.53
12/01/2024	44,913.00	41,426.06	86,339.06
06/01/2025	45,400.00	40,341.42	85,741.42
12/01/2025	47,858.00	39,245.01	87,103.01
06/01/2026	48,376.00	38,089.24	86,465.24
12/01/2026	50,929.00	36,920.95	87,849.95
06/01/2027	51,480.00	35,691.02	87,171.02
12/01/2027	54,130.00	34,447.78	88,577.78
06/01/2028	54,716.00	33,140.54	87,856.54
12/01/2028	57,466.00	31,819.15	89,285.15
06/01/2029	58,088.00	30,431.34	88,519.34
12/01/2029	60,942.00	29,028.52	89,970.52
06/01/2030	61,601.00	27,556.77	89,157.77
12/01/2030	64,563.00	26,069.10	90,632.10
06/01/2031	65,262.00	24,509.91	89,771.91
12/01/2031	68,335.00	22,933.83	91,268.83
06/01/2032	69,075.00	21,283.54	90,358.54
12/01/2032	72,263.00	19,615.38	91,878.38
06/01/2033	73,046.00	17,870.23	90,916.23
12/01/2033	76,354.00	16,106.17	92,460.17
06/01/2034	77,180.00	14,262.22	91,442.22
12/01/2034	80,612.00	12,398.32	93,010.32
06/01/2035	81,484.00	10,451.54	91,935.54
12/01/2035	85,044.00	8,483.70	93,527.70
06/01/2036	85,964.00	6,429.89	92,393.89
12/01/2036	89,657.00	4,353.86	94,010.86
06/01/2037	90,627.00	2,188.64	92,815.64
TOTAL	$ 1,800,000.00	$ 1,224,205.16	$ 3,024,205.16

CITY OF NATIONAL CITY
2017 LEASE FINANCING

CERTIFICATE OF THE CITY CLERK OF THE CITY COUNCIL
REGARDING RESOLUTION NO. 2017-127

July 6, 2017

The undersigned hereby states and certifies:

(a) that the undersigned is the City Clerk of the City Council of the City of National City, a municipal corporation duly organized and validly existing under the Constitution and laws of the State of California and a political subdivision of the State (the "City"), and, as such, is familiar with the facts herein certified and is authorized and qualified to certify the same; and

(b) that attached hereto is a full, true and correct copy of Resolution No. 2017-127, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY RELATING TO THE FINANCING OF A 2017 CAPITAL IMPROVEMENT PROJECT, AND APPROVING RELATED FINANCING DOCUMENTS AND AUTHORIZING OFFICIAL ACTIONS IN CONNECTION THEREWITH," adopted at a meeting of the City Council of the City duly and regularly held on June 20, 2017, of which meeting all of the members of the City Council had due notice; and

(c) that said Resolution has not been amended, modified, rescinded or revoked since the date of its adoption and remains in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the date first written above.

CITY OF NATIONAL CITY

Mike Dalla
City Clerk

[Signature Page of Certificate of the City Clerk
regarding Resolution No. _____]

RESOLUTION NO. 2017 – 127

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY RELATING TO THE FINANCING OF A 2017 ENERGY SAVINGS CONTRACT, AND APPROVING RELATED FINANCING DOCUMENTS, AND AUTHORIZING OFFICIAL ACTIONS IN CONNECTION THEREWITH

WHEREAS, the National City Joint Powers Financing Authority (the "NCJPFA") is a joint powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act to borrow money to provide financing and refinancing for public capital improvements of the City of National City (the "City"); and

WHEREAS, the City desires to implement an energy efficiency and renewable energy program across multiple sites (herein, the "Project"); and

WHEREAS, in relation to the Project, the City has received allocation of authority to issue new clean renewable energy bonds under Section 54C(a) of the Internal Revenue Code from the Internal Revenue Service to finance certain qualified renewable energy facilities; and

WHEREAS, the City has selected Ameresco, Inc. as contractor to support completion of the Project; and

WHEREAS, in order to finance the Project, the City and the NCJPFA propose to enter into a Facilities Lease (such Facilities Lease, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Facilities Lease"), pursuant to which the City will lease certain land and improvements described in Exhibit A hereto (the "Property"), to the NCJPFA; and

WHEREAS, the City and the NCJPFA propose to enter into a Facilities Sublease (such Facilities Sublease, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the "Facilities Sublease"), pursuant to which the NCJPFA will sublease the Property to the City; and

WHEREAS, the City has determined that it is in the best interests of the City that the City enter into the Facilities Lease and the Facilities Sublease; and

WHEREAS, the City proposes to make the series of base rental payments ("Base Rental Payments") and additional rental payments for the use and occupancy of the Property on the terms and conditions contained in the Facilities Sublease; and

WHEREAS, the City proposes to make two series of Base Rental Payments, designated the "Series A Tax-Exempt Base Rental Payments" (being the tax-exempt portion of the Base Rental Payments related to financing the Project), and the "Series B Taxable Base Rental Payments" (being the taxable portion of the Base Rental Payments related to the Project) and additional rental payments for the use and occupancy of the Property on the terms and conditions contained in this Facilities Sublease; and

WHEREAS, the NCJPFA proposes to assign (a) all of its right, title and interest in and to the Series A Tax-Exempt Base Rental Payments and a pro-rata portion of its right, title and interest in and to the Facilities Lease and the Facilities Sublease to Banc of America Public Capital Corp (the "Series A Assignee") and (b) all of its right, title and interest in and to the Series B Taxable Base Rental Payments and a pro-rata portion of its right, title and interest in and to the Facilities Lease and the Facilities Sublease to Banc of America Leasing & Capital, LLC, as assignee (the "Series B Assignee") in each case pursuant to an Assignment Agreement (such Assignment Agreement, in the form presented to this meeting, with such changes, insertions omissions as are made pursuant to this Resolution, being referred to herein as the "Assignment Agreement"); and

WHEREAS, there have been submitted and are on file with the City Clerk of this City Council proposed forms of the Facilities Lease, the Facilities Sublease, and the Assignment Agreement and the City Council has examined and approved each document and desires to authorize and direct the execution of such documents and the consummation of such financing; and

WHEREAS, it will be necessary for the City to employ special counsel and financial advisors and to incur costs and expenses in preparing the proceedings for the lease financing; and

WHEREAS, the City has full legal right, power and authority under the Constitution and the laws of the State of California to enter into the transactions herein described and hereinafter authorized.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of National City *hereby* resolves, as follows:

Section 1. Recitals. All of the recitals herein are true and correct and this City Council so finds.

Section 2. Approval of Facilities Lease. The form of instrument, entitled "Facilities Lease," between the City and the NCJPFA, in substantially the form on file with the City Clerk of this City Council, is hereby approved. The Mayor, City Manager, Deputy City Manager or Director of Finance, or their respective designated representatives (each, a "Designated Officer"), is authorized and directed to execute and deliver an instrument in substantially said form, with such changes thereto as such officer executing such instrument may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Approval of Facilities Sublease. The form of instrument, entitled "Facilities Sublease," between the NCJPFA and the City, in substantially the form on file with the City Clerk of this City Council, is hereby approved. The Designated Officer is authorized to execute and deliver an instrument in substantially said form, with such changes thereto as such officer executing such instrument may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof. The aggregate principal component of the portion of the Base Rental Payments shall not exceed $5,800,000 (for the Series A Tax-Exempt Base Rental Payments such aggregate principal component shall not exceed $4,000,000 and for the

Series B Taxable Base Rental Payments such aggregate principal component shall not exceed $1,800,000), and the scheduled term of the Facilities Sublease shall not extend past June 1, 2037, unless such term is extended as provided in the Facilities Sublease, and the interest rate shall not be greater than 5.00% per annum (but shall be subject to adjustment as provided in the Facilities Sublease).

Section 4. Assignment to Assignees. The City Council hereby approves the assignment by the NCJPFA of all of its right, title and interest in and to the Series A Tax-Exempt Base Rental Payments and the Series B Taxable Base Rental Payments and all of its right, title and interest in and to the Facilities Lease and the Facilities Sublease to the Series A Assignee and Series B Assignee, respectively, pursuant to the Assignment Agreement in substantially the form on file with the City Clerk of the City Council together with any changes therein or additions thereto deemed advisable by an Designated Officer.

Section 5. Substitution of Third-Party Lessor. The Designated Officer is hereby authorized to substitute in place of the NCJPFA, for purposes of the financing and any of the legal documents hereby authorized, any appropriate local governmental agency or nonprofit corporation as the Designated Officer may determine is in the best interest of the City.

Section 6. Appointment of Financial Advisor, Special Counsel and Placement Agent. The firm of NHA Advisors shall be, and such firm is, hereby appointed financial advisor to the City (the "Financial Advisor"). The firm of Nossaman LLP shall be, and such firm is, hereby appointed special counsel to the City ("Special Counsel"). The firm of Hilltop Securities Inc. shall be, and such firm is, hereby appointed to serve as placement agent (the "Placement Agent").

Section 7. Ratification of Actions. All actions heretofore taken by the officers, employees, and agents of the City with respect to the transactions set forth above are hereby approved, confirmed, and ratified.

Section 8. Approval of Further Actions. Special Counsel, the Financial Advisor, and the appropriate City officials are hereby authorized to continue to prepare the necessary legal documents to accomplish said financing, and to take any and all necessary actions in connection therewith. The officers and employees of the City are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution. The Mayor, City Manager, Deputy City Manager or Director of Finance, or their respective designated representatives, and other officers and employees of the City , are hereby authorized and directed to execute and deliver, for and on behalf of the City, any and all documents and instruments, and to enter into any and all agreements, including a placement agent agreement, project fund agreement, purchase agreement, rate lock agreement, and tax certificates, and to do and cause to be done any and all acts and things necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution.

Section 9. This resolution shall take effect from and after its date of adoption.

[Signature Page to Follow]

PASSED and ADOPTED this 20th day of June, 2017.

Ron Morrison, Mayor

ATTEST:

Michael R. Dalla, City Clerk

APPROVED AS TO FORM:

Angil P. Morris-Jones
City Attorney

Passed and adopted by the Council of the City of National City, California, on June 20, 2017 by the following vote, to-wit:

Ayes: Councilmembers Cano, Mendivil, Morrison, Rios, Sotelo-Solis.

Nays: None.

Absent: None.

Abstain: None.

AUTHENTICATED BY: RON MORRISON
Mayor of the City of National City, California

MICHAEL R. DALLA
City Clerk of the City of National City, California

By: _____
Deputy

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 2017-127 of the City of National City, California, passed and adopted by the Council of said City on June 20, 2017.

CITY OF NATIONAL CITY STATE OF CALIFORNIA

City Clerk of the City of National City, California

By: _____
Deputy

CITY OF NATIONAL CITY
2017 LEASE FINANCING

INCUMBENCY AND SIGNATURE CERTIFICATE OF THE CITY

July 6, 2017

The undersigned hereby state and certify:

(a) that they are the duly appointed, qualified and acting City Manager and City Clerk, respectively, of the City of National City, a municipal corporation duly organized and validly existing under the Constitution and laws of the State of California and a political subdivision of the State (the "City"), and, as such, are familiar with the facts herein certified and are authorized and qualified to certify the same;

(b) that the following are now, and have continuously been since the dates of the beginning of their respective current terms of office, the duly elected, qualified and acting members of the City Council of the City:

Ron Morrison, Mayor
Albert Mendivil, Vice Mayor
Jerry Cano, Councilmember
Mona Rios, Councilmember
Alejandra Sotelo-Solis,
Councilmember

(c) that, for and on behalf of the City , the City Manager (named below) of the City is authorized to execute, and has executed, the following agreements:

(i) Facilities Lease, dated as of July 1, 2017, by and between the City and the National City Joint Powers Financing Authority (the "Authority");

(ii) Facilities Sublease, dated as of July 1, 2017, by and between the City and the Authority; and

(iii) Rate Lock Agreement, dated as of June 27, 2017, by and among the City and Banc of America Leasing & Capital, LLC, as Series B assignee and Banc of America Public Capital Corp, as Series A assignee.

(d) that the signatures set forth opposite the names and titles of the following persons are true and correct specimens of their genuine or facsimile signatures:

Name and Title	Signature
Leslie Deese, City Manager	
Mike Dalla, City Clerk	

IN WITNESS WHEREOF, the undersigned have executed and delivered this Certificate as of the date first written above.

CITY OF NATIONAL CITY

Leslie Deese
City Manager

Mike Dalla
City Clerk

[Signature Page of Incumbency and Signature Certificate of the City]

CITY OF NATIONAL CITY
2017 LEASE FINANCING

CERTIFICATE OF THE CITY

July 6, 2017

The City of National City (the "City"), a municipal corporation duly organized and validly existing under the Constitution and laws of the State of California and a political subdivision of the State, hereby states and certifies:

(a) that Leslie Deese is the appointed, qualified and acting City Manager of the City and, as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

(b) that Resolution No. 2017-127 was duly adopted at a meeting of the City Council, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

(c) that, by all necessary action, the City has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in, the following documents (collectively, the "City Documents") and has authorization to enter into the following such documents under the laws of the State of California:

(i) Facilities Lease, dated as of July 1, 2017, by and between the City and National City Joint Powers Financing Authority (the "Authority");

(ii) Facilities Sublease, dated as of July 1, 2017, by and between the City and the Authority; and

(iii) Rate Lock Agreement, dated as of June 27, 2017, by and among the City and Banc of America Leasing & Capital, LLC, as Series B assignee and Banc of America Public Capital Corp, as Series A assignee.

(d) that the City has duly executed and delivered each of the City Documents;

(e) that the representations and warranties of the City contained in the City Documents are true and correct in all material respects as of the date hereof as if made on the date hereof;

(f) that the City has complied with all agreements and covenants and satisfied all conditions stated in the City Documents on its part to be performed or satisfied at or prior to the date hereof;

(g) that the Rate Lock Agreement constitutes a valid and binding obligation of the City enforceable in accordance with the terms thereof;

(h) that the insured value of the Property is no less than $5,523,602.

(i) (i) Banc of America Public Capital Corp (the "Series A Assignee") and Banc of America Leasing & Capital, LLC (the "Series B Assignee" and, together with the "Series A", the "Assignees") are acting solely as assignee of the Authority 's interests in the Facilities Sublease for their own account and not as a fiduciary for the City or in the capacity of broker, dealer, municipal securities underwriter, placement agent, or municipal advisor, (ii) the Assignees have not provided, and will not provide, financial, legal, tax, accounting or other advice to or on behalf of the City, and (iii) the City has sought and obtained financial, legal, tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the lease financing transaction from its financial, legal, and other advisors (and not the Assignees) to the extent that the City desired to obtain such advice; and

(k) that all financial statements and other information delivered to the Assignees are correct and complete; and

(l) that from the date of the Rate Lock Agreement, dated as of June 27, 2017, by and among the City and the Assignees, to the date hereof, no change has occurred in the City's creditworthiness that could have a material adverse effect on the financial condition or operations of the City or the City's ability to perform its obligations under the Facilities Lease or Facilities Sublease; and

(m) that in the opinion of the undersigned, the City's self-insurance for workers compensation coverage is in accordance with the requirements of Section 7.01 of the Facilities Sublease and is currently effective and affords reasonable coverage for the risks required to be insured against and is sufficiently funded to afford such coverage. Attached hereto is a certificate of the City setting forth the details of such self-insurance; and

(n) that the City has obtained insurance compliant with the requirements of Article VII of the Facilities Sublease.

Capitalized undefined terms used in this Certificate have the meanings ascribed thereto in the Facilities Sublease.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate of the City as of the date first written above.

CITY OF NATIONAL CITY

Leslie Deese
City Manager

[Signature Page of Certificate of the City]

TAX CERTIFICATE

The City of National City (the "***Issuer***") hereby makes the following representations of facts and expectations and covenants to comply with the requirements of this Tax Certificate (together with the Exhibit attached hereto, the "***Tax Certificate***") in connection with the issuance of the Facilities Sublease by and between the National City Joint Powers Financing Authority (the ***"Authority"***) and the Issuer, dated as of July 1, 2017, and the obligation of the Issuer to make Series A Tax-Exempt Base Rental Payments in the initial aggregate principal amount of $3,723,602 (the ***"Tax-Exempt Lease"***). The representations of facts and expectations and covenants made by the Issuer herein are in furtherance of the covenants contained in Section 5.07 of the Lease and, in part, are made pursuant to §1.148-2(b)(2)(i) of the Treasury Regulations.

1. In General

1.1 Purpose of Tax Certificate.

The Issuer is delivering this Tax Certificate to Nossaman LLP ("***Special Counsel***"), with the understanding and acknowledgment that Special Counsel will rely in part upon this Tax Certificate in rendering its opinion that interest component on the Tax-Exempt Lease is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the *"**Code**"*).

1.2 Delivery of the Tax-Exempt Lease.

The Issuer is entering into the Tax-Exempt Lease with the Authority, which is acting as an accommodation party incidental to the financing arrangement. The Authority is assigning the Tax-Exempt Lease to Banc of America Public Capital Corp (the ***"Purchaser"***) on the date hereof in exchange for good funds.

1.3 Authorization; Status of Issuer.

The Issuer is entering into the Tax-Exempt Lease pursuant to the laws of the State. The Issuer is a political subdivision of the State of California and possesses the power of eminent domain.

1.4 Purpose for the Lease.

The Issuer is entering into the Tax-Exempt Lease for the purpose of financing energy efficiency and renewable energy facilities located across multiple sites owned by the Issuer within the jurisdiction of the Issuer (the ***"Project"***). Pro rata costs of the facilities will also be paid for from the sale of the Series B Taxable Base Rental Payments made under the Lease (the ***"Taxable Lease"***).

1.5 Definitions.

Capitalized terms used herein which are not otherwise defined herein shall have the respective meanings set forth in the Lease. Unless the context otherwise requires, the following capitalized terms have the following meanings for purposes of this Tax Certificate:

Bona Fide Debt Service Fund means, to the extent the requirements of Section 3.4 hereof are satisfied, the general fund of the Issuer (to the extent expected to be used to make payments on the Tax-Exempt Lease).

Bond Year means the period beginning on the Closing Date and ending on the first anniversary of the Closing Date (unless the Issuer upon the written direction of the Issuer selects otherwise) and each succeeding one-year period (with the last Bond Year ending on the first date that the last of the Tax-Exempt Lease is no longer outstanding for federal tax purposes). The Issuer may and upon the written direction of the Issuer shall (prior to the fifth anniversary of the Closing Date) select any date prior to the first anniversary of the Closing Date in lieu of the first anniversary of the Closing Date as the end of each Bond Year.

Code means the Internal Revenue Code of 1986, as amended.

Closing Date means July 6, 2017, the date of the physical delivery of the Lease.

Gross Proceeds has the meaning used in Treasury Regulations §1.148-1(b), and, when such term is used with respect to the Tax-Exempt Lease, generally means all proceeds derived from or relating to the Tax-Exempt Lease, including Investment Proceeds, amounts pledged to pay debt service on the Tax-Exempt Lease, and amounts expected to be used to pay debt service on the Tax-Exempt Lease.

Investment Proceeds means investment earnings on (i) Sale Proceeds and (ii) Investment Proceeds.

Investment Property means any security or obligation (other than a Tax-Exempt Obligation), any annuity contract, or any other investment-type property.

Minor Portion means any amount of Gross Proceeds not greater than $100,000 invested at an unrestricted yield pursuant to Code Section 148(e).

Net Sale Proceeds means the amount of Sale Proceeds of the Tax-Exempt Lease less any portion of such Sale Proceeds invested as part of the Minor Portion.

Nonpurpose Investment means any Investment Property in which Gross Proceeds are invested other than the Loan Agreement.

Opinion of Counsel means an opinion of counsel nationally recognized in the area of municipal finance to the effect that an action or inaction will not impair the exclusion of the interest payable with respect to the Tax-Exempt Lease from gross income for purposes of federal income taxation.

Proceeds means Sale Proceeds and Investment Proceeds.

Rebate Requirement means the amount of rebatable arbitrage earned with respect to Gross Proceeds which do not qualify for an exception from the requirements of Section 148(f)(2) of the Code as described in Section 5.3 of this Tax Certificate, computed as of the last day of any Bond Year pursuant to §1.148-3 of the Treasury Regulations.

Sale Proceeds means the amount received from the Purchaser for the assignment of the Tax-Exempt Lease being $3,723,602 (consisting of the principal amount of portion of the Lease relating to the Series A Tax-Exempt Base Rental Payments).

Spendable Proceeds means the Sale Proceeds minus the sum of (i) any amount invested as the Minor Portion; and (ii) the amount of proceeds of the Tax-Exempt Lease to be expended within three years after the issue date of such obligations in payment of principal of or interest on such issue.

Tax-Exempt Obligation means any obligation the interest on which is excludable from gross income under Section 103(a) of the Code, any interest in a regulated investment company the income of which is at least 95% excludable to the holder under Section 103(a) of the Code, and any certificate of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program, but does not include any interest in a "specified private activity bond" within the meaning of Section 57(a)(5)(C) of the Code.

1.6 One Issue.

The Purchaser agreed to purchase the Tax-Exempt Lease on July 6, 2017 (the ***"Sale Date"***). No other tax-exempt governmental obligations expected to be paid from substantially the same source of funds have been or will be sold within 15 days before the Sale Date or within 15 days after the Sale Date pursuant to the same plan of financing as the Tax-Exempt Lease. Accordingly, the Issuer has been advised by Special Counsel that the Tax-Exempt Lease will be treated as a single issue for tax purposes and will not be aggregated with any other issues of bonds. On the Sale Date, the Issuer is also entering into the Taxable Lease. However, the Series B Taxable Base Rental Payments under the Taxable Lease do not bear interest that is tax exempt under federal tax law and according the Taxable Lease is not part of the same issue as the Tax-Exempt Lease for federal tax purposes.

1.7 Retention of Records.

The Issuer covenants to maintain all records relating to the requirements of the Code and the representations, certifications and covenants set forth in this Agreement until the date three years after the Tax-Exempt Lease has been retired. If any of the Tax-Exempt Lease is refunded by Tax-Exempt Obligations (the ***"Refunding Bonds"***), the Issuer covenants to maintain all records required to be retained by this Section 1.7 until the later of the date three years after the last of the Tax-Exempt Lease been retired or the date three years after the last Refunding Bonds have been retired. The records that must be retained include, but are not limited to:

a. Basic records and documents relating to the Tax-Exempt Lease (including the Lease, this Tax Certificate, the Form 8038-G, and the opinion of special counsel);

b. Documentation evidencing the expenditures for the components of the Project and allocations of Tax-Exempt Lease proceeds to such components;

c. Documentation pertaining to any investment of Gross Proceeds of the Tax-Exempt Lease (including the purchase date, purchase price, information establishing fair market value on the date such investment became allocated to the Tax-Exempt Lease, any accrued interest paid, face amount, coupon rate, periodicity of interest payments, disposition price, any accrued interest received, disposition date, SLGs subscriptions, yield calculations for each class of investments, actual investment income received from the investment of proceeds, guaranteed investment contracts, and rebate calculations);

d, Documentation evidencing use of the Project by public and private sources (i.e., copies of management contracts, research agreements, leases, etc.); and

e. Documentation evidencing all sources of payment or security for the Tax-Exempt Lease.

2. *General Tax Matters*

2.1 Governmental Bond Status.

The Issuer will own all of the facilities composing the Project. The Issuer will not loan any proceeds of the Tax-Exempt Lease to any other person. The Issuer will not allow more than 10% of the facilities composing the Project (based upon the amount of proceeds of the Tax-Exempt Lease properly allocable to the various components of the Project) to be used in the trade or business of any nongovernmental persons, other than in their roles as members of the general public. The Issuer does not expect to enter into any agreement or otherwise use or permit any Tax-Exempt Lease proceeds or the Project or any portion thereof to be used in any manner by an entity other than a state or local government.

2.2 Registered Form.

The Tax-Exempt Lease is being issued in registered form.

2.3 No Federal Guarantee.

The Issuer will not, directly or indirectly, use or permit the use of or otherwise invest any proceeds of the Tax-Exempt Lease or any other funds of the Issuer or take or omit to take any action that would cause the Tax-Exempt Lease to be "federally guaranteed" within the meaning of Section 149(b) of the Code. In furtherance of this representation, warranty and covenant, the Issuer will not allow the payment of the principal or interest represented by the Tax-Exempt Lease to be guaranteed (directly or indirectly) in whole or in part by the United States or any agency or instrumentality thereof. The Issuer will not, except as provided in the next sentence, use 5% or more of the proceeds of the Tax-Exempt Lease to make loans the payment of the principal or interest with respect to which are guaranteed (directly or indirectly) in whole or in part by the United States or any agency or instrumentality thereof, nor will the Issuer invest 5% or more of the proceeds of the Tax-Exempt Lease in federally insured deposits or accounts. However, proceeds of the Tax-Exempt Lease may be invested without regard to the limitation in this Section as follows: investments in the funds described in Section 3.5(B) that qualify for unrestricted investment; investments in the Bona Fide Debt Service Fund; and investments in obligations issued by the United States Treasury or as otherwise provided by Section 149(b)(3) of the Code.

2.4 Information Reporting.

The Issuer has reviewed the Internal Revenue Service Form 8038-G to be filed in connection with the issuance of the Tax-Exempt Lease, and believes that all of the information contained in the Form 8038-G is true and complete. Such Form 8038-G will be filed as directed in the instructions to such form, no later than the fifteenth day of the second calendar month following the close of the calendar year quarter in which the Lease is issued (i.e., November 15, 2017).

2.6 No Refunding.

No proceeds of the Tax-Exempt Lease will be used to refund any prior obligations of the Issuer.

2.7 No Pooling.

The Issuer will not use the proceeds of the Tax-Exempt Lease directly or indirectly to make or finance loans to two or more ultimate borrowers.

2.8 No Hedge Bonds.

The Issuer reasonably expects to spend at least 85% of the Net Sale Proceeds within 3 years following the Closing Date and will not invest more than 50% of such Net Sale Proceeds in investment securities with a substantially guaranteed yield for 4 years or longer.

2.9 Allocations to Expenditures.

The Issuer will only allocate Gross Proceeds to expenditures that are for (a) capital expenditures of the Project, (b) costs of issuing the Tax-Exempt Lease, or (c) interest on the Tax-Exempt Lease accruing during the first three years after the Closing Date.

3. Arbitrage

3.1 Reasonable Expectations.

This Article 3 sets forth the reasonable expectations, statements of fact and representations of the Issuer with respect to the amount and use of the proceeds of the Tax-Exempt Lease and certain other funds.

3.2 Sale Proceeds.

The total Sale Proceeds to be derived from the entry into the Tax-Exempt Lease is equal to $3,723,602.00. All Sale Proceeds will be used to pay for the costs of the Project or the costs of issuing the Tax-Exempt Lease.

3.3 No Overissuance; No Excess Proceeds.

The total proceeds to be received from the entry into the Tax-Exempt Lease, together with other funds made available by the Issuer, and anticipated investment earnings thereon, do not exceed the total of the amount necessary to finance the government purposes for which the Tax-Exempt Lease is issued as described above.

3.4 Funds and Accounts.

No funds and accounts are established pursuant to the Tax-Exempt Lease. The Issuer expects to make current lease payments from its general fund. The Issuer does not expect to use any other fund or account, directly or indirectly, other than its general fund, to pay principal of or interest on the Tax-Exempt Lease; nor is any other fund or account, however established, so pledged as security for the Tax-Exempt Lease such that there is a reasonable assurance that amounts held in such fund or account will be available if needed to pay debt service with respect to the Tax-Exempt Lease.

(A) Bona Fide Debt Service Fund.

(i) The Tax-Exempt Lease is a limited obligation of the Issuer payable from revenues. Revenues are expected to equal or exceed debt service on the Tax-Exempt Lease during each Bond Year. The Issuer reasonably expects that its revenues in each year will exceed the debt service on the Tax-Exempt Lease and will treat the payments under the Tax-Exempt Lease as coming from the most recently received revenues of the Issuer.

(ii) The Issuer's general fund, to the extent used to pay debt service on the Tax-Exempt Lease, will be used primarily to achieve a proper matching of revenues and debt service

on the Tax-Exempt Lease within each Bond Year. For purposes of this Tax Certificate, the Issuer will account for such amounts and the payment of the debt service on the Tax-Exempt Lease on a last in-first out basis. Such portions of such funds and accounts will be depleted at least once a year except for a reasonable carryover amount in the aggregate not to exceed the greater of the earnings on such fund for the immediately preceding Bond Year or 1/12th of the debt service on the Tax-Exempt Lease for the immediately preceding Bond Year. Amounts deposited to such portions of such funds and accounts will be spent within 13 months after the date of receipt by or on behalf of the Issuer and any amounts received from the investment or reinvestment of moneys held in such fund will be expended within one year after the date of accumulation thereof in such fund. Such amounts will be invested without regard to yield.

(B) No Other Sinking or Pledge Fund.

Other than the Bona Fide Debt Service Fund, there are no funds or accounts of the Issuer established pursuant to the Tax-Exempt Lease or otherwise which are reasonably expected to be used to pay debt service with respect to the Lease or which are pledged as collateral for the Tax-Exempt Lease and for which there is a reasonable assurance that amounts therein or the investment income earned from such funds or accounts will be available to pay debt service on the Tax-Exempt Lease in the event that the Issuer encounters financial difficulties.

3.5 Investment Restrictions.

The amounts derived from the sale of the Tax-Exempt Lease and the amounts deposited in the funds or accounts described above shall be invested as follows:

(A) Bona Fide Debt Service Fund.

Amounts deposited into the Bona Fide Debt Service Fund as set forth in this Tax Certificate may be invested at an unrestricted yield for a period not exceeding thirteen months from the date of the first deposit of such amounts to the Bona Fide Debt Service Fund. Such amounts will not be subject to the arbitrage rebate requirements of Section 148(f) of the Code.

(B) Amounts Used to Pay for Project and Costs of Issuance.

The Issuer will use the proceeds of the Tax-Exempt Lease to pay for the costs of the Project and the costs of issuing the Tax-Exempt Lease. The Issuer reasonably expects to spend at least 85% of the proceeds of the Tax-Exempt Lease within three years and will, no later than six months after the Closing Date, enter into substantial binding commitments to spend at least 5% of the proceeds of the Tax-Exempt Lease. The Issuer will proceed with the Project and the allocation of proceeds of the Tax-Exempt Lease to the costs of the Project with due diligence. Pending expenditure, proceeds of the Tax-Exempt Lease may be invested without regard to yield until three years after the Closing Date.

3.6 No Replacement.

The Issuer certifies that no portion of the proceeds of the Tax-Exempt Lease will be used directly or indirectly to replace funds of the Issuer that are intended to be used for the purpose for which the Tax-Exempt Lease are issued and used directly or indirectly to acquire

Investment Property reasonably expected to produce a yield higher than the yield on the Tax-Exempt Lease. The term of the Tax-Exempt Lease is no longer than is reasonably necessary for the governmental purposes of the Tax-Exempt Lease. The weighted average maturity of the Tax-Exempt Lease is 11.316 years. This does not exceed the remainder of 120% of the composite remaining average reasonably expected economic life of the Project.

3.7 No Abusive Arbitrage Device.

The Tax-Exempt Lease is not and will not be part of a transaction or series of transactions that (i) attempts to circumvent the provisions of Section 148 of the Code (or any successor thereto) and related regulations, enabling the Issuer to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (ii) increases the burden on the market for tax-exempt obligations in any manner, including, without limitation, selling bonds that would not otherwise be sold, or selling more bonds, or issuing them sooner, or allowing them to remain outstanding longer, than would otherwise be necessary.

4. Yield and Yield Restriction

4.1 Yield with Respect to the Lease.

For purposes of this Tax Certificate, yield is calculated as set forth in Section 148(b) of the Code and Treasury Regulations §§1.148-4 and 1.148-5. Thus, yield on the Tax-Exempt Lease or yield on Investment Property generally means that discount rate which, when used in computing the present value of all unconditionally payable payments representing principal, interest and costs of qualified guarantees produces an amount equal to the issue price of the Tax-Exempt Lease or the purchase price of the Investment Property, as appropriate. The issue price of the Lease is $4,000,000, representing the price paid by the Purchaser for the Tax-Exempt Lease, as set forth in ***Exhibit A*** hereto. The yield on the Tax-Exempt Lease has been calculated to be at least 2.7701589%.

4.2 No Hedges.

The Issuer has not entered into or expects to enter into any contract, such as an interest rate swap, to modify the Issuer's risk in respect of interest rate changes such that failure to take such contract into account would distort the yield on the Tax-Exempt Lease.

5. Rebate

5.1 Undertakings.

The Issuer has covenanted to comply with certain requirements of the Code relating to the Rebate Requirement as discussed in this Article V. The Issuer acknowledges that the United States Department of the Treasury has issued regulations with respect to certain of these undertakings, including the proper method for computing whether any rebate amount is due the federal government under Section 148(f) of the Code. The Issuer covenants that it will undertake to determine precisely what is required with respect to the rebate provisions contained

in Section 148(f) of the Code and said regulations from time to time and will comply with any requirements that may be applicable to the Tax-Exempt Lease. Except to the extent inconsistent with any requirements of the Code or the regulations or future regulations, the Issuer will undertake the methodology described in this Tax Certificate.

5.2 Recordkeeping.

The Issuer shall maintain or cause to be maintained detailed records with respect to each Nonpurpose Investment attributable to Gross Proceeds of the Tax-Exempt Lease, including: (a) purchase date; (b) purchase price; (c) information establishing fair market value on the date such investment became a Nonpurpose Investment; (d) any accrued interest paid; (e) face amount; (f) coupon rate; (g) periodicity of interest payments; (h) disposition price; (i) any accrued interest received; and (j) disposition date. Such detailed recordkeeping is required to facilitate the calculation of the Rebate Requirement.

5.3 Exceptions to the Rebate Requirement.

(A) Bona Fide Debt Service Fund.

Subject to the representations and certifications made in Section 3.4 of this Tax Certificate, no rebate calculations will need to be made with respect to any moneys in the Bona Fide Debt Service Fund.

(B) Six-Month Expenditure Exception.

If on or before the date six months after the Closing Date at least 95% of the Proceeds of the Tax-Exempt Lease (other than amounts held in the Bona Fide Debt Service Fund) are expended and such remaining Proceeds are spent on or before the date twelve months after the Closing Date, the Rebate Requirement shall be treated as having been satisfied with respect to such Proceeds. The Issuer expects to meet the requirements of this exception.

5.4 Rebate Requirement Calculation and Payment.

Unless all Gross Proceeds are exempt from the Rebate Requirement pursuant to Section 5.3 hereof, the Issuer will prepare or cause to be prepared a calculation of the Rebate Requirement with respect to the Lease no later than 60 days after the close of the fifth Bond Year and each fifth year thereafter. The Issuer will complete a final calculation of the Rebate Requirement within 55 days after the first date on which the Tax-Exempt Lease is no longer outstanding for federal tax purposes. Concurrent with the preparation of each calculation, the Issuer shall deposit in the Rebate Fund an amount which when added to amounts already on deposit therein will equal the Rebate Requirement or, if appropriate, decrease the sum held in the Rebate Fund to the Rebate Requirement.

For purposes of calculating the Rebate Requirement (i) the aggregate amount earned with respect to a Nonpurpose Investment shall be determined by assuming that the Nonpurpose Investment was acquired for an amount equal to its fair market value (determined as provided in §1.148-5(d)(6) of the Treasury Regulations as applicable) at the time it becomes a Nonpurpose Investment, and (ii) the aggregate amount earned with respect to any Nonpurpose

Investment shall include any unrealized gain or loss with respect to the Nonpurpose Investment (based on the assumed purchase price at fair market value and adjusted to take into account amounts received with respect to the Nonpurpose Investment and earned original issue discount or premium) on the first date when the Tax-Exempt Lease is no longer outstanding or when the investment ceases to be a Nonpurpose Investment.

The Issuer shall pay or cause the Trustee to pay to the United States Department of the Treasury, not later than 60 days after the end of the fifth Bond Year and each succeeding fifth Bond Year, an amount equal to 90 percent, and not later than 60 days after the first date when the Tax-Exempt Lease is no longer outstanding for federal tax purposes, an amount equal to 100 percent of the Rebate Requirement (determined as of the first date when the Lease is no longer outstanding) plus any actual or imputed earnings on such Rebate Requirement, all as set forth in §1.148-3 of the Treasury Regulations.

Each payment required to be made pursuant hereto shall be filed with the Internal Revenue Service Center, at the address as directed in the instructions to such form, on or before the date such payment is due, and shall be accompanied by Form 8038-T. The Issuer shall retain records of the calculations required by this Section 5.4 until 6 years after the retirement of the Tax-Exempt Lease.

5.5 Investments and Dispositions.

(A) Arm's Length Purchase and Sale.

If Investment Property is acquired pursuant to an arm's length transaction without regard to any amount paid to reduce the yield on the Investment Property, the fair market value of the Investment Property shall be the amount paid for the Investment Property (without increase for transaction costs, except as otherwise provided in §1.148-5(e) of the Treasury Regulations). If Investment Property is sold or otherwise disposed of in an arm's length transaction without regard to any reduction in the disposition price to reduce the Rebate Requirement, the fair market value of the Investment Property shall be the amount realized from the sale or other disposition of the Investment Property (without reduction for transaction costs, except as otherwise provided in §1.148-5(e) of the Treasury Regulations).

(B) United States Treasury Securities-State and Local Government Series.

If a United States Treasury obligation is acquired directly from or disposed of directly to the United States Department of the Treasury (as in the case of the United States Treasury Securities-State and Local Government Series ("***SLGS***") obligations), such acquisition or disposition shall be treated as establishing a market for the obligation and as establishing the fair market value of the obligation.

(C) Investment Contracts.

No investment contract (within the meaning of §1.148-5(d)(6)(iii) of the Treasury Regulations) shall be acquired with Gross Proceeds unless the requirements of this Section 5.5(C) are satisfied. With respect to any investment contract the Issuer will obtain from any

provider of the investment contract, broker thereof or other party, such information, certification or representation as will enable the Issuer to determine that the requirements of this Section 5.5(C) are satisfied.

The purchase price of an investment contract will be considered to be fair market value if:

(1) the Issuer has made (or has had made on its behalf) a bona fide solicitation for the investment contract; the solicitation must have specified the material terms of the investment contract (i.e., all the terms that could directly or indirectly affect the yield or the cost of the investment including the collateral security requirements for the investment contract) and, unless the moneys invested pursuant to such investment contract will be held in the Bona Fide Debt Service Funds, the Issuer's reasonably expected drawdown schedule for the moneys to be invested; the solicitation has a legitimate business purpose (i.e., a purpose other than to increase the purchase price or reduce the yield) for every term of the bid specification;

(2) all bidders have an equal opportunity to bid so that, for example, no bidder is given the opportunity to review other bids (a last look) before bidding;

(3) the Issuer solicits bids from at least 3 investment contract providers with established industry reputations as competitive providers of investment contracts;

(4) the Issuer includes in the bid specifications a statement to potential bidders that by submitting a bid, the provider is making certain representations that the bid is bona fide, and specifically that 1) the bidder did not consult with any other potential provider about its bid, 2) the bid was determined without regard to any other formal or informal agreement that the potential provider had with the issuer or any other person, and 3) the bid was not submitted solely as a courtesy to the issuer or any other person for purposes of satisfying the requirements of §1.148-5 of the Treasury Regulations;

(5) at least 3 bids meeting the qualification requirements of the bid solicitation (as set forth in (1) above) have been received from different providers of investment contracts that have no material financial interest in the Tax-Exempt Lease (the following investment contract providers are considered to have a material financial interest in the issue: 1) a lead underwriter in a negotiated underwriting, but only until 15 days after the issue date of the issue; 2) an entity acting as a financial advisor with respect to the purchase of the investment contract at the time the bid specifications were forwarded to potential providers; and 3) any related party to a provider that is disqualified for one of the two preceding reasons);

(6) at least one of the bids received by the Issuer that meets the requirements of the preceding paragraph is from an investment contract provider with an established industry reputation as a competitive provider of investment contracts;

(7) the investment contract has a yield (net of any broker's fees) at least equal to the highest yielding of the qualifying bids received from the bidders that have no material financial interest in the Tax-Exempt Lease; if the investment contract is not the highest-yielding of the qualifying bids, the Issuer must have significant non-tax reasons, such as creditworthiness of the bidder, for failure to purchase the highest-yielding investment contract offered;

(8) if an agent for the Issuer conducts the bidding process, the agent does not bid; and

(9) the provider of the investment contract certifies as to all administrative costs to be paid on behalf of the Issuer, including any fees paid as broker commissions in connection with the investment contract.

(D) Certificates of Deposit.

The purchase price of a certificate of deposit issued by a commercial bank that has a fixed interest rate, a fixed principal payment schedule, a fixed maturity, and a substantial penalty for early withdrawal will be considered to be fair market value if:

(1) the yield on the certificate of deposit is not less than the yield on reasonably comparable direct obligations of the United States; and

(2) the yield on the certificate of deposit is not less than the highest published yield of the provider thereof which is currently available on comparable certificates of deposit offered to the public.

(E) Broker Compensation.

For purposes of computing the yield on any Investment Property which has been acquired through a broker or other intermediary obtaining bids for such Investment Property, any compensation which is received by such broker or other intermediary, whether payable by or on behalf of the obligor or obligee under such Investment Property, shall be treated as set forth in Treasury Regulations §1.148-5(e). Any broker or other intermediary compensation with respect to an investment contract that exceeds the lesser of reasonable compensation for such services or the present value of 0.05 percent of the amount reasonably expected to be invested per year (discounted at an appropriate taxable rate) will be treated as additional earnings to the Issuer and the Issuer.

5.6 Segregation of Proceeds.

In order to perform the calculations required by the Code, it is necessary to track separately all of the Gross Proceeds. To that end, the Issuer shall cause to be established separate subaccounts or shall cause such other accounting measures as are necessary in order to account fully for all Gross Proceeds.

5.7 Filing Requirements.

The Issuer will file or cause to be filed such reports or other documents with the Internal Revenue Service as is required by the Code.

6. Other Matters

6.1 Authorization.

The undersigned is the authorized representative of the Issuer and is acting for and on behalf of the Issuer in executing this Tax Certificate. To the best of the knowledge and belief of the undersigned, there are no other facts, estimates or circumstances that would materially change the expectations as set forth herein, and said expectations are reasonable.

6.2 Survival of Defeasance.

Notwithstanding any provisions in this Tax Certificate or the Tax-Exempt Lease to the contrary, the obligation to remit the Rebate Requirement, if any, to the United States Department of the Treasury and to comply with all other requirements contained in this Tax Certificate shall survive the defeasance of the Tax-Exempt Lease.

6.3 Amendment.

Notwithstanding any provision of this Tax Certificate, the Issuer may amend this Tax Certificate and thereby alter any actions allowed or required by this Tax Certificate if such amendment is based on an Opinion of Counsel.

Dated: July 6, 2017.

CITY OF NATIONAL CITY

By: _____
City Manager

EXHIBIT A

CERTIFICATE OF THE PURCHASER

Banc of America Public Capital Corp (the ***"Purchaser"***) hereby certifies and represents the following with respect the Facilities Sublease by and between the National City Joint Powers Financing Authority and the City of National City (the ***"City"***), dated as of July 1, 2017, and the obligation of the City to make Series A Tax-Exempt Base Rental Payments in the initial aggregate principal amount of $3,723,602 (the ***"Tax-Exempt Lease"***):

A. Issue Price.

1. As of July 6, 2017 (the ***"Sale Date"***), the Purchaser agreed to acquire the Tax-Exempt Lease through an assignment from the National City Joint Powers Financing Authority. The Purchaser acquired the Tax-Exempt Lease for its own account and did not have the present intention of reselling the Tax-Exempt Lease to third parties. The price paid by the Purchaser for the Tax-Exempt Lease is $3,723,602.00

Dated: July 6, 2017

BANC OF AMERICA PUBLIC CAPITAL CORP

By: _____
Authorized Representative

TAX CERTIFICATE

This Tax Certificate is executed and delivered by the City of National City (the "***Issuer***") in connection with the issuance of the Facilities Sublease by and between the National City Joint Powers Financing Authority (the ***"Authority"***) and the Issuer, dated as of July 1, 2017, and the obligation of the Issuer to make Series B Taxable Base Rental Payments in the initial aggregate principal amount of $1,800,000 (the ***"Taxable Lease"***). In order to obtain the benefit of the treatment of the Taxable Lease as "new clean renewable energy bonds" under Sections 54C and 6341 of the Internal Revenue Code of 1986, as amended (the "Code"), the Issuer certifies, elects, and covenants as follows:

ARTICLE I. IN GENERAL

1.1 The Issuer. The Issuer is a political subdivision of the State of California and possesses the power of eminent domain.

1.2 Delivery of the Taxable Lease. On the date hereof, the Issuer is entering into the Taxable Lease with the Authority, which is acting as an accommodation party incidental to the financing arrangement. The Authority is assigning the Taxable Lease to Banc of America Leasing & Capital, LLC (the ***"Purchaser"***) on the date hereof in exchange for good funds.

1.3 Purpose of Tax Certificate. The Issuer delivering this Tax Certificate to Nossaman LLP, as Special Counsel, with the understanding that Special Counsel will rely in part upon this Tax Certificate in rendering its opinion to the Issuer to the effect that the Taxable Lease will be treated as "new clean renewable energy bonds" under Section 54A of the Code and will entitle the Issuer to a direct subsidy as provided under Section 6431 of the Code.

1.4 Purpose of Financing. The Issuer is issuing the Taxable to finance energy efficiency and renewable energy facilities located across multiple sites owned by the Issuer within the jurisdiction of the Issuer (the ***"Project"***) and to pay the costs of issuing the Taxable Lease. Pro rata costs of the facilities will also be paid for from the sale of the Series A Tax-Exempt Base Rental Payments made under the Lease (the ***"Tax-Exempt Lease"***).

1.5 Single Issue. The Purchaser contracted to acquire the Taxable Lease on June 27, 2017 (the ***"Sale Date"***). No other governmental obligations which are expected to be paid out of substantially the same source of funds as the Taxable Lease have been or will be sold within the 31-day period beginning 15 days before the Sale Date pursuant to the same plan of financing as the Taxable Lease other than the Tax-Exempt Lease. The Taxable Lease is not intended to bear tax-exempt interest, but the Tax-Exempt Lease is; accordingly, the Taxable Lease and the Tax-Exempt Lease will not be treated as part of the same issue for federal tax purposes.

1.6 Definitions. Capitalized terms used and not otherwise defined herein shall have the respective meanings set forth in the Trust Agreement. Unless the context otherwise requires, the following capitalized terms have the following meanings:

"Available Project Proceeds" means the Sale Proceeds less the amount of the Sale Proceeds used to pay the costs of issuing the Taxable Lease and plus the amount of any earnings received from the investment of the Sale Proceeds less the amount used to pay the costs of issuing the Taxable Lease.

"Bona Fide Debt Service Fund" means, to the extent the requirements of Section 3.4 hereof are satisfied, the general fund of the Issuer (to the extent expected to be used to make payments on the Taxable Lease).

"Bond Year" means the period beginning on the Closing Date and ending on July 6, 2018 (or on any earlier date selected by the Issuer in accordance with Treasury Regulations §1.148-1(b)) and each successive one-year period thereafter. The last Bond Year will end on the last day on which any of the Taxable Lease is outstanding for Federal tax purposes.

"Closing Date" means the date of this Tax Certificate.

"Code" means the Internal Revenue Code of 1986 (including amendments thereto).

"Gross Proceeds" has the meaning used in Treasury Regulations §1.148-1(b), and generally means all proceeds derived from or relating to the Taxable Lease, including Sale Proceeds, Investment Proceeds, and other amounts expected to be used to pay debt service on the Taxable Lease.

"Investment Proceeds" means earnings received from investing and reinvesting Sale Proceeds and from investing and reinvesting such earnings.

"Investment Property" means any security or obligation, any annuity contract, or any other investment-type property, but does not include any Tax-Exempt Bond unless such obligation is a "specified private activity bond" within the meaning of Section 57(a)(5)(C) of the Code.

"Nonpurpose Investment" means any Investment Property in which Gross Proceeds are invested.

"Preliminary Expenditures" means architectural, engineering, surveying, soil testing, costs of issuing the Taxable Lease, and similar costs paid with respect to the Project in an aggregate amount not exceeding the 20% of the issue price of the Taxable Lease. However, Preliminary Expenditures do not include land acquisition, site preparation or

similar costs incident to the commencement of construction nor does it include any costs incurred prior to the date the allocation referred to in Section 2.3(d) below was received.

"Project" means the project to be financed with the proceeds of the Taxable Lease, described in Section 1.4 above.

"Rebate Requirement" means the amount of rebatable arbitrage computed as of the last day of any Bond Year pursuant to Treasury Regulations §1.148-3.

"Sale Proceeds" means the amount of $1,800,000, comprising the principal amount of the Taxable Lease.

"Tax-Exempt Bond" means any obligation the interest on which is excluded from gross income for federal income tax purposes pursuant to Section 103 of the Code or Section 103 of the Internal Revenue Code of 1954, as amended (the "1954 Code"), and Title XIII of the Tax Reform Act of 1986, as amended, as well as stock in a regulated investment company to the extent at least 95 percent of income to the stockholder is treated as interest that is excludable from gross income under Section 103 of the Code.

"Yield" means that discount rate described in Section 4.1 of this Tax Certificate.

1.7 Reliance. With respect to certain matters contained in this Tax Certificate, the Issuer specifically rely upon certifications of the Purchaser outlined in the Purchaser's Certificate attached hereto as Exhibit A. The Issuer is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of any representation made in this Tax Certificate or in the Exhibit hereto.

1.8 Documentation. The Issuer agrees to keep or cause to be kept all documents relating to the Taxable Lease, expenditure of proceeds of the Taxable Lease, use of any property financed with the Taxable Lease, investments, sources of payment and security for the Taxable Lease and relating to the representations in this Tax Certificate, at least until the Taxable Lease have been entirely paid, plus three years.

ARTICLE II. GENERAL TAX LIMITATIONS

2.1 Application of Sale Proceeds and Certain Other Moneys. The Sale Proceeds will be used as follows:

Project	$1,764,706.00
Costs of Issuance	35,294.00

TOTAL: $1,800,000.00

2.2 Expenditure of Gross Proceeds. For purposes of this Tax Certificate, Gross Proceeds will be treated as spent when they are used to pay or reimburse disbursements by the Issuer that are (i) capital expenditures, (ii) costs of issuing the Taxable Lease, (iii) initial operating expenses directly associated with the Project (in aggregate amount not exceeding 5% of the Sale Proceeds), or (iv) other miscellaneous expenditures described in Treasury Regulations §1.148-6(d)(3)(ii). Absent an Opinion of Counsel, all expenditures of Gross Proceeds will be made in respect of (a) Preliminary Expenditures, (b) capital expenditures relating to the Project and reimbursed in respect of payments made by the Issuer on or after the date which is 60 days prior to the Closing Date, or (C) other payments for capital expenditures for the Project made by the Issuer on or after the Closing Date. In connection with all expenditures, if any, of Gross Proceeds described in (b), the reimbursement allocation will be made no later than the later of 18 months after the date of the expenditure or the date on which the Project is placed in service, but in no event later than three years after the date of expenditure.

2.3 New Clean Renewable Energy Bond Status.

(a) The Issuer expects to use 100% of the Available Project Proceeds for the capital expenditures incurred by the Issuer for "qualified renewable energy facilities" as that term is used in Section 54C of the Code. "Qualified renewable energy facilities" means qualified facilities (as determined under section 45(d) of the Code (without regard to paragraphs (8) and (10) thereof) that are owned by the Issuer.

(b) The Taxable Lease is being issued by the Issuer, which is a governmental body.

(c) The has designated the Taxable Lease as "new clean renewable energy bonds" for the purposes of Section 54D of the Code.

(d) The Issuer received six allocations for new clean renewable energy bonds from the Internal Revenue Service dated May 12, 2017. Attached as Exhibit B are copies of the allocations. The Issuer will use the dollar amount stated in each allocation for the facilities described in the allocation and all the facilities together constitute the Project.

2.4 Expenditures. As certified to above, the Issuer reasonably expects to use 100% of the Available Project Proceeds for the Project. The Issuer also reasonably expects that it will incur a binding commitment with a third party to spend at least 10% of the Available Project Proceeds within the 6-month period following the Closing Date. To the extent that less than 100% of the Available Project Proceeds are spent by July 6, 2020, the Issuer covenants that it will cause all of the Taxable Lease relating to the unspent Available Project Proceeds or to

amounts of Available Project Proceeds that were not spent for qualified renewable energy facilities to be redeemed no later than October 6, 2020 which is 90 days after the third anniversary of the date the Taxable Lease is being issued. The redemption described in the preceding sentence shall not be necessary to the extent that the Issuer timely requests and receives an extension from the Secretary of the Treasury for the expenditure period, as described in Section 54A(d)(2)(B)(iii) of the Code.

2.5 Information Reporting. The Issuer will cause a properly completed and executed IRS Form 8038-TC to be filed with respect to the Taxable Lease no later than 60 days prior to the first interest payment on the Taxable Lease and no later than 30 days prior to the date it files the first IRS Form 8038-CP with respect to the Taxable Lease.

2.6 Maturity Limitation. The maturity of the Taxable Lease does not exceed 32 years, which is the maximum term of the bonds determined by the Secretary of the Treasury for new clean renewable energy bonds sold on June 27, 2017, as shown in the Bureau of Public Debt website at https://www.treasurydirect.gov/GA-SL/SLGS/selectQTCDate.htm.

2.7 Financial Conflicts of Interest. The Issuer hereby certifies that all applicable State and local law requirements governing conflicts of interest have been satisfied with respect to the Taxable Lease.

2.8 Direct Subsidy Election. The Issuer hereby makes an irrevocable election under Section 6431(f)(3)(B) of the Code to have Section 6431(f) of the Code apply to the Taxable Lease and to receive a direct credit for interest on the Taxable Lease rather than allowing a credit to the holders of the Taxable Lease under Section 54A of the Code. The Issuer acknowledges that any deduction that might otherwise be allowed under federal income tax law with respect to the interest paid on the Taxable Lease will be reduced by the amount of any credits paid to the Issuer by the federal government with respect to the Taxable Lease.

ARTICLE III. ARBITRAGE GENERAL

3.1 Reasonable Expectations. This Article III states the Issuer's reasonable expectations with respect to the amounts and uses of proceeds of the Taxable Lease and certain other moneys.

3.2 Offering Price. The Issuer and the Authority are delivering the Taxable Lease to the Purchaser on the date hereof in exchange for payment of a purchase price of $1,800,000.00, which represents the total amount of Sale Proceeds. Based upon advice of the Purchaser, the Taxable Lease been purchased for the Purchaser's own account and is not currently expect to be reoffered to the general public.

3.3 Funds and Accounts. No funds and accounts are established pursuant to the Taxable Lease. The Issuer expects to make current lease payments from its general fund. The Issuer does not expect to use any other fund or account, directly or indirectly, other than its general fund, to pay principal of or interest on the Taxable Lease; nor is any other fund or account, however established, so pledged as security for the Taxable Lease such that there is a reasonable assurance that amounts held in such fund or account will be available if needed to pay debt service with respect to the Taxable Lease.

3.4 Debt Service Funds.

3.4.1 Payment of the Taxable Lease. The Taxable Lease is a limited obligation of the Issuer payable from revenues. Revenues are expected to equal or exceed debt service on the Taxable Lease during each Bond Year. The Issuer reasonably expects that its revenues in each year will exceed the debt service on the Taxable Lease and will treat the payments under the Taxable Lease as coming from the most recently received revenues of the Issuer.

3.4.2 Match Between Revenues and Interest Payments. The Issuer's general fund, to the extent used to pay debt service on the Taxable Lease, will be used primarily to achieve a proper matching of revenues and debt service on the Taxable Lease within each Bond Year. For purposes of this Tax Certificate, the Issuer will account for such amounts and the payment of the debt service on the Taxable Lease on a last in-first out basis. Such portions of such funds and accounts will be depleted at least once a year except for a reasonable carryover amount in the aggregate not to exceed the greater of the earnings on such fund for the immediately preceding Bond Year or 1/12th of the debt service on the Taxable Lease for the immediately preceding Bond Year. Amounts deposited to such portions of such funds and accounts will be spent within 13 months after the date of receipt by or on behalf of the Issuer and any amounts received from the investment or reinvestment of moneys held in such fund will be expended within one year after the date of accumulation thereof in such fund. Such amounts will be invested without regard to yield.

3.5 No Other Replacement Proceeds. Other than the Bona Fide Debt Service Fund, there are no funds or accounts of the Issuer established pursuant to the Taxable Lease or otherwise which are reasonably expected to be used to pay debt service with respect to the Taxable Lease or which are pledged as collateral for the Taxable Lease and for which there is a reasonable assurance that amounts therein or the investment income earned from such funds or accounts will be available to pay debt service on the Taxable Lease in the event that the Issuer encounters financial difficulties. The weighted average maturity of the Taxable Lease (14.081 years) does not exceed 120% of the expected weighted average economic useful life of the Project (at least 30 years).

3.6 No Overissuance. Taking into account anticipated investment earnings, proceeds from the sale of the Taxable Lease do not exceed the amount necessary to pay costs of the Project and to pay the costs of issuing the Taxable Lease.

3.7. No Abusive Arbitrage Device. The Taxable Lease is not and will not be part of a transaction or series of transactions that (a) enables the Issuer or any related person to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (b) overburdens the market for tax-exempt obligations in any manner, including, without limitation, by selling obligations that would not otherwise be sold, or selling more obligations, or issuing obligations sooner, or allowing obligations to remain outstanding longer, than otherwise would be necessary.

ARTICLE IV. ARBITRAGE - YIELD AND YIELD RESTRICTION

4.1 Yield. For purposes of this Tax Certificate, yield is calculated as set forth in Section 148(b) of the Code and Treasury Regulations Sections 1.148-4 and 1.148-5 and in Section 6431(c) of the Code. Thus, yield on the Taxable Lease or yield on Investment Property generally means that discount rate which, when used in computing the present value of all unconditionally payable payments representing principal and interest, produces an amount equal to the issue price of the Taxable Lease or the purchase price of the Investment Property, as appropriate. In determining the payments that are made on the Taxable Lease for this purpose, the yield is determined by reducing the interest payments by the amount of the credit allowed to the Taxable under Section 6431 of the Code. Based upon the Purchaser's Certificate attached as Exhibit A hereto, the aggregate issue price of the Taxable Lease is $1,800,000. The yield on the Taxable Lease has been calculated to be at least 2.3306097%, calculated after taking into account the expected subsidy payments.

4.2 No Qualified Hedges. No contract has been, and (absent an Opinion of Counsel) no contract will be entered into such that failure to take the contract into account would distort the yield on the Taxable Lease or otherwise would fail clearly to reflect the economic substance of the transaction.

ARTICLE V. REBATE

5.1 Undertakings. The Issuer hereby covenants to comply with the arbitrage requirements of Section 148 of the Code, as modified by Sections 54A(d)(4) and 6431(c) of the Code. The Issuer acknowledges that the United States Department of the Treasury has not issued complete regulations with respect to certain of these undertakings. The Issuer covenants that it will undertake to determine what is required with respect to the rebate provisions contained in Section 148(f) of the Code and said regulations from time to time and will comply with any

requirements that may apply to the Taxable Lease. Except to the extent inconsistent with any requirements of the Code or future regulations, the Issuer will undertake the methodology described in this Tax Certificate.

5.2 Recordkeeping. The Issuer shall maintain or cause to be maintained detailed records with respect to each Nonpurpose Investment attributable to Gross Proceeds, including: (a) purchase date; (b) purchase price; (c) information establishing fair market value on the date such investment became a Nonpurpose Investment; (d) any accrued interest paid; (e) face amount; (f) coupon rate; (g) periodicity of interest payments; (h) disposition price; (i) any accrued interest received; and (j) disposition date. Such detailed recordkeeping is required to facilitate the calculation of the Rebate Requirement.

5.3 Rebate Requirement Calculation and Payment.

(a) If the Issuer spends 100% of the Available Project Proceeds as provided in Section 2.4 above and does not create any invested sinking fund or pledge fund relating to the Taxable Lease, the Issuer will be deemed to have satisfied the Rebate Requirement and the remainder of this Article shall not apply except for the provisions relating to acquisition and disposition of investments described in Section 5.5.

(a) If the Issuer (1) fails to spend all 100% of the Available Project Proceeds as provided in Section 2.4 above or (2) otherwise creates any invested sinking fund or pledge fund, the Issuer will prepare or cause to be prepared an annual calculation of the Rebate Requirement consistent with the rules described in this Section 5.3. The Issuer will complete the annual calculation of the Rebate Requirement within 55 days after the close of each Bond Year and within 55 days after the first date on which no portion of the Taxable Lease remains outstanding.

(b) For purposes of calculating the Rebate Requirement (i) the aggregate amount earned with respect to a Nonpurpose Investment shall be determined by assuming that the Nonpurpose Investment was acquired for an amount equal to its fair market value (determined as provided in Treasury Regulations §1.148-5(d)(6)) at the time it becomes a Nonpurpose Investment, and (ii) the aggregate amount earned with respect to any Nonpurpose Investment shall include any unrealized gain or loss with respect to the Nonpurpose Investment (based on the assumed purchase price at fair market value and adjusted to take into account amounts received with respect to the Nonpurpose Investment and earned original issue discount or premium) on the first date when no portion of the Taxable Lease remains outstanding or when the investment ceases to be a Nonpurpose Investment.

(c) The Issuer shall pay to the United States Department of the Treasury not later than 60 days after the end of the fifth Bond Year and each succeeding fifth Bond Year, an amount equal to 90% and, not later than 60 days after the first of the Rebate Requirement (determined as of the end of the immediately preceding Bond Year), all as set forth in §1.148-3 of the Treasury Regulations.

(d) Each payment required to be made pursuant hereto shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date such payment is due, and shall be accompanied by Form 8038-T. The Issuer shall retain records of the calculations required by this Section 5.3 until six years date on which portion of the Taxable Lease remains outstanding.

5.4 Exceptions from Rebate Requirement.

(a) Bona Fide Debt Service Funds Exception. To the extent that the Bona Fide Debt Service Funds comply with the requirements of Section 3.4 hereof, no rebate calculations will need to be made with respect to any moneys in the Bona Fide Debt Service Funds during any Bond Year.

5.5 Investments and Dispositions.

(a) General Rule. No Investment Property may be acquired with Gross Proceeds for an amount (including transaction costs, except as otherwise provided in Treasury Regulations §1.148-5(e)) in excess of the fair market value of such Investment Property. No Investment Property may be sold or otherwise disposed of for an amount (including transaction costs, except as otherwise provided in Treasury Regulations §1.148-5(e)) less than the fair market value of the Investment Property.

(b) Fair Market Value. In general, the fair market value of any Investment Property is the price a willing buyer would pay to a willing seller to acquire the Investment Property, with no amount paid artificially to reduce or increase the yield on such Investment Property. This Section 5.5 describes various safe harbors for determining fair market value. With an Opinion of Counsel, other methods may be used to establish fair market value, provided, however, that such methods comply with the requirements of Treasury Regulations §1.148-5(d)(6).

(c) Arm's-length Purchases and Sales. If Investment Property is acquired pursuant to an arm's length transaction without regard to any amount paid to reduce the yield on the Investment Property, the fair market value of the Investment Property shall be the amount paid for the Investment Property (without increase for transaction costs, except as otherwise provided in Treasury Regulations §1.148-5(e)). If Investment Property is sold or otherwise disposed of in an arm's length

transaction without regard to any reduction in the disposition price to reduce the Rebate Requirement, the fair market value of the Investment Property shall be the amount realized from the sale or other disposition of the Investment Property (without reduction for transaction costs, except as otherwise provided in Treasury Regulations §1.148-5(e)).

(d) SLGS. If a United States Treasury obligation is acquired directly from or disposed of directly to the United States Department of the Treasury (as in the case of the United States Treasury Securities--State and Local Government Series), such acquisition or disposition shall be treated as establishing a market for the obligation and as establishing the fair market value of the obligation.

(e) Investment Contracts. The purchase price of any Investment Property acquired pursuant to an investment contract (within the meaning of Treasury Regulations §1.148-1(b)) shall be determined as provided in Treasury Regulations §1.148-5. No investment contract shall be acquired with Gross Proceeds unless the requirements of Treasury Regulations § 1.148-5 are satisfied. With respect to any investment contract, the Issuer will obtain from the provider of the investment contract, broker thereof or other party, such information, certification or representation as will enable the Issuer to determine that these requirements are satisfied.

Safe Harbor. Pursuant to Treasury Regulations §1.148-5, the purchase price of an investment contract will be considered to be fair market value if:

(1) the Issuer makes (or has made on its behalf) a bona fide written solicitation for the investment contract, timely forwarded to potential providers. The solicitation specifies all the material terms of the investment contract (i.e., all the terms that could directly or indirectly affect the yield or the cost of the investment). The solicitation has a legitimate business purpose (i.e., a purpose other than to increase the purchase price or reduce the yield) for every term of the bid specification. The terms of the solicitation take into account the Issuer's reasonably expected deposit and drawdown schedule for the amounts to be received;

(2) all bidders have an equal opportunity to bid so that, for example, no bidder is given the opportunity to review other bids (a last look) before bidding;

(3) the Issuer solicits bids from at least three investment contract providers with established industry reputations as competitive providers of investment contracts;

(4) the Issuer includes in the bid specifications a statement to potential bidders that by submitting a bid, the provider is making certain representations that the bid is bona fide, and specifically that 1) the bidder did not consult with any other potential provider about its bid, 2) the bid was determined without regard to any other formal or informal agreement that the potential provider had with the Issuer or any other person, and 3) the bid was not submitted solely as a courtesy to the Issuer or any other person for purposes of satisfying the requirements of Treasury Regulations §1.148-5;

(5) the Issuer receives at least three bids from providers that do not have a material financial interest in the issue (the following investment contract providers are considered to have a material financial interest in the issue: 1) a lead underwriter in a negotiated underwriting, but only until 15 days after the issue date of the issue, 2) an entity acting as a financial advisor with respect to the purchase of the investment contract at the time the bid specifications were forwarded to potential providers; and 3) any related party to a provider that is disqualified for one of the two preceding reasons);

(6) at least one of the bids received by the Issuer that meets the requirements of the preceding paragraph is from an investment contract provider with an established industry reputation as a competitive provider of investment contracts;

(7) if an agent for the Issuer conducts the bidding process, the agent does not bid;

(8) the winning bid is the highest yielding bona fide bid (determined net of any broker's fees); and

(9) the provider of the investment contract certifies as to all administrative costs to be paid on behalf of the Issuer, including any fees paid as broker commissions in connection with the investment contract.

(f) Established Securities Market. The fair market value of any Investment Property not directly purchased with Gross Proceeds for which there is an established securities market (within the meaning of Treasury Regulations §15A.453-

1(e)(4)(iv)) shall be determined as provided in Treasury Regulations §20.2031-2, as adjusted by Treasury Regulations §1.148-5(d). Any market especially established to provide Investment Property to an issuer of governmental obligations shall not be treated as an established securities market.

(g) Certificates of Deposit. The fair market value of a certificate of deposit issued by a commercial bank that has a fixed interest rate, a fixed principal payment schedule, a fixed maturity and a substantial penalty for early withdrawal shall be determined as provided in this subsection (g). The fair market value of a certificate of deposit which does not have the foregoing attributes may be determined by reference to the bona fide bid price quoted by a dealer who maintains an active secondary market in such certificate of deposit. The purchase price of a certificate of deposit will be considered to be fair market value if:

(1) the yield on the certificate of deposit is not less than the yield on reasonably comparable direct obligations of the United States; and

(2) the yield on the certificate of deposit is not less than the highest published yield of the provider thereof which is currently available on comparable certificates of deposit offered to the public.

(h) Broker Compensation. For purposes of computing the Yield on any investment contract acquired through a broker, reasonable compensation received by such broker, whether payable by or on behalf of the obligor or obligee of such investment contract, may be taken into account in determining the cost of the investment contract (as provided in Treasury Regulations §1.148-5(e)(2)(iii)). Compensation is deemed reasonable if does not exceed the lesser of (i) $39,000 or (ii) 0.2% of the amount reasonably expected, as of the date of acquisition of the investment contract, to be invested under the investment contract over its term, or $4,000. In addition, the total fees received by the broker with respect to the investment of any proceeds of the Taxable Lease that are taken into account with respect to all investment contracts, at any time, may not exceed $111,000. All amounts referenced are to be adjusted for inflation after the Closing Date.

5.6 Segregation of Proceeds. In order to perform the calculations required by the Code, it is necessary to track separately all of the Gross Proceeds. To that end, the Issuer shall cause to be established separate accounts or subaccounts, or shall take such other accounting measures as are necessary in order to account fully for all Gross Proceeds.

5.7 Filing Requirements. The Issuer will file or cause to be filed such reports or other documents with the Internal Revenue Service as are required by the Code.

5.8 Retention of Firm. The Issuer has not engaged Special Counsel to perform any rebate or yield reduction payment calculations that may be required to be made from time-to-time with respect to the Taxable Lease. The Issuer acknowledges that Special Counsel has no responsibility to perform any rebate calculations or to ensure that any rebate calculations are being done unless Special Counsel specifically agrees to do so in writing.

ARTICLE VI. OTHER MATTERS

6.1 Expectations. The undersigned are authorized representative of the Issuer acting for and on behalf of the Issuer in executing this Tax Certificate. To the best of the knowledge and belief of the undersigned, there are no other facts, estimates or circumstances that would materially change the expectations as set forth herein, and said expectations are reasonable.

6.2 Amendments. Notwithstanding any other provision of this Tax Certificate, the Issuer may amend this Tax Certificate and thereby alter any actions allowed or required by this Tax Certificate if such amendment is signed by an authorized officer and is supported by an Opinion of Counsel.

6.3 Survival of Defeasance. Notwithstanding any provision in this Tax Certificate or the Taxable Lease to the contrary, the obligation to remit the Rebate Requirement, if any, to the United States Department of the Treasury and to comply with all other requirements contained in this Tax Certificate shall survive defeasance of the Taxable Lease.

Dated: July 6, 2017.

CITY OF NATIONAL CITY

By _____
City Manager

EXHIBIT A

CERTIFICATE OF THE PURCHASER

Banc of America Leasing & Capital, LLC (the ***"Purchaser"***) hereby certifies and represents the following with respect the Facilities Sublease by and between the National City Joint Powers Financing Authority and the City of National City (the ***"City"***), dated as of July 1, 2017, and the obligation of the City to make Series B Taxable Base Rental Payments in the initial aggregate principal amount of $1,800,000 (the ***"Taxable Lease"***):

A. Issue Price.

1. As of June 27, 2017 (the ***"Sale Date"***), the Purchaser contracted to acquire the Taxable Lease through an assignment from the National City Joint Powers Financing Authority. The Purchaser acquired the Taxable Lease for its own account and did not have the present intention of reselling the Taxable Lease to third parties. The price paid by the Purchaser for the Taxable Lease is $1,800,000.00

Dated: July 6, 2017

BANC OF AMERICA LEASING & CAPITAL, LLC

By: _____
Authorized Representative

EXHIBIT B

ALLOCATION OF VOLUME CAP

RECEIVED
CITY OF NATIONAL CITY
CITY MANAGER'S OFFICE

Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities Division
ITG/TEB Technical
1122 Town & Country Commons
Chesterfield, MO 63017

Date:
05/12/2017
Person to contact/ID number:
Steve Haycock / 1002978092
Contact telephone number:
801 799-6889
Allocation expiration date:
11/08/2017

City of National City
Attn: Leslie Deese, City Manager
1243 National City Boulevard
National City, CA 91950-4301

Re: Allocation of New Clean Renewable Energy Bonds Issuance Authority for City of National City (MLK Community Center)

Dear Ms. Deese :

You applied for an allocation of authority to issue $ 87,774 in new clean renewable energy bonds (New CREBs) under Internal Revenue Code (the Code) Section 54C(a).

Under Code Section 54C(a) and Notice 2015-12, we allocate to City of National City (MLK Community Cen (Issuer) authority to issue up to $ 87,774 of New CREBs for the project described in the application, subject to limitations and requirements in Notice 2015-12.

The issuer must issue the New CREBs on or before the expiration date listed above and designate the bonds as New CREBs for purposes of Section 54C(a). We generally won't extend the expiration date. If the Issuer can't issue the bonds before the expiration date, it will forfeit this allocation. New CREBs must satisfy all requirements for qualified tax cre[illegible]; including those in Sections 54A(d)(2)-(6), and 54C(a), related Treasury regulations, and Notice 2015-12.

This letter confirms an allocation of authority to issue New CREBs to finance the project described in the application. It is not a ruling or determination by the IRS whether the proposed bonds will satisfy applicable federal tax requirements.

This letter is directed only to the Issuer. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

This allocation is based on information submitted and representations made by the applicant for the New CREB allocation under penalty of perjury. Material submitted in support of the application for an allocation is subject to verification by the IRS on audit, but hasn't been verified.

Notice 2015-12 explains information filing requirements applicable to New CREBs. You must attach a copy of this letter to any Form 8038-TC, *Information Return for Tax Credit Bonds and Specified Tax Credit Bonds*, filed for New CREBs issued under this allocation. You must also send a notice of issuance within 15 days after issuing New CREBs under this allocation, as described in Notice 2015-12, Section 8.b., to:

Internal Revenue Service
SE:T:GE:TEB:CPM
Attention: Kenneth Stengel
1122 Town & Country Commons
Chesterfield, MO 63017

If the Issuer determines it won't issue the bonds, send written confirmation to the same address shown above that the allocation was forfeited.

We appreciate your patience during the allocation process. If you have questions, you can contact the person listed at the top of this letter.

Sincerely,

Jayne E. Maxwell

Jayne E. Maxwell
Acting Manager
ITG/TEB Technical

RECEIVED
MAY 1 0 2017
CITY OF NATIONAL CITY
CITY MANAGER'S OFFICE

Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities Division
ITG/TEB Technical
1122 Town & Country Commons
Chesterfield, MO 63017

Date:
05/12/2017
Person to contact/ID number:
Steve Haycock / 1002978092
Contact telephone number:
801 799-6889
Allocation expiration date:
11/08/2017

City of National City
Attn: Leslie Deese, City Manager
1243 National City Boulevard
National City, CA 91950-4301

Re: Allocation of New Clean Renewable Energy Bonds Issuance Authority for City of National City (Police Station)

Dear Ms. Deese :

You applied for an allocation of authority to issue $ 451,625 in new clean renewable energy bonds (New CREBs) under Internal Revenue Code (the Code) Section 54C(a).

Under Code Section 54C(a) and Notice 2015-12, we allocate to City of National City (Police Station) (Issuer) authority to issue up to $451,625 of New CREBs for the project described in the application, subject to limitations and requirements in Notice 2015-12.

The issuer must issue the New CREBs on or before the expiration date listed above and designate the bonds as New CREBs for purposes of Section 54C(a). We generally won't extend the expiration date. If the Issuer can't issue the bonds before the expiration date, it will forfeit this allocation. New CREBs must satisfy all requirements for qualified tax credit bonds, including those in Sections 54A(d)(2)-(6), and 54C(a), related Treasury regulations, and Notice 2015-12.

This letter confirms an allocation of authority to issue New CREBs to finance the project described in the application. It is not a ruling or determination by the IRS whether the proposed bonds will satisfy applicable federal tax requirements.

This letter is directed only to the Issuer. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

This allocation is based on information submitted and representations made by the applicant for the New CREB allocation under penalty of perjury. Material submitted in support of the application for an allocation is subject to verification by the IRS on audit, but hasn't been verified.

Notice 2015-12 explains information filing requirements applicable to New CREBs. You must attach a copy of this letter to any Form 8038-TC, *Information Return for Tax Credit Bonds and Specified Tax Credit Bonds*, filed for New CREBs issued under this allocation. You must also send a notice of issuance within 15 days after issuing New CREBs under this allocation, as described in Notice 2015-12, Section 8.b., to:

Internal Revenue Service
SE:T:GE:TEB:CPM
Attention: Kenneth Stengel
1122 Town & Country Commons
Chesterfield, MO 63017

If the Issuer determines it won't issue the bonds, send written confirmation to the same address shown above that the allocation was forfeited.

We appreciate your patience during the allocation process. If you have questions, you can contact the person listed at the top of this letter.

Sincerely,

Jayne E. Maxwell

Jayne E. Maxwell
Acting Manager
ITG/TEB Technical

RECEIVED
CITY OF NATIONAL CITY
CITY MANAGER'S OFFICE

Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities Division
ITG/TEB Technical
1122 Town & Country Commons
Chesterfield, MO 63017

Date:
05/12/2017
Person to contact/ID number:
Steve Haycock / 1002978092
Contact telephone number:
801 799-6889
Allocation expiration date:
11/08/2017

City of National City
Attn: Leslie Deese, City Manager
1243 National City Boulevard
National City, CA 91950-4301

Re: Allocation of New Clean Renewable Energy Bonds Issuance Authority for City of National City (Arts Center)

Dear Ms. Deese :

You applied for an allocation of authority to issue $ 130,036 in new clean renewable energy bonds (New CREBs) under Internal Revenue Code (the Code) Section 54C(a).

Under Code Section 54C(a) and Notice 2015-12, we allocate to City of National City (Arts Center) (Issuer) authority to issue up to $ 130,036 of New CREBs for the project described in the application, subject to limitations and requirements in Notice 2015-12.

The issuer must issue the New CREBs on or before the expiration date listed above and designate the bonds as New CREBs for purposes of Section 54C(a). We generally won't extend the expiration date. If the Issuer can't issue the bonds before the expiration date, it will forfeit this allocation. New CREBs must satisfy all requirements for qualified tax credit bonds, including those in Sections 54A(d)(2)-(6), and 54C(a), related Treasury regulations, and Notice 2015-12.

This letter confirms an allocation of authority to issue New CREBs to finance the project described in the application. It is not a ruling or determination by the IRS whether the proposed bonds will satisfy applicable federal tax requirements.

This letter is directed only to the Issuer. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

This allocation is based on information submitted and representations made by the applicant for the New CREB allocation under penalty of perjury. Material submitted in support of the application for an allocation is subject to verification by the IRS on audit, but hasn't been verified.

Notice 2015-12 explains information filing requirements applicable to New CREBs. You must attach a copy of this letter to any Form 8038-TC, *Information Return for Tax Credit Bonds and Specified Tax Credit Bonds*, filed for New CREBs issued under this allocation. You must also send a notice of issuance within 15 days after issuing New CREBs under this allocation, as described in Notice 2015-12, Section 8.b., to:

Internal Revenue Service
SE:T:GE:TEB:CPM
Attention: Kenneth Stengel
1122 Town & Country Commons
Chesterfield, MO 63017

If the Issuer determines it won't issue the bonds, send written confirmation to the same address shown above that the allocation was forfeited.

We appreciate your patience during the allocation process. If you have questions, you can contact the person listed at the top of this letter.

Sincerely,

Jayne E. Maxwell

Jayne E. Maxwell
Acting Manager
ITG/TEB Technical

RECEIVED
MAY 16 2017
CITY OF NATIONAL CITY
CITY MANAGER'S OFFICE

Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities Division
ITG/TEB Technical
1122 Town & Country Commons
Chesterfield, MO 63017

Date:
05/12/2017
Person to contact/ID number:
Steve Haycock / 1002978092
Contact telephone number:
801 799-6889
Allocation expiration date:
11/08/2017

City of National City
Attn: Leslie Deese, City Manager
1243 National City Boulevard
National City, CA 91950-4301

Re: Allocation of New Clean Renewable Energy Bonds Issuance Authority for City of National City (Public Library)

Dear Ms. Deese :

You applied for an allocation of authority to issue $ 603,918 in new clean renewable energy bonds (New CREBs) under Internal Revenue Code (the Code) Section 54C(a).

Under Code Section 54C(a) and Notice 2015-12, we allocate to City of National City (Public Library) (Issuer) authority to issue up to $ 603,918 of New CREBs for the project described in the application, subject to limitations and requirements in Notice 2015-12.

The issuer must issue the New CREBs on or before the expiration date listed above and designate the bonds as New CREBs for purposes of Section 54C(a). We generally won't extend the expiration date. If the Issuer can't issue the bonds before the expiration date, it will forfeit this allocation. New CREBs must satisfy all requirements for qualified tax credit bonds, including those in Sections 54A(d)(2)-(6), and 54C(a), related Treasury regulations, and Notice 2015-12.

This letter confirms an allocation of authority to issue New CREBs to finance the project described in the application. It is not a ruling or determination by the IRS whether the proposed bonds will satisfy applicable federal tax requirements.

This letter is directed only to the Issuer. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

This allocation is based on information submitted and representations made by the applicant for the New CREB allocation under penalty of perjury. Material submitted in support of the application for an allocation is subject to verification by the IRS on audit, but hasn't been verified.

Notice 2015-12 explains information filing requirements applicable to New CREBs. You must attach a copy of this letter to any Form 8038-TC, *Information Return for Tax Credit Bonds and Specified Tax Credit Bonds*, filed for New CREBs issued under this allocation. You must also send a notice of issuance within 15 days after issuing New CREBs under this allocation, as described in Notice 2015-12, Section 8.b., to:

Internal Revenue Service
SE:T:GE:TEB:CPM
Attention: Kenneth Stengel
1122 Town & Country Commons
Chesterfield, MO 63017

If the Issuer determines it won't issue the bonds, send written confirmation to the same address shown above that the allocation was forfeited.

We appreciate your patience during the allocation process. If you have questions, you can contact the person listed at the top of this letter.

Sincerely,

Jayne E. Maxwell

Jayne E. Maxwell
Acting Manager
ITG/TEB Technical

RECEIVED
CITY OF NATIONAL CITY
CITY MANAGER'S OFFICE

Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities Division
ITG/TEB Technical
1122 Town & Country Commons
Chesterfield, MO 63017

Date:
05/12/2017
Person to contact/ID number:
Steve Haycock / 1002978092
Contact telephone number:
801 799-6889
Allocation expiration date:
11/08/2017

City of National City
Attn: Leslie Deese, City Manager
1243 National City Boulevard
National City, CA 91950-4301

Re: Allocation of New Clean Renewable Energy Bonds Issuance Authority for City of National City (Civic Center)

Dear Ms. Deese :

You applied for an allocation of authority to issue $429,120 in new clean renewable energy bonds (New CREBs) under Internal Revenue Code (the Code) Section 54C(a).

Under Code Section 54C(a) and Notice 2015-12, we allocate to City of National City (Civic Center) (Issuer) authority to issue up to $429,120 of New CREBs for the project described in the application, subject to limitations and requirements in Notice 2015-12.

The issuer must issue the New CREBs on or before the expiration date listed above and designate the bonds as New CREBs for purposes of Section 54C(a). We generally won't extend the expiration date. If the Issuer can't issue the bonds before the expiration date, it will forfeit this allocation. New CREBs must satisfy all requirements for qualified tax credit bonds, including those in Sections 54A(d)(2)-(6), and 54C(a), related Treasury regulations, and Notice 2015-12.

This letter confirms an allocation of authority to issue New CREBs to finance the project described in the application. It is not a ruling or determination by the IRS whether the proposed bonds will satisfy applicable federal tax requirements.

This letter is directed only to the Issuer. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

This allocation is based on information submitted and representations made by the applicant for the New CREB allocation under penalty of perjury. Material submitted in support of the application for an allocation is subject to verification by the IRS on audit, but hasn't been verified.

Notice 2015-12 explains information filing requirements applicable to New CREBs. You must attach a copy of this letter to any Form 8038-TC, *Information Return for Tax Credit Bonds and Specified Tax Credit Bonds*, filed for New CREBs issued under this allocation. You must also send a notice of issuance within 15 days after issuing New CREBs under this allocation, as described in Notice 2015-12, Section 8.b., to:

Internal Revenue Service
SE:T:GE:TEB:CPM
Attention: Kenneth Stengel
1122 Town & Country Commons
Chesterfield, MO 63017

If the Issuer determines it won't issue the bonds, send written confirmation to the same address shown above that the allocation was forfeited.

We appreciate your patience during the allocation process. If you have questions, you can contact the person listed at the top of this letter.

Sincerely,

Jayne E. Maxwell

Jayne E. Maxwell
Acting Manager
ITG/TEB Technical

RECEIVED
CITY OF NATIONAL CITY
CITY MANAGER'S OFFICE

Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities Division
ITG/TEB Technical
1122 Town & Country Commons
Chesterfield, MO 63017

Date:
05/12/2017
Person to contact/ID number:
Steve Haycock / 1002978092
Contact telephone number:
801 799-6889
Allocation expiration date:
11/08/2017

City of National City
Attn: Leslie Deese, City Manager
1243 National City Boulevard
National City, CA 91950-4301

Re: Allocation of New Clean Renewable Energy Bonds Issuance Authority for City of National City (Fire Station 34)

Dear Ms. Deese :

You applied for an allocation of authority to issue $ 97,527 in new clean renewable energy bonds (New CREBs) under Internal Revenue Code (the Code) Section 54C(a).

Under Code Section 54C(a) and Notice 2015-12, we allocate to City of National City (Fire Station 34) (Issuer) authority to issue up to $97,527 of New CREBs for the project described in the application, subject to limitations and requirements in Notice 2015-12.

The issuer must issue the New CREBs on or before the expiration date listed above and designate the bonds as New CREBs for purposes of Section 54C(a). We generally won't extend the expiration date. If the Issuer can't issue the bonds before the expiration date, it will forfeit this allocation. New CREBs must satisfy all requirements for qualified tax credit bonds, including those in Sections 54A(d)(2)-(6), and 54C(a), related Treasury regulations, and Notice 2015-12.

This letter confirms an allocation of authority to issue New CREBs to finance the project described in the application. It is not a ruling or determination by the IRS whether the proposed bonds will satisfy applicable federal tax requirements.

This letter is directed only to the Issuer. Section 6110(k)(3) of the Code provides that it may not be used or cited as precedent.

This allocation is based on information submitted and representations made by the applicant for the New CREB allocation under penalty of perjury. Material submitted in support of the application for an allocation is subject to verification by the IRS on audit, but hasn't been verified.

Notice 2015-12 explains information filing requirements applicable to New CREBs. You must attach a copy of this letter to any Form 8038-TC, *Information Return for Tax Credit Bonds and Specified Tax Credit Bonds*, filed for New CREBs issued under this allocation. You must also send a notice of issuance within 15 days after issuing New CREBs under this allocation, as described in Notice 2015-12, Section 8.b., to:

Internal Revenue Service
SE:T:GE:TEB:CPM
Attention: Kenneth Stengel
1122 Town & Country Commons
Chesterfield, MO 63017

If the Issuer determines it won't issue the bonds, send written confirmation to the same address shown above that the allocation was forfeited.

We appreciate your patience during the allocation process. If you have questions, you can contact the person listed at the top of this letter.

Sincerely,

Jayne E. Maxwell

Jayne E. Maxwell
Acting Manager
ITG/TEB Technical

Form **8038-G**
(Rev. September 2011)
Department of the Treasury
Internal Revenue Service

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)
▶ See separate instructions.
Caution: *if the issue price is under $100,000, use Form 8038-GC.*

OMB No. 1545-0720

Part I Reporting Authority

If **Amended Return**, check here ▶ ☐

1 Issuer's name City of National City	2 Issuer's employer identification number (EIN)
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)	3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) Room/suite 1243 National City Blvd.	5 Report number *(For IRS Use Only)* 3
6 City, town, or post office, state, and ZIP code National City, CA 91950	7 Date of Issue 07/06/2017
8 Name of issue Series A Tax-Exempt Base Rental Payments	9 CUSIP number na
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Leslie Deese, City Manager	10b Telephone number of officer or other employee shown on 10a 619-336-4240

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11	Education	11	
12	Health and hospital	12	
13	Transportation	13	
14	Public safety	14	
15	Environment (including sewage bonds)	15	
16	Housing	16	
17	Utilities	17	3,723,602
18	Other. Describe ▶	18	
19	If obligations are TANs or RANs, check only box 19a ▶ ☐ If obligations are BANs, check only box 19b ▶ ☐		
20	If obligations are in the form of a lease or installment sale, check box ▶ ☐		

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	06/01/2037	$ 3,723,602	$ 3,723,602	11.316 years	2.7701589 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest			22	
23	Issue price of entire issue (enter amount from line 21, column (b))			23	3,723,602
24	Proceeds used for bond issuance costs (including underwriters' discount)	24	85,000		
25	Proceeds used for credit enhancement	25			
26	Proceeds allocated to reasonably required reserve or replacement fund	26			
27	Proceeds used to currently refund prior issues	27			
28	Proceeds used to advance refund prior issues	28			
29	Total (add lines 24 through 28)			29	85,000
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)			30	3,638,602

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31	Enter the remaining weighted average maturity of the bonds to be currently refunded ▶	years
32	Enter the remaining weighted average maturity of the bonds to be advance refunded ▶	years
33	Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) ▶	
34	Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY)	

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S Form **8038-G** (Rev. 9-2011)

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	0
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	0
b	Enter the final maturity date of the GIC ▶		
c	Enter the name of the GIC provider ▶		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	0

38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ ☐ and enter the following information:

b Enter the date of the master pool obligation ▶

c Enter the EIN of the issuer of the master pool obligation ▶

d Enter the name of the issuer of the master pool obligation ▶

39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶ ☐

40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶ ☐

41a If the issuer has identified a hedge, check here ▶ ☐ and enter the following information:

b Name of hedge provider ▶

c Type of hedge ▶

d Term of hedge ▶

42 If the issuer has superintegrated the hedge, check box ▶ ☐

43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶ ☐

44 If the issuer has established written procedures to monitor the requirements of section 148, check box ▶ ☐

45a If some portion of the proceeds was used to reimburse expenditures, check here ▶ ☐ and enter the amount of reimbursement ▶

b Enter the date the official intent was adopted ▶

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

▶ Signature of issuer's authorized representative — Date 6/28/17 — ▶ Leslie Deese, City Manager — Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☑ if self-employed	PTIN
Perry Israel				P01077406

Firm's name ▶	Law Office of Perry Israel	Firm's EIN ▶	20-8342253
Firm's address ▶	525 Morse Avenue, Ste. 201, Sacramento CA 95864	Phone no.	916-485-6645

Form **8038-TC**
(Rev. November 2012)
Department of the Treasury
Internal Revenue Service

Information Return for Tax Credit Bonds and Specified Tax Credit Bonds

▶ Under Internal Revenue Code section 149(e)
▶ See separate instructions.

OMB No. 1545-2160

Part I Reporting Authority

Check if **Amended Return** ▶ ☐

1 Issuer's name: City of National City

2 Issuer's employer identification number (EIN)

3 Name of person (other than the issuer) with whom the IRS may communicate about this return (see instructions)

4 Report number (For IRS Use Only)

5 Number and street (or P.O. Box if mail is not delivered to street address): 1243 National City Blvd.

6 City, town, or post office, state, and ZIP code: National City, CA 91950

7 Date of issue (MM/DD/YYYY): 07 / 06 / 2017

8 Name of issue: Series B Taxable Base Rental Payments

9 CUSIP number: na

10 Name and title of officer of issuer whom the IRS may call for more information (see instructions): Leslie Deese, City Manager

11 Telephone number of officer or other person: 619-336-4240

Part II Type of Issue

1 Tax Credit Bond Code (See instructions, enter three digit code for the type of issue) ▶ 1 0 2

2 Description: New clean renewable energy bonds

3 Has the issuer made an irrevocable election to apply section 6431(f)? ☑ Yes ☐ No

4 Enter the first interest payment date (MM/DD/YYYY) ▶ 12 / 1 / 2017

5 Interest payment date frequency (Check box; see instructions and attach debt service schedule):

a ☐ annual,
b ☑ semi-annual,
c ☐ quarterly,
d ☐ monthly, or
e ☐ other

f If line 5e above is checked, please describe the payment frequency:

Part III Description of Obligations

1	Issue price	1	1,800,000
2	Stated redemption price at maturity	2	1,800,000
3	Final maturity date (enter date MM/DD/YYYY) ▶ 6 / 1 / 2037		
4	Applicable credit rate	4	04.12 %
5	Maximum term	5	32.00 years
6	Permitted Sinking Fund Yield	6	2.18 %
7	Enter the interest rate on the bonds	7	4.830 %

8 If the issue is a variable rate issue, check box 8a ▶ ☐ Enter the frequency rates are reset 8b ▶

Part IV Proceeds of Issue (Including underwriters' discount)

			Amount
1	Sale Proceeds	1	1,800,000
2	Proceeds used for bond issuance cost (including underwriters' discount)	2	35,294
3	Estimated investment proceeds	3	0
4	Expected available project proceeds (Subtract line 2 from line 1 and add line 3) (see instructions)	4	1,764,706
5	*(For IRS Use Only)*	5	
6	Other (describe) ▶	6	0
7	Total proceeds (Add lines 4 through 6)	7	1,764,706

Part V Description of Use of Proceeds for Qualified Purpose Expenditures

			Amount
1a	Loans to qualified borrower(s)	1a	0
b	If a written loan commitment was obtained prior to issue date, check box ▶ ☐		
c	Name of borrower ▶		
d	EIN of borrower ▶ (Attach list if more than one)		
2	Land	2	0
3	Buildings and structures	3	0
4	Furniture or equipment with recovery period of more than 5 years	4	1,764,706
5	Furniture or equipment with recovery period of 5 years or less	5	0
6	Grants	6	0
7	Demonstration projects	7	0
8	Public education campaigns	8	0
9	Repairs or other rehabilitation expenditures	9	

Description of Use of Proceeds for Qualified Purpose Expenditures *(Continued)*

10	Developing course materials and/or staff training expenditures	10	0
11	Pay principal, interest, or premiums on qualified bonds	11	0
12	Refinance a qualified indebtedness	12	0
13	Other (describe) ▶	13	0
14	Total qualified purpose expenditures (Sum of lines 1a through 13)	14	0
15	Percentage of total proceeds to be used for qualified purpose expenditures (Divide line 14 in Part V by line 7 in Part IV, multiply result by 100)	15	100.000%
16	If some portion of proceeds was used to reimburse issuer for amounts paid for a qualified purpose, enter the amount of reimbursement	16	0
17	If some portion of proceeds was to reimburse issuer for amounts paid for a qualified purpose, enter the date the official intent was adopted (MM/DD/YYYY) ▶ / /	17	

Part VI Allocation of National, State, Tribal, or Local Bond Limitation Amount

(Enter source and amount of allocation and attach copy of certificate)

			Amount
1a	Volume cap allocation amount	1a	1,800,000
	Year of Allocation 2017 Amount of Carryforward 0		
b	National, check box ▶ ☑ Local, check box ▶ ☐		
c	State, check box ▶ ☐		
d	Tribal, check box ▶ ☐		
2	If box 1c is checked, enter State abbreviation ▶		

Part VII Miscellaneous

1 Arbitrage questions:

a If there is a reserve or sinking fund that is expected to repay the issue at maturity, check box ▶ ☐

b If 1a is checked and the reserve or sinking fund is funded in equal periodic installments, check box ▶ ☐

c If either the funding of the reserve or sinking fund is expected to result in an amount greater than the amount necessary to repay the issue; or, if the yield on such fund is greater than the permitted sinking fund yield from line 6, Part III, check box ▶ ☐

d If the issuer established written procedures to monitor the requirements of section 148 with respect to these bonds, check box ▶ ☐

2 If all federal, state, and local requirements governing conflicts of interest are satisfied with respect to this issue, check box ▶ ☑

3 If the entitlements to credits with respect to this bond issue are expected to be stripped, check box ▶ ☐

4 If the issuer established written procedures to ensure that all nonqualified bonds at the end of the applicable period are redeemed within 90 days, check box ▶ ☐

5 Other: ▶ ☐

Signature and Consent

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.

▶ Signature of issuer's authorized representative | Date 6/28/17 ▶ Leslie Deese, City Manager — Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☑ if self-employed	PTIN
Perry Israel				P01077406

Firm's name ▶ Law Office of Perry Israel — Firm's EIN ▶ 20-8342253

Firm's address ▶ 525 Morse Avenue, Ste. 201, Sacramento CA 95864 — Phone no. 916-485-6645

Part VIII Consent to Disclosure of Certain Information From This Return

1 Does the issuer give the IRS consent to publish, through a website or in a publication, its name and address, employer identification number, name and description of bond issue, date of issuance, CUSIP number, issue price, final maturity date, stated redemption price at maturity, applicable credit rate, and maximum term, to assist in the proper reporting of interest, tax credits, or other benefits under IRC section 6049 and Regulations thereunder ▶ ☑ Yes ☐ No

Under penalties of perjury, I declare that I am an officer of the above named issuer and that I am authorized to give consent on behalf of the above named issuer for the IRS to publish the items of information described in line 1 of Part VIII of this form to assist in the reporting obligations under IRC section 6049.

Sign Here

▶ Signature | Date 6/28/17 ▶ Leslie Deese, City Manager — Type or print name and title

Issuer's name: Issuer's employer identification number (EIN):

Schedule A — Schedule for New Clean Renewable Energy Bonds (New CREBs)

▶ Under Internal Revenue Code sections 54A and 54C

▶ See separate Instructions

Tax Credit Bond Code: 102

Part I Issuer Questions

			Yes	No
1	Is the issuer a public power provider?	1		✓
2	Is the issuer a cooperative electric company?	2		✓
3	Is the issuer a governmental body?	3	✓	
4	Is the issuer a clean renewable energy bond lender?	4		✓
5	Is the issuer a not-for-profit electric utility which has received a loan/loan guarantee under the Rural Electrification Act?	5		✓
6	Have proceeds been used to acquire existing facilities? (see instructions)	6		✓
7	Have proceeds been used to refinance existing facilities? (see instructions)	7		✓
8	Is the issue date of the issue on or before the date that is 3 years after the volume cap allocation date? (see instructions)	8	✓	
9	Has the issuer designated these bonds as new CREBs for purposes of section 54C?	9	✓	

Part II

			Amount
1	*(For IRS Use Only)*	1	

Part III List of Qualified Renewable Energy Facilities

List the type of qualified renewable energy facilities (see instructions) to be financed by the bonds, the location, the owner of such facility, the owner's EIN, and the amount of available project proceeds to be used for that facility. (If more than one, attach statement)

Type of Facility: See Statement

Location of Facility:

Owner's Name:

Owner's EIN:

Amount of Available Project Proceeds $:

Schedule B — Schedule for Qualified Energy Conservation Bonds (QECBs)

▶ Under Internal Revenue Code sections 54A and 54D

▶ See separate Instructions

Tax Credit Bond Code: 103

Part I Issuer and Project Questions

			Yes	No
1	Has the issuer designated these bonds as QECBs for purposes of section 54D?	1		
2	Has the allocation been reallocated from a large local government to a State?	2		
3	Is the issuer a large local government?	3		
4	Is the issuer an Indian tribal government?	4		
5	Are all proceeds to be used within the jurisdiction of the issuer?	5		
6	If the issuer issued the bonds based on a volume cap allocation received by another authorized entity that allocated volume cap to the issue, check "Yes." If not, check "No." Provide the name of such authorized entity. Attach statement if more than one entity's volume cap is used. (see instructions)	6		

Part II

			Amount
1	*(For IRS Use Only)*	1	

Part III List of Conservation Purposes, Location of the Facilities, Amount of Proceeds Used for the Purpose, Private Activity User, and Private User's EIN

1 List the type of qualified conservation purpose described under section 54D(f) financed with the proceeds of the bonds, the location of the facility financed with the proceeds of the bond, and the amount of available project proceeds to be used for the qualified conservation purpose. If the bonds are private activity bonds, provide the name and EIN of all private users. (If the issuer is issuing bonds for more than one purpose or facility, attach statement)

Type of qualified conservation purpose:

Location of facility financed with bond proceeds:

Amount of proceeds to be used for this purpose $:

Are the bonds private activity bonds? ▶ ☐ Yes ☐ No

If "Yes," provide the name and EIN of each private user

Issuer's name: Issuer's employer identification number (EIN):

Schedule C

Schedule for Qualified Zone Academy Bonds (QZABs)

▶ Under Internal Revenue Code sections 54A and 54E

▶ See separate instructions

Tax Credit Bond Code: 104

Part I Academy and Issuer Information

			Yes	No
1	Was the school located in an empowerment zone at the time the bonds were issued?	1		
2	Was the school located in an enterprise community at the time the bonds were issued?	2		
3	Is it expected that at least 35% of students attending the school or program will be eligible for free or reduced-cost lunches under the school lunch program established by the National School Lunch Act?	3		
4	Was the comprehensive educational plan of the school or program approved by the eligible local education agency?	4		
5	Is a carryover of unused limitation being used for this issue? If "Yes," enter the year in which the limitation arose. (see instructions) ▶	5		
6	Are the bonds issued by a state or local government within the jurisdiction of which the academy is located?	6		
7	Does the issuer have written commitments from private business entities to make qualified private business contributions having a present value of not less than 10% of the proceeds of this issue?	7		
8	Was the bond issuance approved in writing by the eligible local education agency?	8		
9	Have these bonds been designated by the issuer as QZABs for purposes of section 54E?	9		
10	Enter the name of the eligible local education agency:	10		

Part II Description of the Private Business Contribution

(Enter the value of the amount of contribution in each type)

			Amount
1	Equipment	1	
2	Technical assistance	2	
3	Services of donor's employees as volunteers	3	
4	Opportunities for students outside of the academy	4	
5	Other:	5	

Part III Private Business Contributor Information (Attach a statement if more than five donors)

1a Enter the name of the first donor: _____

b Enter the EIN of the first donor: _____

2a Enter the name of the second donor: _____

b Enter the EIN of the second donor: _____

3a Enter the name of the third donor: _____

b Enter the EIN of the third donor: _____

4a Enter the name of the fourth donor: _____

b Enter the EIN of the fourth donor: _____

5a Enter the name of the fifth donor: _____

b Enter the EIN of the fifth donor:

Issuer's name: Issuer's employer identification number (EIN):

Schedule D — Schedule for Qualified School Construction Bonds (QSCBs)

▶ Under Internal Revenue Code sections 54A and 54F

▶ See separate instructions

Tax Credit Bond Code: 105

Part I Use of Proceeds

			Yes	No
1	Are the proceeds to be used for an Indian school? (see instructions)	1		
2	Are all proceeds to be used within the jurisdiction of the issuer?	2		
3	Have these bonds been designated as QSCBs by the issuer for purposes of section 54F?	3		
4	Are the proceeds of the issue to be spent on costs of acquisition of furniture or equipment? If the answer is "No," skip line 5	4		
5	Is such furniture or equipment to be used in portions of the public school facility being constructed, rehabilitated, or repaired with the proceeds of the issue?	5		
6	Are the proceeds of the issue to be spent on the costs of land acquisition? If the answer is "No," skip line 7	6		
7	Are proceeds of the issue also to be spent on the costs of construction of a public school facility on such land?	7		

Part II

			Amount
1	*(For IRS Use Only)*	1	

Part III Issuer Information (Does not apply to issuers that are Indian tribal governments.)

1 If the issuer of the bonds is not the local educational agency in the jurisdiction of which the public school facility is located, please provide the name of such local educational agency. Attach statement if more than one. (see instructions)

2 If the issuer issued the bonds based on a volume cap allocation received by another authorized entity (that allocated volume cap to the issue), provide the name of such authorized entity. Attach statement if more than one entity's volume cap is used. (see instructions)

6-6-2017

REPORT OF PROPOSED DEBT ISSUANCE

California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-0001
Tel.: (916) 653-3269 Fax: (916) 654-7440

Internet Submission - CURRENT
CDIAC #: 2017-1439
6/6/2017 16:56:37

Completion and timely submittal of this form to the California Debt and Investment Advisory Commission (CDIAC) at the above address will assure your compliance with existing California State law and will assist in the maintenance of a complete database of public debt in California. Thank you for your cooperation.[1]

Issuer Name: National City
(If pool bond, list participants)

Issue Name: City of National City 2017 Lease Financing

Project Name: Solar Project

Proposed Sale Date: 7/6/2017 Will a validation action be pursued? N Principal to be Sold: $5,300,000.00

IS DEBT REPAYABLE IN NON-US CURRENCY?: N

IF VOTER APPROVED GENERAL OBLIGATION, ELECTION DATE: MEASURE:

VOTER AUTHORIZED AMOUNT: VOTER AUTHORIZATION REDUCED BY THIS ISSUE:

STATUTORY CODE UNDER WHICH THIS DEBT WILL BE ISSUED (1): None

STATUTORY CODE UNDER WHICH THIS DEBT WILL BE ISSUED (2) (If necessary):

Is any portion of the debt to refund?[2] ○ Yes ● No Amount proposed for refunding $ $0.00

Is any portion of the Debt to Redeem, Paydown, or Refinance outstanding debt? ○ Yes ● No

Amount proposed for redemption, paydown or refinancing $0.00

Issuer Contact:

First Name: Mark Middle Name: Last Name: Roberts
Title: Director of Finance E-mail: mroberts@NationalCityCA.gov
Address: 1243 National City Boulevard Address cont.:
Address cont.: Address cont.:
City: National City State: CA Zip Code: 91950
Phone: 619 3364330 Ext: Issuer Located in County: San Diego

Filing Contact:

Name of individual representing BC (Who completed this form and may be contacted for information.)
First Name: Albert Middle Name: Last Name: Reyes
Firm/Agency: Nossaman LLP
Address: 18101 Von Karman Ave. Address cont.: Suite 1800
Address cont.: Address cont.:
City: Irvine State: CA Zip Code: 92612
Phone: 949 4777612 Ext: Email: areyes@nossaman.com
Send acknowledgement to: Albert Reyes Email: areyes@nossaman.com

Financing Participants:

Bond Counsel: Nossaman LLP
Borrower Counsel (Loan): (Not Obligor Counsel) Chapman and Cutler LLP
Financial Advisor: NHA Advisors
Underwriter:
Disclosure Counsel:
Purchaser:
Lender: Banc of America Leasing & Capital LLC

Is the interest on the debt taxable?

Under State Law: ● Yes (taxable) ○ No (tax-exempt)
Under Federal Law: ● Yes (taxable) ○ No (tax-exempt)

If the issue is federally tax-exempt, is interest a specific preference item for the purpose of alternative minimum tax?
○ Yes, preference item ○ No, not a preference item

Type of Sale: ○ Competitive ● Negotiated

Is This Financing A Private Placement? ○ No ● Yes

Issuer Certifies that it has complied with GC section 8855 (i) with respect to local debt policies:[3] ● No ○ Yes ○ N/A

REPORT OF PROPOSED DEBT ISSUANCE

Internet Submission - CURRENT
CDIAC #: 2017-1439
6/6/2017 16:56:37

Type of Debt Instrument

Note:
- ○ Bond anticipation (BAN)
- ● Capital Lease (CL)
- ○ Certificates of Participation (COPL)
- ○ Commercial paper (CP)
- ○ Conduit revenue note (Private Obligor) (CRN)
- ○ Grant anticipation (GAN)
- ○ Loan from bank/other institution (LOAN)
- ○ Marks-Roos Authority Loan (MKRL)
- ○ Other note (Please specify below) (OTHN)
- ○ Revenue anticipation (RAN)
- ○ State agency Loan (STAL)
- ○ Tax allocation (TALN)
- ○ Tax and revenue anticipation (TRAN)
- ○ Tax anticipation (TAN)
- ○ Other (Please specify below) (OTH)

Bond:
- ○ Conduit revenue (CRB)
- ○ General obligation (GOB)
- ○ Limited tax obligation (LTOB)
- ○ Other bond (Please specify below) (OTHB)
- ○ Pension Obligation (POB)
- ○ Public lease revenue (PLRB)
- ○ Rate Reduction (GC 6588.7) (RRB)
- ○ Revenue (RB)
- ○ Revenue (Public enterprise) (PERB)
- ○ Sales tax revenue (STRB)
- ○ Special assessment (SAB)
- ○ Tax allocation (TAB)
- ○
- ○

Please specify if "Other note/Other bond/Other" was checked: _____

Source(s) of Repayment:

- ☐ Bond proceeds (BDPR)
- ☑ General fund of issuing jurisdiction (GNFD)
- ☐ Grants (GRNT)
- ☐ Intergovernmental transfers other than grants (ITGV)
- ☐ Local obligations (LOB)
- ☐ Private obligor payments (POP)
- ☐ Other (OTHS)
- ☐ Property tax revenues (PRTX)
- ☐ Public enterprise revenues (PER)
- ☐ Sales tax revenues (SATR)
- ☐ Special assessments (SA)
- ☐ Special tax revenues (SPTR)
- ☐ Tax increment (TI)
- ☐ Utility Project Charges (UPC)

Please specify if "Other" was checked: _____

Purpose Type	Percent
OCAP	100

Please specify type/name of project if different from above: _____

[1] Section 8855(i) of the California Government Code requires the issuer of any proposed new public debt issue to give written notice of the proposed sale to the CDIAC no later than 30 days prior to the sale. Under California Government Code Section 8855(j), The issuer of any debt issue of state or local government, not later than 21 days after the sale of the debt, shall submit a report of final sale to the commission by any method approved by the commission."

[2] Section 53583(c)(2)(B) of the California Government Code requires that any local agency selling refunding bonds at private sale or on a negotiated basis shall send a written statement, within two weeks after the bonds are sold, to the CDIAC explaining the reasons why the local agency determined to sell the bonds at private sale or on a negotiated basis instead of at public sale to CDIAC: Report of Proposed Debt Issuance.

[3] In accordance with 8855(i) of the California Government code.

REPORT OF FINAL SALE

California Debt and Investment Advisory Commission
915 Capitol Mall, Room 400, Sacramento, CA 95814
P.O. Box 942809, Sacramento, CA 94209-0001
Tel.: (916) 653-3269 Fax: (916) 654-7440

Internet Submission - **INITIAL**
CDIAC #: **2017-1439**
6/30/2017 14:46:36

Under California Government Code Section 8855(j), "The issuer of any debt issue of state or local government, not later than 21 days after the sale of the debt, shall submit a report of final sale to the commission by any method approved by the commission."

Issuer Name: City of National City

Issue Name: 2017 Lease Financing

Project Name: Solar

Will a validation action be pursued?: ○ Yes ● No ○ Unknown

Statutory Code Under Which this Debt Will Be Issued (1): None

Statutory Code Under Which this Debt Will Be Issued (2):

If Other Code 1, please specify:

If Other Code 2, please specify:

Actual Sale Date: 07/06/2017
(Date debt contract signed)

Principal Sold: $ 5,523,602.00

Voter Date:

Dated Date: 07/06/2017
(Date interest begins to accrue)

Type of Sale: Negotiated

Voter Amt:

Voter Reduced:

Settlement Date: 7/6/2017
(Date assets or rights to use are transferred)

Repayable Non-U.S. Currency: N

Voter Measure:

☑ Private Placement

Is any portion of the debt to redeem, paydown, or refinance outstanding debt? ○ Yes ● No ○ Unknown

Amount proposed for redemption, paydown or refinancing: $0.00

Issuer Contact:

First Name: Mark Middle Name: Last Name: Roberts

Title: Finance Director Email: mroberts@NationalCityCA.gov

Address: 1243 National City Boulevard Address Cont:

Address Cont: Address Cont:

City: National City State: CA Zip Code: 91950

Phone: (619) 336-4241 Ext: Issuer Located in County: San Diego

Filing Contact:

Name of Individual representing: Bond Counsel who completed this form and may be contacted for information.

First Name: Albert Middle Name: R. Last Name: Reyes

Firm Agency: Nossaman LLP

Address: 18101 Von Karman Avenue Suite 1800 Address Cont:

Address Cont: Address Cont:

City: Irvine State: CA Zip Code: 92612

Phone: (949) 833-7800 Ext: Email: areyes@nossaman.com

Send acknowledgement to: Keysha Alexander Email: kalexander@nossaman.com

Name of individual to whom an invoice for the CDIAC issue fee should be sent:

First Name: Albert Middle Name: R. Last Name: Reyes

Firm: Nossaman LLP

Address: 18101 Von Karman Avenue Suite 1800 Address Cont:

Address Cont: Address Cont:

City: Irvine State: CA Zip Code: 92612

Phone: (949) 833-7800 Ext: Email: areyes@nossaman.com

REPORT OF FINAL SALE

Internet Submission - **INITIAL**
CDIAC #: **2017-1439**
6/30/2017 14:46:36

Financing Participants

Financial Advisor:	NHA Advisors	Office Location City/State:	San Rafael	CA
Lead Underwriter:		Office Location City/State:		
Borrower Counsel (Loan): (Not Obligor Counsel)	Chapman and Cutler LLP	Office Location City/State:	Chicago	IL
Bond Counsel:	Nossaman LLP	Office Location City/State:	Irvine	CA
Co-Bond Counsel:		Office Location City/State:		
Trustee/Paying Agent:		Office Location City/State:		
Placement Agent:	Hilltop Securities Inc.	Office Location City/State:	Cardiff by the Sea	CA
Disclosure Counsel:		Office Location City/State:		
Purchaser:		Office Location City/State:		
Lender:	Banc of America Public Capital Corp and Banc	Office Location City/State:	Hunt Valley	MD

Maturity Schedule:
- (●) Attached
- ( ) Included in Official Statement

Maturity Structure:
- ( ) Serial
- ( ) Serial and term bonds
- (●) Term

Final Maturity Date: 06/01/2037

First Optional Call Date:

Senior Structure: ( ) Yes (●) No

Subordinate Structure: ( ) Yes (●) No

Official Statement/Offering Memorandum:
( ) Enclosed (●) None prepared

Was the Issue Insured or Guaranteed?
- (●) No
- ( ) Bond Insurance
- ( ) Letter of Credit
- ( ) State Intercept Program
- ( ) Other, please specify:

Guarantor:

Enhancement Expiration Date:

Indicate Credit Rating:
(●) Not Rated ( ) Rated

Standard & Poor's:

Fitch:

Moody's:

Other:

Is any portion of the debt for refunding? [1]
(●) No ( ) Yes , refunding amount (including costs)
$ .00

Reason for Negotiated Refundings:

If the issue is a negotiated refunding, indicate the reason(s) why the bonds were issued at a private or negotiated versus a competitive sale.

- ( ) Timing of the sale provided more flexibility than a public sale
- ( ) More cost savings were expected to be realized than a public sale
- ( ) More flexibility in debt structure was available than a public sale
- ( ) Issuer able to work with participants familiar with issue/r than a public sale
- ( ) All of the above
- ( ) Other, please specify:

Notice Date:

Interest: Is the Interest on the Debt Taxable?

Under State Law: ( ) No (tax-exempt) (●) Yes (taxable)

Under Federal Law: ( ) No (tax-exempt) (●) Yes (taxable)

If the issue is federally tax-exempt, is interest a specific preference item for the purpose of alternative minimum tax?
( ) Yes ( ) No

INTEREST TYPE:

TIC: 3.538 NIC: 3.543

VAR: [ ] Other? [ ]

Capital Appreciation Debt: ( ) Yes (●) No

Rate Reduction Savings: $ .00
(In accordance with the Government Code Section 6588.7)

Issuance Costs and Fees:

A) Management Fee:	$ .00
B) Total Takedown:	$ .00
C) Underwriter Expenses:	$ .00
Underwriter Spread or Discount:	**$ .00**
D) Bond Counsel:	$ 32,500.00
E) Borrower Counsel (Loan): (Not Obligor Counsel)	$ .00
F) Co-Bond Counsel:	$ .00
G) Disclosure Counsel:	$ .00
H) Financial Advisor:	$ 57,500.00
I) Rating Agency:	$ .00
J) Credit Enhancement:	$ .00
K) Trustee Fee:	$ .00
L) Placement Agent:	$ 19,500.00
M) Other Expenses:	$ 10,794.00
N) Purchaser:	$ .00
O) Lender:	$ .00
Total Issuance Costs:	**$ 120,294.00**
Original Issue Premium:	$ .00
Original Issue Discount:	$ .00
Net Original Issue Disc/Premium:	**$ .00**

The amount of Net Original Issue Premium used to refund, redeem, pay

$ .00

REPORT OF FINAL SALE

Internet Submission - **INITIAL**
CDIAC #: **2017-1439**
6/30/2017 14:46:36

Reason for Negotiated Sale of Revenue Bonds [3]

If the issue is a negotiated sale of revenue bonds, indicate the reason(s) bonds were issued at a private or negotiated versus a competitive sale.

- ○ (1) Timing of the sale provided more flexibility than a public sale
- ○ (2) More cost saving were expected to be realized than a public sale
- ○ (3) More flexibility in debt structure was available than a public sale
- ○ (4) Issuer able to work with participants familiar with issue/r than a public sale
- ● (5) All of the above
- ○ (6) Other

Notice Date:

Type of Debt Instrument: LOAN

Other:

Source(s) of Repayment:

- ☐ Bond Proceeds (BDPR)
- ☑ General Fund of Issuing Jurisdiction (GNFD)
- ☐ Grant (GRNT)
- ☐ Intergovernmental Transfers Other Than Grants (ITGV
- ☐ Local Obligations (LOB)
- ☐ Private Obligor Payments (POP)
- ☐ Property Tax Revenues (PRTX)
- ☐ Public Enterprise Revenues (PER)
- ☐ Sales Tax Revenues (SATR)
- ☐ Special Assessments (SA)
- ☐ Special Tax Revenues (SPTR)
- ☐ Tax-Increment (TI)
- ☐ Utility Project Charges (UPC)
- ☐ Other (Please specify) (OTHS)

Other:

Finalsale ID	Final ISS ID	Purpose Type	Percent
11427	25037025	OCAP	100

[1] *Section 53583(c)(2)(B) of the California Government Code requires that any local agency selling refunding bonds at private sale or on a negotiated basis shall send a written statement, within two weeks after the bonds are sold, to CDIAC explaining the reasons why the local agency determined to sell the bonds at a private sale or on a negotiated basis instead of at public sale.*

[2] *This fee is authorized by Section 8856 of the California Government Code and is charged to the lead underwriter, the purchaser or the lender in an amount equal to one-fortieth of 1 percent of the principal amount of the issue, but not to exceed five thousand dollars ($5000) for any one issue.*

[3] *Section 54418 of the California Government Code requires that any local agency selling revenue bonds at a private sale rather than a public sale shall send a written statement to CDIAC no later than two weeks after the bonds are sold, explaining the reason for that decision.*

CITY OF NATIONAL CITY
2017 LEASE FINANCING

CERTIFICATE OF INSURANCE

July 6, 2017

I, Leslie Deese, City Manager for the City of National City (the "City"), am familiar with the City's insurance coverage for general liability and property damage insurance and workers' compensation insurance, covering the Property as defined and described in that certain Facilities Sublease, July 1, 2017 (the "Facilities Sublease"), by and between the City and National City Joint Powers Financing Authority, which includes coverage for the following, as further specified in the attached certificates and schedule of insurers:

A. Public Liability and Property Damage

B. Worker's Compensation

C. Property Casualty (excluding earthquake and flood)

D. Rental Interruption

I have reviewed and am familiar with the provisions of Article VII of the Facilities Sublease and have compared the coverage provided by the City's existing insurance policies (and existing self insurance coverage, if any), with the provisions of the Facilities Sublease and certify that the insurance coverage carried by the City meets the requirements set forth in the Facilities Sublease.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate of Insurance as of the date first written above.

CITY OF NATIONAL CITY

Leslie Deese
City Manager

[Signature Page to Certificate of Insurance]

CERTIFICATE NO.

GL1-5848 AI

CERTIFICATE OF COVERAGE

ISSUE DATE (MM/DD/YYYY)

06/29/2017

CSAC Excess Insurance Authority

C/O ALLIANT INSURANCE SERVICES, INC.
PO BOX 6450
NEWPORT BEACH, CA 92658-6450

PHONE (949) 756-0271 / FAX (619) 699-0901
LICENSE #0C36861

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BELOW. THIS CERTIFICATE OF COVERAGE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED and/or requesting a WAIVER OF SUBROGATION, the Memorandums of Coverage must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

COVERAGE AFFORDED	**A - CSAC Excess Insurance Authority**
COVERAGE AFFORDED	**B**
COVERAGE AFFORDED	**C**
COVERAGE AFFORDED	**D**

Member:
CITY OF NATIONAL CITY
STACEY STEVENSON
1243 NATIONAL CITY BLVD.
NATIONAL CITY, CA 91950

Coverages

THIS IS TO CERTIFY THAT THE MEMORANDUMS OF COVERAGE LISTED BELOW HAVE BEEN ISSUED TO THE MEMBER NAMED ABOVE FOR THE PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE COVERAGE AFFORDED BY THE MEMORANDUMS DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH MEMORANDUMS. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF COVERAGE	MEMORANDUM NUMBER	COVERAGE EFFECTIVE DATE (MM/DD/YYYY)	COVERAGE EXPIRATION DATE (MM/DD/YYYY)	LIABILITY LIMITS
A	[X] General Liability	EIA-PE 17 EL-102	07/01/2017	07/01/2018	$6,000,000 Limits inclusive of the Member's Self-Insured Retention of $250,000

Description of Operations/Locations/Vehicles/Special Items:

AS RESPECTS FACILITIES SUBLEASE DATED AS OF JULY 1, 2017 BETWEEN CITY OF NATIONAL CITY AND NATIONAL CITY JOINT POWERS FINANCING AUTHORITY OF CITY'S POLICE FACILITY LOCATED AT 1200 NATIONAL CITY BOULEVARD, NATIONAL CITY, CALIFORNIA, TO IMPLEMENT AN ENERGY EFFICIENCY AND RENEWABLE ENERGY PROGRAM AT VARIOUS SITES.

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY AND THEIR RESPECTIVE MEMBERS, OFFICERS, AGENTS, EMPLOYEES AND ASSIGNS ARE INCLUDED AS ADDITIONAL COVERED PARTIES, BUT ONLY INSOFAR AS THE OPERATIONS UNDER THIS CONTRACT ARE CONCERNED.

Certificate Holder

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY
ATTN: EXECUTIVE DIRECTOR
1243 NATIONAL CITY BLVD
NATIONAL CITY, CA 91950

Cancellation

SHOULD ANY OF THE ABOVE DESCRIBED MEMORANDUMS OF COVERAGES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WIL BE DELIVERED IN ACCORDANCE WITH THE MEMORANDUMS OF COVERAGE PROVISIONS.

AUTHORIZED REPRESENTATIVE

ENDORSEMENT NO. U-1

CSAC EXCESS INSURANCE AUTHORITY
GENERAL LIABILITY 1

ADDITIONAL COVERED PARTY AMENDATORY ENDORSEMENT

It is agreed that the "**Covered Party**, Covered Persons or Entities" section of the Memorandum is amended to include the person or organization named on the Certificate of Coverage, but only with respect to liability arising out of premises owned by or rented to the Member, or operations performed by or on behalf of the Member or such person or organization so designated.

Coverage provided under this endorsement is limited to the lesser of the limits stated on the Certificate of Coverage or the minimum limits required by contract.

ADDITIONAL COVERED PARTY:

NAME OF PERSON OR ORGANIZATION SCHEDULED PER ATTACHED CERTIFICATE OF COVERAGE

AS RESPECTS:

PER ATTACHED CERTIFICATE OF COVERAGE

It is further agreed that nothing herein shall act to increase the Authority's limit of liability.

This endorsement is part of the Memorandum and takes effect on the effective date of the Memorandum unless another effective date is shown below. All other terms and conditions remain unchanged.

Effective Date: _____

Memorandum No.: PER ATTACHED CERTIFICATE OF COVERAGE

Issue Date: June 26, 2017

Authorized Representative
CSAC Excess Insurance Authority

CERTIFICATE NO. | ISSUE DATE (MM/DD/YYYY)

GL1-5842 AI	**CERTIFICATE OF COVERAGE**	06/29/2017

CSAC Excess Insurance Authority

C/O ALLIANT INSURANCE SERVICES, INC.
PO BOX 6450
NEWPORT BEACH, CA 92658-6450

PHONE (949) 756-0271 / FAX (619) 699-0901
LICENSE #0C36861

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BELOW. THIS CERTIFICATE OF COVERAGE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED and/or requesting a WAIVER OF SUBROGATION, the Memorandums of Coverage must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

COVERAGE AFFORDED	**A - CSAC Excess Insurance Authority**
COVERAGE AFFORDED	**B**
COVERAGE AFFORDED	**C**
COVERAGE AFFORDED	**D**

Member:
CITY OF NATIONAL CITY
STACEY STEVENSON
1243 NATIONAL CITY BLVD.
NATIONAL CITY, CA 91950

Coverages

THIS IS TO CERTIFY THAT THE MEMORANDUMS OF COVERAGE LISTED BELOW HAVE BEEN ISSUED TO THE MEMBER NAMED ABOVE FOR THE PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE COVERAGE AFFORDED BY THE MEMORANDUMS DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH MEMORANDUMS. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF COVERAGE	MEMORANDUM NUMBER	COVERAGE EFFECTIVE DATE (MM/DD/YYYY)	COVERAGE EXPIRATION DATE (MM/DD/YYYY)	LIABILITY LIMITS
A	[X] General Liability	EIA-PE 17 EL-102	07/01/2017	07/01/2018	$6,000,000 Limits inclusive of the Member's Self-Insured Retention of $250,000

Description of Operations/Locations/Vehicles/Special Items:

AS RESPECTS FACILITIES SUBLEASE DATED AS OF JULY 1, 2017 BETWEEN CITY OF NATIONAL CITY AND NATIONAL CITY JOINT POWERS FINANCING AUTHORITY OF CITY'S POLICE FACILITY LOCATED AT 1200 NATIONAL CITY BOULEVARD, NATIONAL CITY, CALIFORNIA, TO IMPLEMENT AN ENERGY EFFICIENCY AND RENEWABLE ENERGY PROGRAM AT VARIOUS SITES.

BANC OF AMERICA PUBLIC CAPITAL CORP, AND BANC OF AMERICA LEASING & CAPITAL, LLC THEIR AFFILIATES, SUCCESSORS AND ASSIGNS AS THEIR INTEREST MAY APPEAR ARE INCLUDED AS ADDITIONAL COVERED PARTIES, BUT ONLY INSOFAR AS THE OPERATIONS UNDER THIS CONTRACT ARE CONCERNED.

Certificate Holder

BANC OF AMERICA PUBLIC CAPITAL CORP
BANC OF AMERICA LEASING & CAPITAL, LLC
ITS AFFILIATES, SUCCESSORS AND ASSIGNS AS THEIR INTEREST MAY APPEAR
P.O. BOX 4431
ATLANTA, GA 30302-4431

Cancellation

SHOULD ANY OF THE ABOVE DESCRIBED MEMORANDUMS OF COVERAGES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WIL BE DELIVERED IN ACCORDANCE WITH THE MEMORANDUMS OF COVERAGE PROVISIONS.

AUTHORIZED REPRESENTATIVE

ENDORSEMENT NO. U-1

CSAC EXCESS INSURANCE AUTHORITY
GENERAL LIABILITY 1

ADDITIONAL COVERED PARTY AMENDATORY ENDORSEMENT

It is agreed that the "**Covered Party**, Covered Persons or Entities" section of the Memorandum is amended to include the person or organization named on the Certificate of Coverage, but only with respect to liability arising out of premises owned by or rented to the Member, or operations performed by or on behalf of the Member or such person or organization so designated.

Coverage provided under this endorsement is limited to the lesser of the limits stated on the Certificate of Coverage or the minimum limits required by contract.

ADDITIONAL COVERED PARTY:

NAME OF PERSON OR ORGANIZATION SCHEDULED PER ATTACHED CERTIFICATE OF COVERAGE

AS RESPECTS:

PER ATTACHED CERTIFICATE OF COVERAGE

It is further agreed that nothing herein shall act to increase the Authority's limit of liability.

This endorsement is part of the Memorandum and takes effect on the effective date of the Memorandum unless another effective date is shown below. All other terms and conditions remain unchanged.

Effective Date: _____

Memorandum No.: PER ATTACHED CERTIFICATE OF COVERAGE

Issue Date: June 26, 2017

Authorized Representative
CSAC Excess Insurance Authority

CERTIFICATE NO. | ISSUE DATE (MM/DD/YYYY)

WC-2454	**CERTIFICATE OF COVERAGE**	06/29/2017

CSAC Excess Insurance Authority

C/O ALLIANT INSURANCE SERVICES, INC.
PO BOX 6450
NEWPORT BEACH, CA 92658-6450

PHONE (949) 756-0271 / FAX (619) 699-0901
LICENSE #0C36861

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BELOW. THIS CERTIFICATE OF COVERAGE DOES NOT CONSTITITUE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER

IMPORTANT: If the certificate holder is requesting a WAIVER OF SUBROGATION, the Memorandums of Coverage must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

COVERAGE AFFORDED BY: **A - See attached schedule of insurers**

Member:
CITY OF NATIONAL CITY
STACEY STEVENSON
1243 NATIONAL CITY BLVD.
NATIONAL CITY, CA 91950

COVERAGE AFFORDED BY: **B**

COVERAGE AFFORDED BY: **C**

COVERAGE AFFORDED BY: **D**

Coverages

THIS IS TO CERTIFY THAT THE MEMORANDUMS OF COVERAGE AND POLICIES LISTED BELOW HAVE BEEN ISSUED TO THE MEMBER NAMED ABOVE FOR THE PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE COVERAGE AFFORDED BY THE MEMORANDUMS AND POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH MEMORANDUMS AND POLICIES.

CO LTR	TYPE OF COVERAGE	MEMORANDUM/ POLICY NUMBER	COVERAGE EFFECTIVE DATE (MM/DD/YYYY)	COVERAGE EXPIRATION DATE (MM/DD/YYYY)	LIABILITY LIMITS
A	EXCESS WORKERS' COMPENSATION & EMPLOYER'S LIABILITY	See attached Schedule of Insurers for policy numbers	07/01/2017	07/01/2018	WORKERS' COMPENSATION: Difference between Statutory and Member's $500,000 Retention EMPLOYERS' LIABILITY: Difference between $5,000,000 and Member's Retention

LIMITS APPLY PER OCCURRENCE FOR ALL PROGRAM MEMBERS COMBINED.

Description of Operations/Locations/Vehicles/Special Items:

AS RESPECTS EVIDENCE OF COVERAGE FOR FACILITIES SUBLEASE DATED AS OF JULY 1, 2017 BETWEEN CITY OF NATIONAL CITY AND NATIONAL CITY JOINT POWERS FINANCING AUTHORITY OF CITY'S POLICE FACILITY LOCATED AT 1200 NATIONAL CITY BOULEVARD, NATIONAL CITY, CALIFORNIA TO IMPLEMENT AN ENERGY EFFICIENCY AND RENEWABLE ENERGY PROGRAM AT VARIOUS SITES.

Certificate Holder

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY
ATTN: EXECUTIVE DIRECTOR
1243 NATIONAL CITY BLVD
NATIONAL CITY, CA 91950

Cancellation

SHOULD ANY OF THE ABOVE DESCRIBED MEMORANDUMS OF COVERAGE/POLICIES BE CANCELLED BEFORE THE EXPIRATION THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE MEMORANDUMS OF COVERAGE/POLICIES PROVISIONS.

AUTHORIZED REPRESENTATIVE

CSAC EXCESS INSURANCE AUTHORITY

CSAC EXCESS INSURANCE AUTHORITY

EXCESS WORKERS' COMPENSATION PROGRAM

2017/2018 SCHEDULE OF INSURERS

City of National City

PROVIDER	MEMORANDUM/POLICY NUMBER	LIMIT
CSAC Excess Insurance Authority	EIA-PE 17 EWC-58	Workers' Compensation: $50,000,000 each accident/each employee for disease (Difference between $50,000,000 and the individual member's retention) Employers' Liability: $5,000,000 each accident/each employee for disease (Difference between $5,000,000 and the individual member's retention)
Liberty Insurance Corporation	EW7-641-444785-017	Statutory each accident/ each employee for disease excess of $50,000,000

CERTIFICATE NUMBER
PROP-2382

EVIDENCE OF PROPERTY COVERAGE

ISSUE DATE (MM/DD/YYYY)
06/29/2017

THIS EVIDENCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BELOW. THIS EVIDENCE OF COVERAGE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND ADDITIONAL INTEREST.

CSAC Excess Insurance Authority (CSAC EIA)
C/O ALLIANT INSURANCE SERVICES, INC.
PO BOX 6450
NEWPORT BEACH, CA 92658-6450
PHONE (949) 756-0271 / FAX (619) 699-0901
LICENSE #0C3686

COVERAGE AFFORDED BY: **A - CSAC Excess Insurance Authority**

COVERAGE AFFORDED BY: **B -**

MEMBER
CITY OF NATIONAL CITY
STACEY STEVENSON
1243 NATIONAL CITY BLVD.
NATIONAL CITY, CA 91950

TOWER NUMBER
VII

MEMORANDUM NUMBER
EIAPPR17-20

EFFECTIVE DATE (MM/DD/YYYY)
03/31/2017

EXPIRATION DATE (MM/DD/YYYY)
03/31/2018

CONT. UNTIL TERMINATED IF CHECKED ☐

THIS REPLACES PRIOR EVIDENCE:

PROPERTY INFORMATION

LOCATION / DESCRIPTION

AS RESPECTS EVIDENCE OF COVERAGE FOR FACILITIES SUBLEASE DATED JULY 1, 2017 BETWEEN CITY OF NATIONAL CITY AND NATIONAL CITY JOINT POWERS FINANCING AUTHORITY, OF CITY'S POLICE FACILITY LOCATED AT 1200 NATIONAL CITY BOULEVARD, NATIONAL CITY, CALIFORNIA, TO IMPLEMENT AN ENERGY EFFICIENCY AND RENEWABLE ENERGY PROGRAM AT VARIOUS SITES. COVERAGE INCLUDES 24-MONTHS RENTAL INTERRUPTION.
BANC OF AMERICA PUBLIC CAPITAL CORP, ITS AFFILIATES, SUCCESSORS AND ASSIGNS IS NAMED AS LOSS PAYEE AS THEIR INTERESTS MAY APPEAR.

THIS IS TO CERTIFY THAT THE MEMORANDUMS OF COVERAGE LISTED ABOVE HAVE BEEN ISSUED TO THE MEMBER NAMED ABOVE FOR THE PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE MAY BE ISSUED OR MAY PARTAIN. THE COVERAGE AFFORED BY THE MEMORANDUMS DESCRIBED HEREIN IS SUBJECT TO ALL TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH MEMORANDUMS. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	
ALL RISK OF DIRECT PHYSICAL LOSS OR DAMAGE, INCLUDING FLOOD.	$25,000,000	PER OCC FOR ALL RISK AND ANN AGG FOR FLOOD
EARTHQUAKE IS EXCLUDED. EARTHQUAKE LIMIT IS NOT APPLICABLE.	$25,000,000	PER OCC/ANN AGG FOR EARTHQUAKE
REPAIR OR REPLACEMENT COST VALUATION SUBJECT TO MEMORANDUM OF COVERAGE PROVISIONS		
VEHICLE/BUSES ARE SUBJECT TO ACTUAL CASH VALUE OR REPLACEMENT COST PER SCHEDULE ON FILE WITH THE AUTHORITY		
ALL LIMITS ARE SHARED.		

REMARKS (INCLUDING SPECIAL CONDITIONS)

DEDUCTIBLES:

ALL RISK OF DIRECT PHYSICAL LOSS OR DAMAGE (EXCLUDING FLOOD AND EARTHQUAKE):	$5,000	PER OCCURRENCE AS PER SCHEDULE ON FILE WITH THE AUTHORITY
FLOOD:	$25,000	EXCEPT FOR CRITICAL FLOOD (LOCATIONS IN FEMA FLOOD ZONE A OR V) DEDUCTIBLE IS $100,000

VEHICLES AND MOBILE EQUIPMENT IF COVERAGE IS SCHEDULED AND PURCHASED, DEDUCTIBLE APPLIES PER SCHEDULE ON FILE WITH THE AUTHORITY.

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED MEMORANDUM(S) OF COVERAGE BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE MEMORANDUM(S) OF COVERAGE PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS

BANC OF AMERICA PUBLIC CAPITAL CORP
ITS AFFILIATES, SUCCESSORS AND ASSIGNS
P.O. BOX 4431
ATLANTA, GA 30302-4431

NATURE OF INTEREST

☐ MORTGAGEE
☒ LOSS PAYEE
☐ (OTHER)

AUTHORIZED REPRESENTATIVE

CSAC EXCESS INSURANCE AUTHORITY

S.F. FORM

Form 438BFU NS
(Rev. May 1, 1942) X

LENDER'S LOSS PAYABLE ENDORSEMENT

1. Loss or damage, if any, under this policy, shall be paid to the Payee named on the first page of this policy, its successors and assigns, hereinafter referred to as "the Lender", in whatever form or capacity its interests may appear and whether said interest be vested in said Lender in its individual or in its disclosed or undisclosed fiduciary or representative capacity, or otherwise, or vested in a nominee or trustee of said Lender.
2. The insurance under this policy, or any rider or endorsement attached thereto, as to the interest only of the Lender, its successors and assigns, shall not be invalidated nor suspended: (a) by any error, omission, or change respecting the ownership, description, possession, or location of the subject of the insurance or the interest therein, or the title thereto; (b) by the commencement of foreclosure proceedings or the giving of notice of sale of any of the property covered by this policy by virtue of any mortgage or trust deed; (c) by any breach of warranty, act, omission, neglect, or non-compliance with any of the provisions of this policy, including any and all riders now or hereafter attached thereto, by the named insured, the borrower, mortgagor, trustor, vendee, owner, tenant, warehouseman, custodian, occupant, or by the agents of either or any of them or by the happening of any event permitted by them or either of them, or their agents, or which they failed to prevent, whether occurring before or after the attachment of this endorsement, or whether before or after a loss, which under the provisions of this policy of insurance or of any rider or endorsement attached thereto would invalidate or suspend the insurance as to the named insured, excluding herefrom, however, any acts or omissions of the Lender while exercising active control and management of the property.
3. In the event of failure of the insured to pay any premium or additional premium which shall be or become due under the terms of this policy or on account of any change in occupancy or increase in hazard not permitted by this policy, this Company agrees to give written notice to the Lender of such non-payment of premium after sixty (60) days from and within one hundred and twenty (120) days after due date of such premium and it is a condition of the continuance of the rights of the Lender hereunder that the Lender when so notified in writing by this Company of failure of the insured to pay such premium shall pay or cause to be paid the premium due within ten (10) days following receipt of the Company's demand in writing therefore. If the Lender shall decline to pay said premium or additional premium, the rights of the Lender under this Lender's Loss Payable Endorsement shall not be terminated before ten (10) days after receipt of said written notice by the Lender.
4. Whenever this Company shall pay to the Lender any sum for loss or damage under this policy and shall claim that as to the insured no liability therefore exists, this Company, at its option, may pay to the Lender the whole principal sum and interest and other indebtedness due or to become due from the insured, whether secured or unsecured, (with refund of all interest not accrued), and this Company, to be extent of such payment, shall thereupon receive a full assignment and transfer, without recourse, of the debt and all rights and securities held as collateral thereto.
5. If there be any other insurance upon the within described property, this Company shall be liable under this policy as to the Lender for the proportion of such loss or damage that the sum hereby insured bears to the entire insurance of similar character on said property under policies held by, payable to and expressly consented to by the Lender. Any Contribution Clause included in any Fallen Building Clause Waiver or any Extended Coverage Endorsement attached to this contract of insurance is hereby nullified, and also any Contribution Clause in any other endorsement or rider attached to this contract of insurance is hereby nullified except Contribution Clauses for the compliance with which the insured has received reduction in the rate charged or has received extension of the coverage to include hazards other than fire and compliance with such Contribution Clause is made a part of the consideration for insuring such other hazards. The Lender upon the payment to it of the full amount of its claim, will subrogate this Company (pro rata with all other insurers contribution to said payment) to all of the Lender's rights of contribution under said other insurance.
6. This Company reserves the right to cancel this policy at any time, as provided by its items, but in such case this policy shall continue in force for the benefit of the Lender for then (10) days after written notice of such cancellation is received by the Lender and shall then cease.
7. This policy shall remain in full force and effect as to the interest of the Lender for a period of ten (10) days after its expiration unless an acceptable policy in renewal thereof with loss thereunder payable to the Lender in accordance with the terms of this Lender's Loss Payable Endorsement, shall have been issued by some insurance company and accepted by the Lender.
8. Should legal title to and beneficial ownership of any of the property covered under this policy become vested in the Lender or its agents, insurance under this policy shall continue for the term thereof for the benefit of the Lender but, in such event, any privileges granted by this Lender's Loss Payable Endorsement which are not also granted the insured under the terms and conditions of this policy and/or under other riders or endorsements attached thereto shall not apply to the insurance hereunder as respects such property.
9. All notices herein provided to be give by the Company to the Lender in connection with this policy and this Lender's Loss Payable Endorsement shall be mailed to or delivered to the Lender at its office or branch described on the first page of the policy.

Approved:
Board of Fire Underwriters of the Pacific,
California Bankers' Association
Committee on Insurance

CERTIFICATE NUMBER		ISSUE DATE (MM/DD/YYYY)
PROP-2383	**EVIDENCE OF PROPERTY COVERAGE**	06/29/2017

THIS EVIDENCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BELOW. THIS EVIDENCE OF COVERAGE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND ADDITIONAL INTEREST.

CSAC Excess Insurance Authority (CSAC EIA)
C/O ALLIANT INSURANCE SERVICES, INC.
PO BOX 6450
NEWPORT BEACH, CA 92658-6450
PHONE (949) 756-0271 / FAX (619) 699-0901
LICENSE #0C3686

COVERAGE AFFORDED BY: **A - CSAC Excess Insurance Authority**

COVERAGE AFFORDED BY: **B -**

MEMBER
CITY OF NATIONAL CITY
STACEY STEVENSON
1243 NATIONAL CITY BLVD.
NATIONAL CITY, CA 91950

TOWER NUMBER	MEMORANDUM NUMBER
VII	EIAPPR17-20

EFFECTIVE DATE (MM/DD/YYYY)	EXPIRATION DATE (MM/DD/YYYY)	CONT. UNTIL TERMINATED IF CHECKED
03/31/2017	03/31/2018	☐

THIS REPLACES PRIOR EVIDENCE:

PROPERTY INFORMATION

LOCATION / DESCRIPTION

AS RESPECTS EVIDENCE OF COVERAGE FOR FACILITIES SUBLEASE DATED JULY 1, 2017 BETWEEN CITY OF NATIONAL CITY AND NATIONAL CITY JOINT POWERS FINANCING AUTHORITY, OF CITY'S POLICE FACILITY LOCATED AT 1200 NATIONAL CITY BOULEVARD, NATIONAL CITY, CALIFORNIA, TO IMPLEMENT AN ENERGY EFFICIENCY AND RENEWABLE ENERGY PROGRAM AT VARIOUS SITES. COVERAGE INCLUDES 24-MONTHS RENTAL INTERRUPTION.
BANC OF AMERICA LEASING & CAPITAL, LLC, ITS AFFILIATES, SUCCESSORS AND ASSIGNS IS NAMED AS LOSS PAYEE AS THEIR INTERESTS MAY APPEAR.

THIS IS TO CERTIFY THAT THE MEMORANDUMS OF COVERAGE LISTED ABOVE HAVE BEEN ISSUED TO THE MEMBER NAMED ABOVE FOR THE PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE MAY BE ISSUED OR MAY PARTAIN. THE COVERAGE AFFORED BY THE MEMORANDUMS DESCRIBED HEREIN IS SUBJECT TO ALL TERMS, EXCLUSIONS, AND CONDITIONS OF SUCH MEMORANDUMS. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

COVERAGE / PERILS / FORMS	AMOUNT OF INSURANCE	
ALL RISK OF DIRECT PHYSICAL LOSS OR DAMAGE, INCLUDING FLOOD.	$25,000,000	PER OCC FOR ALL RISK AND ANN AGG FOR FLOOD
EARTHQUAKE IS EXCLUDED. EARTHQUAKE LIMIT IS NOT APPLICABLE.	$25,000,000	PER OCC/ANN AGG FOR EARTHQUAKE
REPAIR OR REPLACEMENT COST VALUATION SUBJECT TO MEMORANDUM OF COVERAGE PROVISIONS		
VEHICLE/BUSES ARE SUBJECT TO ACTUAL CASH VALUE OR REPLACEMENT COST PER SCHEDULE ON FILE WITH THE AUTHORITY		
ALL LIMITS ARE SHARED.		

REMARKS (INCLUDING SPECIAL CONDITIONS)

DEDUCTIBLES:

ALL RISK OF DIRECT PHYSICAL LOSS OR DAMAGE (EXCLUDING FLOOD AND EARTHQUAKE):	$5,000	PER OCCURRENCE AS PER SCHEDULE ON FILE WITH THE AUTHORITY
FLOOD:	$25,000	EXCEPT FOR CRITICAL FLOOD (LOCATIONS IN FEMA FLOOD ZONE A OR V) DEDUCTIBLE IS $100,000

VEHICLES AND MOBILE EQUIPMENT IF COVERAGE IS SCHEDULED AND PURCHASED, DEDUCTIBLE APPLIES PER SCHEDULE ON FILE WITH THE AUTHORITY.

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED MEMORANDUM(S) OF COVERAGE BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE MEMORANDUM(S) OF COVERAGE PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS

BANC OF AMERICA LEASING & CAPITAL, LLC
ITS AFFILIATES, SUCCESSORS AND ASSIGNS
P.O. BOX 4431
ATLANTA, GA 30302-4431

NATURE OF INTEREST

☐ MORTGAGEE
☒ LOSS PAYEE
☐ (OTHER)

AUTHORIZED REPRESENTATIVE

CSAC EXCESS INSURANCE AUTHORITY

S.F. FORM

Form 438BFU NS
(Rev. May 1, 1942) X

LENDER'S LOSS PAYABLE ENDORSEMENT

1. Loss or damage, if any, under this policy, shall be paid to the Payee named on the first page of this policy, its successors and assigns, hereinafter referred to as "the Lender", in whatever form or capacity its interests may appear and whether said interest be vested in said Lender in its individual or in its disclosed or undisclosed fiduciary or representative capacity, or otherwise, or vested in a nominee or trustee of said Lender.
2. The insurance under this policy, or any rider or endorsement attached thereto, as to the interest only of the Lender, its successors and assigns, shall not be invalidated nor suspended: (a) by any error, omission, or change respecting the ownership, description, possession, or location of the subject of the insurance or the interest therein, or the title thereto; (b) by the commencement of foreclosure proceedings or the giving of notice of sale of any of the property covered by this policy by virtue of any mortgage or trust deed; (c) by any breach of warranty, act, omission, neglect, or non-compliance with any of the provisions of this policy, including any and all riders now or hereafter attached thereto, by the named insured, the borrower, mortgagor, trustor, vendee, owner, tenant, warehouseman, custodian, occupant, or by the agents of either or any of them or by the happening of any event permitted by them or either of them, or their agents, or which they failed to prevent, whether occurring before or after the attachment of this endorsement, or whether before or after a loss, which under the provisions of this policy of insurance or of any rider or endorsement attached thereto would invalidate or suspend the insurance as to the named insured, excluding herefrom, however, any acts or omissions of the Lender while exercising active control and management of the property.
3. In the event of failure of the insured to pay any premium or additional premium which shall be or become due under the terms of this policy or on account of any change in occupancy or increase in hazard not permitted by this policy, this Company agrees to give written notice to the Lender of such non-payment of premium after sixty (60) days from and within one hundred and twenty (120) days after due date of such premium and it is a condition of the continuance of the rights of the Lender hereunder that the Lender when so notified in writing by this Company of failure of the insured to pay such premium shall pay or cause to be paid the premium due within ten (10) days following receipt of the Company's demand in writing therefore. If the Lender shall decline to pay said premium or additional premium, the rights of the Lender under this Lender's Loss Payable Endorsement shall not be terminated before ten (10) days after receipt of said written notice by the Lender.
4. Whenever this Company shall pay to the Lender any sum for loss or damage under this policy and shall claim that as to the insured no liability therefore exists, this Company, at its option, may pay to the Lender the whole principal sum and interest and other indebtedness due or to become due from the insured, whether secured or unsecured, (with refund of all interest not accrued), and this Company, to be extent of such payment, shall thereupon receive a full assignment and transfer, without recourse, of the debt and all rights and securities held as collateral thereto.
5. If there be any other insurance upon the within described property, this Company shall be liable under this policy as to the Lender for the proportion of such loss or damage that the sum hereby insured bears to the entire insurance of similar character on said property under policies held by, payable to and expressly consented to by the Lender. Any Contribution Clause included in any Fallen Building Clause Waiver or any Extended Coverage Endorsement attached to this contract of insurance is hereby nullified, and also any Contribution Clause in any other endorsement or rider attached to this contract of insurance is hereby nullified except Contribution Clauses for the compliance with which the insured has received reduction in the rate charged or has received extension of the coverage to include hazards other than fire and compliance with such Contribution Clause is made a part of the consideration for insuring such other hazards. The Lender upon the payment to it of the full amount of its claim, will subrogate this Company (pro rata with all other insurers contribution to said payment) to all of the Lender's rights of contribution under said other insurance.
6. This Company reserves the right to cancel this policy at any time, as provided by its items, but in such case this policy shall continue in force for the benefit of the Lender for then (10) days after written notice of such cancellation is received by the Lender and shall then cease.
7. This policy shall remain in full force and effect as to the interest of the Lender for a period of ten (10) days after its expiration unless an acceptable policy in renewal thereof with loss thereunder payable to the Lender in accordance with the terms of this Lender's Loss Payable Endorsement, shall have been issued by some insurance company and accepted by the Lender.
8. Should legal title to and beneficial ownership of any of the property covered under this policy become vested in the Lender or its agents, insurance under this policy shall continue for the term thereof for the benefit of the Lender but, in such event, any privileges granted by this Lender's Loss Payable Endorsement which are not also granted the insured under the terms and conditions of this policy and/or under other riders or endorsements attached thereto shall not apply to the insurance hereunder as respects such property.
9. All notices herein provided to be give by the Company to the Lender in connection with this policy and this Lender's Loss Payable Endorsement shall be mailed to or delivered to the Lender at its office or branch described on the first page of the policy.

Approved:
Board of Fire Underwriters of the Pacific,
California Bankers' Association
Committee on Insurance

CLTA STANDARD COVERAGE POLICY

ISSUED BY
STEWART TITLE GUARANTY COMPANY
A CORPORATION, HEREIN CALLED THE COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, STEWART TITLE GUARANTY COMPANY, a Texas corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land; and in addition, as to an insured lender only;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage; said mortgage being shown in Schedule B in the order of its priority;
7. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule B, or the failure of the assignment shown in Schedule B to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

In witness whereof, Stewart Title Guaranty Company has caused this policy to be signed and sealed by its duly authorized officers as of Date of Policy shown in Schedule A.

Countersigned by:

Authorized Countersignature

STEWART TITLE GUARANTY COMPANY
INCORPORATED
1908
TEXAS

Matt Morris
President and CEO

Denise Carraux
Secretary

For coverage information or assistance resolving a complaint, call (800) 729-1902 or visit www.stewart.com. To make a claim, furnish written notice in accordance with Section 3 of the Conditions. For purposes of this form the "Stewart Title" logo featured above is the represented logo for the underwriter, Stewart Title Guaranty Company.

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EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay loss or damage, costs, attorneys' fees are expenses which arise by reason of:

1. (a) Any law, ordinance or governmental regulations (including but not limited to building or zoning laws, ordinances, or regulations) restricting, regulating, prohibiting or relating to (i) the occupancy, use, or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter erected on the land; (iii) a separation in ownership or a change in the dimensions or area of the land or any parcel of which the land is or was a part; or (iv) environmental protection, or the effect of any violation of these laws, ordinances or governmental regulations, except to the extent that a notice of the enforcement thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
   (b) Any governmental police power not excluded by (a) above, except to the extent that a notice of the exercise thereof or a notice of a defect, lien or encumbrance resulting from a violation or alleged violation affecting the land has been recorded in the public records at Date of Policy.
2. Rights of eminent domain unless notice of the exercise thereof has been recorded in the public records at Date of Policy, but not excluding from coverage any taking which has occurred prior to Date of Policy which would be binding on the rights of a purchaser for value without knowledge.
3. Defects, liens, encumbrances, adverse claims or other matters:
   (a) whether or not recorded in the public records at Date of Policy, but created, suffered, assumed or agreed to by the insured claimant;
   (b) not known to the Company, not recorded in the public records at Date of Policy, but known to the insured claimant and not disclosed in writing to the Company by the insured claimant prior to the date the insured claimant became an insured under this policy;
   (c) resulting in no loss or damage to the insured claimant;
   (d) attaching or created subsequent to Date of Policy; or
   (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the insured mortgage or for the estate or interest insured by this policy.
4. Unenforceability of the lien of the insured mortgage because of the inability or failure of the insured at Date of Policy, or the inability or failure of any subsequent owner of the indebtedness, to comply with the applicable doing business laws of the state in which the land is situated.
5. Invalidity or unenforceability of the lien of the insured mortgage, or claim thereof, which arises out of the transaction evidenced by the insured mortgage and is based upon usury or any consumer credit protection or truth in lending law.
6. Any claim, which arises out of the transaction vesting in the insured the estate of interest insured by this policy or the transaction creating the interest of the insured lender, by reason of the operation of federal bankruptcy, state insolvency or similar creditors' rights laws.

CONDITIONS AND STIPULATIONS

1. Definition of Terms.

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company would have had against the named insured, those who succeed to the interest of the named insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors. The term "insured" also includes:

(i) the owner of the indebtedness secured by the insured mortgage and each successor in ownership of the indebtedness except a successor who is an obligor under the provisions of Section 12(c) of these Conditions and Stipulations (reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor insured, unless the successor acquired the indebtedness as a purchaser for value without knowledge of the asserted defect, lien, encumbrance, adverse claim or other matter insured against by this policy as affecting title to the estate or interest in the land);

(ii) any governmental agency or governmental instrumentality which is an insurer or guarantor under an insurance contract or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage, or any part thereof, whether named as an insured herein or not;

(iii) the parties designated in Section 2(a) of these Conditions and Stipulations.

(iv) Subject to any rights or defenses the Company would have had against the named insured, (A) the spouse of an insured who receives title to the land because of dissolution of marriage, (B) the trustee or successor trustee of a trust or any estate planning entity created for the insured to whom or to which the insured transfers title to the land after the Date of Policy or (C) the beneficiaries of such a trust upon the death of the insured.

(b) "insured claimant": an insured claiming loss or damage.

(c) "insured lender": the owner of an insured mortgage.

(d) "insured mortgage": a mortgage shown in Schedule B, the owner of which is named as an insured in Schedule A.

(e) "knowledge" or "known": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of the public records as defined in this policy or any other records which impart constructive notice of matters affecting the land.

(f) "land": the land described or referred to in Schedule [A] [C], and improvements affixed thereto which by law constitute real property. The term "land" does not include any property beyond the lines of the area described or referred to in Schedule [A] [C], nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(g) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(h) "public records": records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge.

(i) "unmarketability of the title": an alleged or apparent matter affecting the title to the land, not excluded or excepted from coverage, which would entitle a purchaser of the estate or interest described in Schedule A or the insured mortgage to be released from the obligation to purchase by virtue of a contractual condition requiring the delivery of marketable title.

2. Continuation of Insurance

(a) After Acquisition of Title by Insured Lender. If this policy insures the owner of the indebtedness secured by the insured mortgage, the coverage of this policy shall continue in force as of Date of Policy in favor of (i) such insured lender who acquires all or any part of the estate or interest in the land by foreclosure, trustee's sale, conveyance in lieu of foreclosure, or other legal manner which discharges the lien of the insured mortgage; (ii) a transferee of the estate or interest so acquired from an insured corporation, provided the transferee is the parent or wholly-owned subsidiary of the insured corporation, and their corporate successors by operation of law and not by purchase, subject to any rights or defenses the Company may have against any predecessor insureds; and (iii) any governmental agency or governmental instrumentality which acquires all or any part of the

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estate or interest pursuant to a contract of insurance or guaranty insuring or guaranteeing the indebtedness secured by the insured mortgage.

(b) After Conveyance of Title by an Insured. The coverage of this policy shall continue in force as of Date of Policy in favor of an insured only so long as the insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from the insured, or only so long as the insured shall have liability by reason of covenants of warranty made by the insured in any transfer or conveyance of the estate or interest. This policy shall not continue in force in favor of any purchaser from an insured of either (i) an estate or interest in the land, or (ii) an indebtedness secured by a purchase money mortgage given to an insured.

(c) Amount of Insurance. The amount of insurance after the acquisition or after the conveyance by an insured lender shall in neither event exceed the least of:

(i) The amount of insurance stated in Schedule A;

(ii) The amount of the principal of the indebtedness secured by the insured mortgage as of Date of Policy, interest thereon, expenses of foreclosure, amounts advanced pursuant to the insured mortgage to assure compliance with laws or to protect the lien of the insured mortgage prior to the time of acquisition of the estate or interest in the land and secured thereby and reasonable amounts expended to prevent deterioration of improvements, but reduced by the amount of all payments made; or

(iii) The amount paid by an governmental agency or governmental instrumentality, if the agency or the instrumentality is the insured claimant, in the acquisition of the estate or interest in satisfaction of its insurance contract or guaranty.

3. Notice of Claim to be Given by Insured Claimant.

An insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in 4(a) below, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest or the lien of the insured mortgage, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest or the lien of the insured mortgage, as insured, is rejected as unmarketable. If prompt notice shall not be given to the Company, then as to that insured all liability of the Company shall terminate with regard to the matter or matters for which prompt notice is required; provided, however, that failure to notify the Company shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by the failure and then only to the extent of the prejudice.

4. Defense and Prosecution of Actions; Duty of Insured Claimant to Cooperate.

(a) Upon written request by an insured and subject to the options contained in Section 6 of these Conditions and Stipulations, the Company, at its own cost and without unreasonable delay, shall provide for the defense of such insured in litigation in which any third party asserts a claim adverse to the title or interest as insured, but only as to those stated causes of action alleging a defect, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of such insured to object for reasonable cause) to represent the insured as to those stated causes of action and shall not be liable for and will not pay the fees of any other counsel. The company will not pay any fees, costs or expenses incurred by an insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured, or to prevent or reduce loss or damage to an insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not thereby concede liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may pursue any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, an insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such insured for this purpose. Whenever requested by the Company, an insured, at the Company's expense, shall give the Company all reasonable aid (i) in any action or proceeding, securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act which in the opinion of the Company may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured. If the Company is prejudiced by the failure of an insured to furnish the required cooperation, the Company's obligations to such insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. Proof of Loss or Damage.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by each insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain the facts giving rise to the loss or damage. The proof of loss or damage shall describe the defect in, or lien or encumbrance on the title, or other matter insured against by this policy which constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage. If the Company is prejudiced by the failure of an insured claimant to provide the required proof of loss or damage, the Company's obligations to such insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, an insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, at such reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the insured claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memoranda in the custody or control of a third party, which reasonably pertain to the loss or damage. All information designated as confidential by an insured claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of an insured claimant to submit for examination under oath, produce other reasonably requested information or grant permission to secure reasonably necessary information from third parties as required in this paragraph, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that insured for that claim.

6. Options to Pay or Otherwise Settle Claims; Termination of Liability.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Pay or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

(i) to pay or tender payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to

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pay; or

(ii) in case loss or damage is claimed under this policy by the owner of the indebtedness secured by the insured mortgage, to purchase the indebtedness secured by the insured mortgage for the amount owning thereon together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay.

If the Company offers to purchase the indebtedness as herein provided, the owner of the indebtedness shall transfer, assign, and convey the indebtedness and the insured mortgage, together with any collateral security, to the Company upon payment therefor.

Upon the exercise by the Company of the option provided for in paragraph a(i), all liability and obligations to the insured under this policy, other than to make the payment required in that paragraph, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

Upon the exercise by the Company of the option provided for in paragraph a(ii) the Company's obligation to an insured Lender under this policy for the claimed loss or damage, other than the payment required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

(b) To Pay or Otherwise Settle with Parties Other than the Insured or With the Insured Claimant.

(i) to pay or otherwise settle with other parties for or in the name of an insured claimant any claim insured against under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay; or

(ii) to pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorneys' fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs b(i) or b(ii), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

7. Determination and Extent of Liability.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The liability of the Company under this policy to an insured lender shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A, or, if applicable, the amount of insurance as defined in Section 2 (c) of these Conditions and Stipulations;

(ii) the amount of the unpaid principal indebtedness secured by the insured mortgage as limited or provided under Section 8 of these Conditions and Stipulations or as reduced under Section 9 of theses Conditions and Stipulations, at the time the loss or damage insured against by this policy occurs, together with interest thereon; or

(iii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(b) In the event the insured lender has acquired the estate or interest in the manner described in Section 2(a) of these Conditions and Stipulations or has conveyed the title, then the liability of the Company shall continue as set forth in Section 7(a) of these Conditions and Stipulations.

(c) The liability of the Company under this policy to an insured owner of the estate or interest in the land described in Schedule A shall not exceed the least of:

(i) the Amount of Insurance stated in Schedule A; or,

(ii) the difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against by this policy.

(d) The Company will pay only those costs, attorneys' fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

8. Limitation of Liability

(a) If the Company establishes the title, or removes the alleged defect, lien or encumbrance, or cures the lack of a right of access to or from the land, or cures the claim of unmarketability of title, or otherwise establishes the lien of the insured mortgage, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals therefrom, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused thereby.

(b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, or, if applicable, to the lien of the insured mortgage, as insured.

(c) The Company shall not be liable for loss or damage to any insured for liability voluntarily assumed by the insured in settling any claim or suit without the prior written consent of the Company.

(d) The Company shall not be liable to an insured lender for: (i) any indebtedness created subsequent to Date of Policy except for advances made to protect the lien of the insured mortgage and secured thereby and reasonable amounts expended to prevent deterioration of improvements; or (ii) construction loan advances made subsequent to Date of Policy, except construction loan advances made subsequent to Date of Policy for the purpose of financing in whole or in part the construction of an improvement to the land which at Date of Policy were secured by the insured mortgage and which the insured was and continued to be obligated to advance at and after Date of Policy.

9. Reduction of Insurance; Reduction or Termination of Liability.

(a) All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of insurance pro tanto. However, as to an insured lender, any payments made prior to the acquisition of title to the estate or interest as provided in Section 2(a) of these Conditions and Stipulations shall not reduce pro tanto the amount of insurance afforded under this policy as to any such insured, except to the extent that the payments reduce the amount of the indebtedness secured by the insured mortgage.

(b) Payment in part by any person of the principal of the indebtedness, or any other obligation secured by the insured mortgage, or any voluntary partial satisfaction or release of the insured mortgage, to the extent of the payment, satisfaction or release, shall reduce the amount of insurance pro tanto. The amount of insurance may thereafter be increased by accruing interest and advances made to protect the lien of the insured mortgage and secured thereby, with interest thereon, provided in no event shall the amount of insurance be greater than the Amount of Insurance stated in Schedule A.

(c) Payment in full by any person or the voluntary satisfaction or release of the insured mortgage shall terminate all liability of the Company to an insured lender except as provided in Section 2(a) of these Conditions and Stipulations.

10. Liability Noncumulative.

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under any policy

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insuring a mortgage to which exception is taken in Schedule B or to which the insured has agreed, assumed, or taken subject, or which is hereafter executed by an insured and which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy to the insured owner.

The provisions of this Section shall not apply to an insured lender, unless such insured acquires title to said estate or interest in satisfaction of the indebtedness secured by an insured mortgage.

11. Payment of Loss.

(a) No payment shall be made without producing this policy for endorsement of the payment unless the policy has been lost or destroyed, in which case proof of loss or destruction shall be furnished to the satisfaction of the Company.

(b) When liability and the extent of loss or damage has been definitely fixed in accordance with these Conditions and Stipulations, the loss or damage shall be payable within 30 days thereafter.

12. Subrogation Upon Payment or Settlement.

(a) The Company's Right of Subrogation

Whenever the Company shall have settled and paid a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant.

The Company shall be subrogated to and be entitled to all rights and remedies which the insured claimant would have had against any person or property in respect to the claim had this policy not been issued. If requested by the Company, the insured claimant shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The insured claimant shall permit the Company to sue, compromise or settle in the name of the insured claimant and to use the name of the insured claimant in any transaction or litigation involving these rights or remedies.

If a payment on account of a claim does not fully cover the loss of the insured claimant, the Company shall be subrogated (i) as to an insured owner, to all rights and remedies in the proportion which the Company's payment bears to the whole amount of the loss; and (ii) as to an insured lender, to all rights and remedies of the insured claimant after the insured claimant shall have recovered its principal, interest, and costs of collection.

If loss should result from any act of the insured claimant, as stated above, that act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(b) The Insured's Rights and Limitations.

Notwithstanding the foregoing, the owner of the indebtedness secured by an insured mortgage, provided the priority of the lien of the insured mortgage or its enforceability is not affected, may release or substitute the personal liability of any debtor or guarantor, or extend or otherwise modify the terms of payment, or release a portion of the estate or interest from the lien of the insured mortgage, or release any collateral security for the indebtedness.

When the permitted acts of the insured claimant occur and the insured has knowledge of any claim of title or interest adverse to the title to the estate or interest or the priority or enforceability of the lien of an insured mortgage, as insured, the Company shall be required to pay only that part of any losses insured against by this policy which shall exceed the amount, if any, lost to the Company by reason of the impairment by the insured claimant of the Company's right of subrogation.

(c) The Company's Rights Against Non-insured Obligors.

The Company's right of subrogation against non-insured obligors shall exist and shall include, without limitation, the rights of the insured to indemnities, guaranties, other policies of insurance or bonds, notwithstanding any terms or conditions contained in those instruments which provide for subrogation rights by reason of this policy.

The Company's right of subrogation shall not be avoided by acquisition of an insured mortgage by an obligor (except an obligor described in Section 1(a)(ii) of these Conditions and Stipulations) who acquires the insured mortgage as a result of an indemnity, guarantee, other policy of insurance, or bond and the obligor will not be an insured under this policy, notwithstanding Section 1(a)(i) of these Conditions and Stipulations.

13. Arbitration.

Unless prohibited by applicable law, either the Company or the insured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the insured arising out of or relating to this policy, any service of the Company in connection with its issuance or the breach of a policy provision or other obligation. All arbitrable matters when the Amount of Insurance is $1,000,000 or less shall be arbitrated at the option of either the Company or the insured. All arbitrable matters when the Amount of Insurance is in excess of $1,000,000 shall be arbitrated only when agreed to by both the Company and the insured. Arbitration pursuant to this policy and under the Rules in effect on the date the demand for arbitration is made or, at the option of the insured, the Rules in effect at Date of Policy shall be binding upon the parties. The award may include attorneys' fees only if the laws of the state in which the land is located permit a court to award attorneys' fees to a prevailing party. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof.

The law of the situs of the land shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the Rules may be obtained from the Company upon request.

14. Liability Limited to This Policy; Policy Entire Contract.

(a) This policy together with all endorsements, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.

(b) Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the lien of the insured mortgage or of the title to the estate or interest covered hereby or by any action asserting such claim, shall be restricted to this policy.

(c) No amendment of or endorsement to this policy can be made except by a writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

15. Severability.

In the event any provision of the policy is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision and all other provisions shall remain in full force and effect.

16. Notices, Where Sent.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to the Company at P.O. Box 2029, Houston, Texas 77252-2029, and identify this policy by its printed policy serial number which appears on the bottom of the front of the first page of this policy.

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CLTA STANDARD COVERAGE POLICY
SCHEDULE A

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No.: 17000300110 **Policy No.:** O-2922-000017460

Amount of Insurance: $5,523,602.00 **Premium:** $4,972.00

Date of Policy: July 06, 2017 at 8:00 AM

1. Name of Insured:

City of National City, National City Joint Powers Financing Authority, Banc of America Public Capital Corp, in its capacity as Series A Assignee and Servicer, and Banc of America Leasing & Capital, LLC, in its capacity as Series B Assignee, pursuant to that certain Assignment Agreement shown as exception 18, of Schedule B, Part II, as their respective interest may appear of record.

2. The estate or interest in the land which is covered by this policy is:

A Fee as to Parcel A through G inclusive, and Easement more particularly described below as to Parcel H.

And

A Leasehold Estate created by that certain document entitled "Facilities Lease" for the terms and upon the conditions as contained therein dated as of July 1, 2017, executed by and between City of National City, as lessor and National City Joint Powers Financing Authority, as lessee, recorded July 7, 2017, as instrument /File No. 2017-0306668, of Official Records;

The interest of National City Joint Powers Financing Authority under said Facilities Lease has been assigned to Banc of America Public Capital Corp, in its capacity as Series A Assignee and Servicer, and Banc of America Leasing & Capital, LLC, in its capacity as Series B Assignee, pursuant to that certain Assignment Agreement recorded July 7, 2017, as instrument /File No. 2017-0306670, of Official Records;

And

A Sub-Leasehold Estate created by that certain "Facilities Sublease" for the terms and upon the conditions as contained therein dated as of July 1, 2017, executed by and between National City Joint Powers Financing Authority, as lessor and City of National City, recorded July 7, 2017, as instrument /File No. 2017-0306669, of Official Records;

The interest of National City Joint Powers Financing Authority under said Facilities Sublease has been assigned to Banc of America Public Capital Corp, in its capacity as Series A Assignee and Servicer, and Banc of America Leasing & Capital, LLC, in its capacity as Series B Assignee, pursuant to that certain Assignment Agreement recorded July 7, 2017, as instrument /File No. 2017-0306670, of Official Records;

3. Title to the estate or interest in the land is vested in:

City of National City as to the Fee, Easement and Subleasehold Estates.

Banc of America Public Capital Corp, in its capacity as Series A Assignee, and Banc of America Leasing & Capital, LLC, in its capacity as Series B Assignee as to the Leasehold Estate.

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4. The land referred to in this policy is described as follows:

The land referred to herein is situated in the State of California, County of San Diego, City of National City and described as follows:

PARCEL A: APN: 560-013-07-00 and 560-013-08-00

PARCEL(S) 1 AND 2 OF PARCEL MAP NO. 4027, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY AUGUST 21, 1975 AS FILE NO. 75-224074 OF OFFICIAL, RECORDS.

PARCEL B: APN: 560-013-02-00

THE WEST 33-1/3 FEET OF LOTS 7 TO 10, INCLUSIVE, IN BLOCK 13 OF THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 348, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL C: APN: 560-013-03-00

THE WESTERLY 33 1/3 FEET OF THE EASTERLY 66 2/3 FEET OF LOTS 7 TO 10 INCLUSIVE IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL D: APN: 560-013-04-00

THE EASTERLY 33 1/3 FEET OF LOTS 7, 8, 9 AND 10 OF BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL E: APN: 560-013-05-00

THE SOUTHERLY 100 FEET OF LOT 11 AND THE SOUTHERLY 100 FEET OF THE WESTERLY EIGHT AND ONE-THIRD FEET OF LOT 12 EN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL F: APN: 560-013-06-00

LOTS 13 THROUGH 17 IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL G: APN: 560-013-09-00

LOT 6, THE NORTH 25 FEET OF LOTS 11 AND 12 AND THE EAST 16 2/3 FEET OF SOUTH 100 FEET OF LOT 12, ALL IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF

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CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.
PARCEL H:

A. PERMANENT EASEMENT AND RIGHT-OF-WAY TO CONSTRUCT, RECONSTRUCT, MAINTAIN, OPERATE AND REPAIR AN UNDERGROUND EMERGENCY GENERATOR FUEL TANK, DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF 12TH STREET, LYING NORTHERLY OF BLOCK 13 OF MAP NUMBER 348, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWESTERLY CORNER OF SAID BLOCK 13, BEING ALSO THE NORTHWESTERLY CORNER OF PARCEL 1 OF PARCEL MAP NUMBER 4027; THENCE EASTERLY, ALONG THE NORTHERLY LINE OF PARCEL MAP NUMBER 4027; THENCE EASTERLY, ALONG THE NORTHERLY LINE OF SAID PARCEL 1.75 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING EASTERLY ALONG SAID NORTHERLY LINE, EIGHT FEET; THENCE LEAVING SAID NORTHERLY LINE, AT RIGHT ANGLES, NORTH SIX FEET; THENCE WESTERLY, PARALLEL WITH THE NORTHERLY LINE OF SAID PARCEL 1, EIGHT FEET; THENCE AT RIGHT ANGLES, SOUTH, SIX FEET TO THE TRUE POINT OF BEGINNING, CONTAINING 48 SQUARE FEET.

APN: 560-013-07-00 ; 560-013-08-00; 560-013-020-00; 560-013-03-00; 560-013-04-00; 560-013-05-00; 560-013-06-00; 560-013-09-00

(End of Legal Description)

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CLTA STANDARD COVERAGE POLICY
SCHEDULE B I
EXCEPTIONS FROM COVERAGE

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No.: 17000300110 **Policy No.: O-2922-000017460**

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

1. Taxes or assessments which are not shown as existing liens by the records of the taxing authority that levies taxes or assessments on real property or by the public records.

   Proceeding by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the public records.

2. Any facts, rights, interests or claims which are not shown by the public records but which could be ascertained by an inspection of the land or by making inquiry of persons in possession thereof.

3. Easements, liens or encumbrances, or claims thereof, which are not shown by the public records.

4. Discrepancies, conflicts in boundary lines, shortage in area, encroachments, or other facts which a correct survey would disclose, and which are not shown by the public records.

5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b) or (c) are shown by the public records.

6. Any lien or right to a lien for services, labor or material not shown by the public records.

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SCHEDULE B

PART II

File No.: 17000300110 **Policy No.: O-2922-000017460**

Taxes:

A. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes, to be levied for the fiscal year 2017 - 2018.

B. General and special city and/or county taxes, bonds or assessments which may become due on said land, if and when title to said land is no longer vested in a government or quasi-governmental agency. Tax parcel(s) for said land are currently shown as 560-013-07-00; 560-013-08-00; 560-013-02-00; 560-013-03-00; 560-013-04-00; 560-013-05-00; 560-013-06-00 and 560-013-09-00.

C. Assessments, if any, for Community Facilities Districts or a Mello-Roos District affecting said land which may exist by virtue of assessment maps or notices filed by said districts. Said assessments are collected with the County Taxes.

D. The lien of supplemental taxes, if any, assessed pursuant to the provisions of Chapter 3.5 (commencing with Section 75) of the revenue and taxation code of the State of California.

Exceptions:

1. Rights of the public in and to any portion of the property herein described lying within roads, streets or highways.

2. Easements and rights of way for road and public utilities and incidental purposes, over, under, along and across those easement parcels herein described, as conveyed and reserved by various deeds of record.

3. An easement for street and rights incidental thereto in favor of City of National City as set forth in a document recorded December 21, 1922, in Book 920, Page 150 a portion of the herein described land.

   Said matter affects: Parcel G.

4. An easement for public utilities, appurtenances, ingress, egress and rights incidental thereto in favor of the San Diego Gas and Electric Company as set forth in a document recorded October 8, 1974 as Instr. # 74-269956, of Official Records, affects a portion of the herein described land.

   Said matter affects: Parcel F.

5. The effect of instruments declaring said land to be within the National City Downtown Redevelopment Project Redevelopment Plan, and that redevelopment proceedings have been instituted under Sections 33020 and 33071 of the California Community Redevelopment Law, recorded December 4, 1981 as Instr. # 81-381663, Instr. # 81-381664 and Instr. # 81-381665; December 9, 1981 as Instr. # 81-386833 and recorded December 18, 1992 as Instr. # 1992-0812909, July 19, 1995 as Instr. # 1995-0306927 and recorded September 13, 2007 as Instr. # 2007-0602599, all of Official Records.

   Reference is hereby made to said documents for full particulars.

6. An easement for the permanent right at any time, or from time to time, pursuant to any franchise or renewal thereof, for and on behalf of Cox Cable Company and Pacific Bell for maintenance or existing cable and telephone facilities and rights incidental thereto in favor of the City of National City as set forth in a document recorded

SCHEDULE B

PART II

January 15, 1992 as Instr. # 1992-0022228 and January 15, 1992 as Instr. # 1992-0022229, both of Official Records, affects a portion of the herein described land.

Said matter affects: Parcel G.

7. An easement for public utilities, appurtenances, ingress, egress and rights incidental thereto in favor of the San Diego Gas and Electric Company as set forth in a document recorded June 18, 1992 as Instr. # 192-0378901, of Official Records, affects a portion of the herein described land.

   The exact location of the easement is not disclosed by the instrument.

   Said matter affects: Parcel A.

8. An easement for public utilities, appurtenances, ingress, egress and rights incidental thereto in favor of the San Diego Gas and Electric Company as set forth in a document recorded June 18, 1992 as Instr. # 1992-0378911, of Official Records, affects a portion of the herein described land.

   The exact location of the easement is not disclosed by the instrument.

   Said matter affects: Parcel A.

9. Intentionally deleted.

10. Intentionally deleted.

11. Intentionally deleted.

12. Intentionally deleted.

13. Intentionally deleted.

14. Intentionally deleted.

15. Intentionally deleted.

16. Terms and Conditions as contained in that certain document entitled “Facilities Lease” dated as of July 1, 2017, executed by and between City of National City, as lessor and National City Joint Powers Financing Authority, as lessee, recorded July 7, 2017, as instrument /File No. 2017-0306668, of Official Records.

17. Terms and Conditions as contained in that certain document entitled “Facilities Sublease” dated as of July 1, 2017, executed by and between National City Joint Powers Financing Authority, as lessor and City of National City, recorded July 7, 2017, as instrument /File No. 2017-0306669, of Official Records.

18. Terms and Conditions as contained in that certain document entitled “Assignment Agreement” dated as of July 1, 2017, by and between National City Joint Powers Financing Authority and Banc of America Public Capital Corp, as Series A Assignee and Servicer, and Banc of America Leasing & Capital, LLC, as Series B Assignee, recorded July 7, 2017, as instrument /File No. 2017-0306670, of Official Records.

19. Failure to comply with the terms, conditions and provisions of the leases referred shown in Schedule A.

SCHEDULE B

PART II

(End of Exceptions)

stewart title

CLTA 110.0 DELETION OF ARBITRATION ENDORSEMENT
ATTACHED TO POLICY NUMBER O-2922-000017460

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No.: 17000300110 Charge: $0.00

This policy is amended by deleting therefrom Section 13 of the Conditions, relating to arbitration, is hereby deleted in its entirety.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Date: July 06, 2017

Signed under seal for the Company, but this Endorsement is to be valid only when it bears an authorized counter-signature.

Countersigned by:

Authorized Countersignature

STEWART TITLE GUARANTY COMPANY
INCORPORATED
1908
TEXAS

Matt Morris
President and CEO

Denise Carraux
Secretary

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Endorsement Serial No. **E-9936-196099153**

stewart title

CLTA 116.2 ENDORSEMENT
ATTACHED TO POLICY NUMBER O-2922-000017460

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No.: 17000300110 Charge: $475.00

The Company insures against loss or damage sustained by reason of the failure of a Police Station known as 1200 National City Boulevard, National City, CA to be located on the land at the Date of the Policy.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Date: July 06, 2017

Signed under seal for the Company, but this Endorsement is to be valid only when it bears an authorized counter-signature.

Countersigned by:

Authorized Countersignature

STEWART TITLE GUARANTY COMPANY
INCORPORATED
1908
TEXAS

Matt Morris
President and CEO

Denise Carraux
Secretary

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Endorsement Serial No. **E-9936-733884674**

stewart title

ENDORSEMENT 39-06 POLICY AUTHENTICATION
ATTACHED TO POLICY NUMBER O-2922-000017460

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No.: 17000300110 Charge: $0.00

When the policy is issued by the Company with a policy number and Date of Policy, the Company will not deny liability under the policy or any endorsements issued with the policy solely on the grounds that the policy or endorsements were issued electronically or lack signatures in accordance with the Conditions.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Countersigned by:

Authorized Countersignature

STEWART TITLE GUARANTY COMPANY INCORPORATED 1908 TEXAS

Matt Morris
President and CEO

Denise Carraux
Secretary

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Endorsement Serial No. **E-9146-564728760**

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AMERICAN LAND TITLE ASSOCIATION

stewart title

CLTA FORM 103.11-06 ACCESS AND ENTRY – OWNER OR LOAN POLICY
ATTACHED TO POLICY NUMBER O-2922-000017460

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No.: 17000300110 Charge: $50.00

The Company insures against loss or damage sustained by the Insured if, at Date of Policy: (i) the Land does not abut and have both actual vehicular and pedestrian access to and from East 12th Street (the "Street"), (ii) the Street is not physically open and publicly maintained, or (iii) the Insured has no right to use existing curb cuts or entries along that portion of the Street abutting the Land.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Dated: July 06, 2017

Signed under seal for the Company, but this endorsement is to be valid only when it bears an authorized countersignature.

Countersigned by:

Authorized Countersignature

STEWART TITLE GUARANTY COMPANY INCORPORATED 1908 TEXAS

Matt Morris
President and CEO

Denise Carraux
Secretary

For purposes of this form the “Stewart Title” logo featured above is the represented logo for the underwriter, Stewart Title Guaranty Company.

Endorsement Serial No. **E-2808-257565385**

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stewart title

ALTA ENDORSEMENT 8.2-06 (COMMERCIAL ENVIRONMENT PROTECTION LIEN)
ATTACHED TO POLICY NUMBER O-2922-000017460

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No.: 17000300110 Charge: $100.00

The Company insures against loss or damage sustained by the Insured by reason of an environmental protection lien that, at Date of Policy, is recorded in the Public Records or filed in the records of the clerk of the United States district court for the district in which the Land is located, unless the environmental protection lien is set forth as an exception in Schedule B.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Countersigned by:

Authorized Countersignature

STEWART TITLE GUARANTY COMPANY INCORPORATED 1908 TEXAS

Matt Morris
President and CEO

Denise Carraux
Secretary

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Endorsement Serial No. **E-9385-569187040**

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stewart title

ALTA ENDORSEMENT 9.2-06 (COVENANTS, CONDITIONS AND RESTRICTIONS – IMPROVED LAND – OWNER'S POLICY)

ATTACHED TO POLICY NUMBER O-2922-000017460

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No: 17000300110 Charge: $500.00

1. The insurance provided by this endorsement is subject to the exclusions in Section 4 of this endorsement; and the Exclusions from Coverage, the Exceptions from Coverage contained in Schedule B, and the Conditions in the policy.

2. For the purposes of this endorsement only:
   a. "Covenant" means a covenant, condition, limitation or restriction in a document or instrument in effect at Date of Policy.
   b. "Improvement" means a building, structure located on the surface of the Land, road, walkway, driveway, or curb, affixed to the Land at Date of Policy and that by law constitutes real property, but excluding any crops, landscaping, lawn, shrubbery, or trees.
3. The Company insures against loss or damage sustained by the Insured by reason of:
   a. A violation on the Land at Date of Policy of an enforceable Covenant, unless an exception in Schedule B of the policy identifies the violation.
   b. Enforced removal of an Improvement as a result of a violation, at Date of Policy, of a building setback line shown on a plat of subdivision recorded or filed in the Public Records, unless an exception in Schedule B of the policy identifies the violation; or
   c. A notice of a violation, recorded in the Public Records at Date of Policy, of an enforceable Covenant relating to environmental protection describing any part of the Land and referring to that Covenant, but only to the extent of the violation of the Covenant referred to in that notice, unless an exception in Schedule B of the policy identifies the notice of the violation.
4. This endorsement does not insure against loss or damage (and the Company will not pay costs, attorneys' fees, or expenses) resulting from:
   a. any Covenant contained in an instrument creating a lease;
   b. any Covenant relating to obligations of any type to perform maintenance, repair, or remediation on the Land; or
   c. except as provided in Section 3.c., any Covenant relating to environmental protection of any kind or nature, including hazardous or toxic matters, conditions, or substances.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Countersigned by:

Authorized Countersignature

STEWART TITLE GUARANTY COMPANY INCORPORATED 1908 TEXAS

Matt Morris
President and CEO

Denise Carraux
Secretary

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Endorsement Serial No. **E-9180-199672112**

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stewart title

ALTA ENDORSEMENT 13-06 (LEASEHOLD – OWNER'S)
ATTACHED TO POLICY NUMBER O-2922-000017460

ISSUED BY
STEWART TITLE GUARANTY COMPANY

File No.: 17000300110 Charge: $100.00

1. As used in this endorsement, the following terms shall mean:

   a. "Evicted" or "Eviction": (a) the lawful deprivation, in whole or in part, of the right of possession insured by this policy, contrary to the terms of the Lease or (b) the lawful prevention of the use of the Land or the Tenant Leasehold Improvements for the purposes permitted by the Lease, in either case as a result of a matter covered by this policy.

   b. "Lease": the lease agreement described in Schedule A.

   c. "Leasehold Estate": the right of possession for the Lease Term.

   d. "Lease Term": the duration of the Leasehold Estate, including any renewal or extended term if a valid option to renew or extend is contained in the Lease.

   e. "Personal Property": chattels located on the Land and property that, because of their character and manner of affixation to the Land, can be severed from the Land without causing appreciable damage to themselves or to the Land to which they are affixed.

   f. "Remaining Lease Term": the portion of the Lease Term remaining after the Insured has been Evicted as a result of a matter covered by this policy.

   g. "Tenant Leasehold Improvements": Those improvements, including landscaping, required or permitted to be built on the Land by the Lease that have been built at the Insured's expense or in which the Insured has an interest greater than the right to possession during the Lease Term.

2. Valuation of Estate or Interest Insured:

If in computing loss or damage it becomes necessary to value the Title as the result of a covered matter that results in an Eviction of the Tenant, then that value shall consist of the value for the Remaining Lease Term of the Leasehold Estate and any Tenant Leasehold Improvements existing on the date of the Eviction. The Insured Claimant shall have the right to have the Leasehold Estate and the Tenant Leasehold Improvements valued either as a whole or separately. In either event, this determination of value shall take into account rent no longer required to be paid for the Remaining Lease Term.

3. Additional items of loss covered by this endorsement:

If the Insured is Evicted, the following items of loss, if applicable, shall be included in computing loss or damage incurred by the Insured, but not to the extent that the same are included in the valuation of the Title.

   a. The reasonable cost of removing and relocating any Personal Property that the Insured has the right to remove and relocate, situated on the Land at the time of Eviction, the cost of transportation of that Personal Property for the initial one hundred miles incurred in connection with the relocation, and the reasonable cost of repairing the Personal Property damaged by reason of the removal and relocation.

   b. Rent or damages for use and occupancy of the Land prior to the Eviction that the Insured as owner of the Leasehold Estate may be obligated to pay to any person having paramount title to that of the lessor in the Lease.

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c. The amount of rent that, by the terms of the Lease, the Insured must continue to pay to the lessor after Eviction with respect to the portion of the Leasehold Estate and Tenant Leasehold Improvements from which the Insured has been Evicted.

d. The fair market value, at the time of the Eviction, of the estate or interest of the Insured in any lease or sublease made by Tenant as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements.

e. Damages that the Insured is obligated to pay to lessees or sublessees on account of the breach of any lease or sublease made by the Tenant as lessor of all or part of the Leasehold Estate or the Tenant Leasehold Improvements caused by the Eviction.

f. Reasonable costs incurred by the Insured to secure a replacement leasehold equivalent to the Leasehold Estate.

g. If Tenant Leasehold Improvements are not substantially completed at the time of Eviction, the actual cost incurred by the Insured, less the salvage value, for the Tenant Leasehold Improvements up to the time of Eviction. Those costs include costs incurred to obtain land use, zoning, building and occupancy permits, architectural and engineering fees, construction management fees, costs of environmental testing and reviews, and landscaping costs.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Countersigned by:

Authorized Countersignature

STEWART TITLE GUARANTY COMPANY
INCORPORATED
1908
TEXAS

Matt Morris
President and CEO

Denise Carraux
Secretary

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Endorsement Serial No. **E-9345-972945477**

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CITY OF NATIONAL CITY
2017 LEASE FINANCING

WRITTEN REQUEST OF THE CITY

July 6, 2017

To: Banc of America Public Capital Corp

Re: CITY OF NATIONAL CITY 2017 LEASE FINANCING

I, Leslie Deese, City Manager of the City of National City (the "City") hereby authorize and request that you pay the Related Project Costs identified below to the named firms and corporations for costs incurred incident to the execution and delivery of the Facilities Lease, dated as of July 1, 2017 (the "Facilities Lease"), by and between the City and National City Joint Powers Financing Authority, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Authority"); the Facilities Sublease, dated as of July 1, 2017 (the "Facilities Sublease"), by and between the City and the Authority; the Assignment Agreement, dated as of July 1, 2017, by and among the Authority and Banc of America Public Capital Corp and Banc of America Leasing & Capital, LLC; and the related documents and instruments in connection with the above-referenced financing. Capitalized undefined terms used in this written request shall have the meanings ascribed thereto in the Facilities Sublease.

Name of Payee	Amount	Purpose
NHA Advisors, LLC	$42,250.00	Municipal Advisor
Hilltop Securities Inc.	14,000.00	Placement Agent
Nossaman LLP	22,500.00	Special Counsel
Stewart Title Guaranty Company	4,261.82	Title Company
Nossaman LLP	1,380.90	CDIAC Fee
City of National City	607.28	Expenses

IN WITNESS WHEREOF, the undersigned has executed and delivered this Written Request of the City as of the date first written above.

CITY OF NATIONAL CITY

Leslie Deese
City Manager

[Signature Page to Written Request of the City]

CITY OF NATIONAL CITY
2017 LEASE FINANCING

WRITTEN REQUEST OF THE CITY

July 6, 2017

To: Banc of America Leasing & Capital, LLC

Re: CITY OF NATIONAL CITY 2017 LEASE FINANCING

I, Leslie Deese, City Manager of the City of National City (the "City") hereby authorize and request that you pay the Related Project Costs identified below to the named firms and corporations for costs incurred incident to the execution and delivery of the Facilities Lease, dated as of July 1, 2017 (the "Facilities Lease"), by and between the City and National City Joint Powers Financing Authority, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Authority"); the Facilities Sublease, dated as of July 1, 2017 (the "Facilities Sublease"), by and between the City and the Authority; the Assignment Agreement, dated as of July 1, 2017, by and among the Authority and Banc of America Public Capital Corp and Banc of America Leasing & Capital, LLC; and the related documents and instruments in connection with the above-referenced financing. Capitalized undefined terms used in this written request shall have the meanings ascribed thereto in the Facilities Sublease.

Name of Payee	Amount	Purpose
NHA Advisors, LLC	$17,500.00	Municipal Advisor
Hilltop Securities Inc.	5,500.00	Placement Agent
Nossaman LLP	10,000.00	Special Counsel
Stewart Title Guaranty Company	2,060.18	Title Company
City of National City	233.82	Expenses

IN WITNESS WHEREOF, the undersigned has executed and delivered this Written Request of the City as of the date first written above.

CITY OF NATIONAL CITY

Leslie Deese
City Manager

[Signature Page to Written Request of the City]

CITY OF NATIONAL CITY
2017 LEASE FINANCING

CERTIFICATE OF THE SECRETARY REGARDING RESOLUTION

July 6, 2017

The undersigned hereby states and certifies:

(a) that the undersigned is the duly appointed, qualified and acting Secretary of the National City Joint Powers Financing Authority, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Authority"), and, as such, is familiar with the facts herein certified and is authorized and qualified to certify the same; and

(b) that the attached is a full, true and correct copy of a resolution entitled "A RESOLUTION OF THE NATIONAL CITY JOINT POWERS FINANCING AUTHORITY RELATING TO THE FINANCING OF A 2017 CAPITAL IMPROVEMENT PROJECT, AND APPROVING RELATED FINANCING DOCUMENTS AND AUTHORIZING OFFICIAL ACTIONS IN CONNECTION THEREWITH" adopted by the Commission of the Authority on June 20, 2017, which Resolution has not been amended, modified or rescinded since the date of its adoption and remains in full force and effect as of the date hereof.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the date first written above.

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY

Secretary

[Signature Page to Certificate of the Secretary Regarding Resolution]

RESOLUTION NO. 2017 – 2

RESOLUTION OF THE NATIONAL CITY JOINT POWERS FINANCING AUTHORITY RELATING TO THE PREPAYMENT OF 2010 LEASE AGREEMENT OBLIGATION, APPROVING RELATED DOCUMENTS, AND AUTHORIZING OFFICIAL ACTIONS IN CONNECTION THEREWITH

WHEREAS, the National City Joint Powers Financing Authority (the "NCJPFA") is a joint powers authority duly organized and existing under the provisions of Articles 1 through 4 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act"), and is authorized pursuant to Article 4 of the Act to borrow money to provide financing and refinancing for public capital improvements of the City of National City (the "City"); and

WHEREAS, in connection with the refinancing of certain prior lease revenue bonds issued to fund projects within the City, the NCJPFA previously executed a Lease Agreement by and between the City and the NCJPFA, dated September 1, 2010 (the "2010 Lease Agreement"), pursuant to which the NCJPFA granted to the City a leasehold interest in the City's police headquarters and associated parking facilities (the "2010 Site"); and

WHEREAS, pursuant to an Assignment Agreement by and between the NCJPFA and Bank of America, N.A. (the "Bank"), dated September 1, 2010 (the "2010 Assignment Agreement"), the NCJPFA assigned to the Bank, certain of its rights under the 2010 Lease Agreement, including its right to receive Lease Payments (as defined therein) and its rights to enforce payment of such payments and otherwise to enforce its interests and rights under the 2010 Lease Agreement in the event of default by the City; and

WHEREAS, the 2010 Lease Agreement provided that City could prepay its obligations thereunder prior to the termination date of the 2010 Lease Agreement, and the City Council has elected to prepay such obligations, and the City has resolved to comply with all requirements contained in the 2010 Lease Agreement and related documents in order to accomplish such actions; and

WHEREAS, there have been submitted and are on file with the Secretary of the NCJPFA Board (the "Board") proposed forms of (i) a Termination Agreement (the "Termination Agreement") by and among the City, the NCJPFA and the Bank, which shall be executed concurrently with the prepayment of the 2010 Lease Agreement (the "Prepayment") and which shall terminate the 2010 Lease Agreement and 2010 Assignment Agreement and (ii) a Grant Deed (the "Grant Deed") executed and delivered by the NCJPFA and delivered to the City concurrently with the Prepayment, which shall grant all of the NCJPFA's right, title, and interest in the 2010 Site to the City, and the NCJPFA Board has examined and approved such documents; and

WHEREAS, the NCJPFA has duly considered such transactions, and wishes at this time to approve all documentation and actions relative to said transaction in the public interests of the NCJPFA.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of the National City Joint Powers Financing Authority, as follows:

Section 1. Recitals. All of the recitals herein above are true and correct and this NCJPFA Board so finds and orders as follows:

Section 2. Approval of Termination Agreement. The form of instrument, entitled "Termination Agreement", among the City, the NCJPFA, and the Bank, in substantially the form on file with the Secretary of this Board, is hereby approved. The Chairman, Vice Chairman, the Auditor and Treasurer or their respective designated representatives (each, a "Designated Officer"), is authorized and directed to execute and deliver an instrument in substantially said form, with such changes thereto as such officer executing such instrument may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. Approval of Grant Deed. The form of instrument, entitled "Grant Deed", executed and delivered by the NCJPFA and delivered to the City, in substantially the form on file with the Secretary of this Board, is hereby approved. The Designated Officer is authorized and directed to execute and deliver an instrument in substantially said form, with such changes thereto as such officer executing such instrument may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. Ratification of Actions. All actions heretofore taken by the officers, employees, and agents of the NCJPFA with respect to the transactions set forth above are hereby approved, confirmed, and ratified.

Section 5. Approval of Further Actions. The Designated Officers, the Secretary and any and all other officers of the NCJPFA are hereby authorized and directed, for and in the name and on behalf of the NCJPFA, to do any and all things and take any and all actions which they, or any of them, may deem necessary or advisable in order to consummate the transactions as described herein.

Section 6. This resolution shall take effect from and after its date of adoption.

PASSED and ADOPTED this 20th day of June, 2017.

Ron Morrison, Chairman

ATTEST:

Leslie Deese, Secretary

APPROVED AS TO FORM:

Angil P. Morris-Jones
Legal Advisor

Passed and adopted by the Boardmembers of the National City Joint Powers Financing Authority, National City, California, on June 20, 2017 by the following vote, to-wit:

Ayes: Boardmembers Cano, Morrison, Natividad, Rios, Sotelo-Solis.

Nays: None.

Absent: None.

Abstain: None.

AUTHENTICATED BY:

RON MORRISON
Chairman
National City Joint Powers Financing Authority

LESLIE DEESE
Secretary
National City Joint Powers Financing Authority

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 2017-2 of the National City Joint Powers Financing Authority, National City, California, passed and adopted on June 20, 2017.

Secretary
National City Joint Powers Financing Authority

State of California
March Fong Eu
Secretary of State

FILE NO. _____

NOTICE OF A JOINT POWERS AGREEMENT
(Government Code Section 6503.5 or 6503.7)

Instructions:

1. Complete and mail to: Secretary of State, P.O. Box 944225, Sacramento, CA 94244-2250 (916) 324-6778
2. Include filing fee of $5.00.
3. Do not include attachments, unless otherwise specified.

(Office Use Only)

The name of the agency or entity created under the agreement and responsible for the administration of the agreement is: National City Joint Powers Financing Authority

Mailing address: 1243 National City Boulevard, National City, CA 91950

Provide a short title of the agreement if applicable: Joint Exercise of Powers Agreement By and Between the City of National City and the Community Development Commission of the City of National City (Amendment to Agreement)

The public agencies party to the agreement are:

(1) City of National City

(2) Community Development Commission of the City of National City

(3)

if more space is needed, continue on a separate sheet and attach it to this form.

The effective date of the agreement is: Amendment to Agreement effective April 21, 1992

Provide a condensed statement of the agreement's purpose or the powers to be exercised: To provide for the financing of public capital improvements for the member public agencies through the issuance of bonds and the leasing of public capital improvements to the members

Date: June 11, 1992

Signature

George H. Eiser, III, Legal Advisor
Typed Name and Title

COPY

JOINT EXERCISE OF POWERS AGREEMENT

BY AND BETWEEN THE

CITY OF NATIONAL CITY

AND THE

COMMUNITY DEVELOPMENT COMMISSION OF
THE CITY OF NATIONAL CITY

RESOLUTION 91-65

JOINT EXERCISE OF POWERS AGREEMENT

THIS AGREEMENT, dated as of April 1, 1991, by and between the CITY OF NATIONAL CITY, a municipal corporation duly organized and existing under the laws of the State of California (herein called the "City"), and the COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF NATIONAL CITY, a public body, corporate and politic, duly organized and existing under the laws of the State of California (herein called "CDC").

WITNESSETH:

WHEREAS, Articles 1 and 2 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California authorize the City and CDC to create a joint exercise of powers entity (herein called the "National City Joint Powers Financing Authority" or the "Authority") which has the power to jointly exercise any powers common to the City and CDC;

WHEREAS, the City and CDC are each empowered by law to undertake certain projects and programs;

WHEREAS, the City is authorized to enter into leases for certain public purposes pursuant to the Government Code of the State of California;

WHEREAS, CDC is authorized to enter into leases for any of its corporate purposes pursuant to the provisions of the Community Redevelopment Law;

WHEREAS, the City and CDC have decided to jointly finance a new police facility for use by the City; and

WHEREAS, the Marks-Roos Local Bond Pooling Act of 1985 (hereinafter defined as the "Bond Law") authorizes agencies formed under the Joint Exercise of Powers Law (hereinafter defined as the "Act") to issue bonds for the purpose of acquiring and constructing Public Capital Improvements (as that term is defined in the Act) and to lease those Public Capital Improvements to local agencies;

WHEREAS, by this Agreement, the City and CDC desire to create and establish the National City Joint Powers Financing Authority for the purposes set forth herein and to exercise the powers described herein;

NOW, THEREFORE, the City and CDC, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Unless the context otherwise requires, the words and terms defined in this Article shall, for the purpose hereof, have the meanings herein specified.

"Act" means Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State.

"Agreement" means this Agreement.

"Auditor and Treasurer" means the Finance Director of the City, designated as Auditor and Treasurer of the Authority in Section 3.02.

"Authority" means the National City Joint Powers Financing Authority created pursuant to this Agreement.

"Bond Law" means the Marks-Roos Local Bond Pooling Act of 1985, being Article 4 of the Act (commencing with Section 6584), as now or hereafter amended, or any other law hereafter legally available for use by the Authority in the authorization and issuance of Bonds to finance the acquisition of Obligations and/or Public Capital Improvements.

"Bonds" means bonds of the Authority issued pursuant to Section 6590 or 6591 of the Bond Law.

"Chairman" means the chairman of the Authority.

"Commission" means the Commission referred to in Section 2.03, which shall be the governing body of the Authority.

"Commissioners" means the representatives of the Members appointed to the Commission pursuant to Section 2.03.

"Fiscal Year" means the period from July 1 to and including the following June 30.

"Members and Member" means each of the parties to this Agreement and "Member" means any such party.

"Public Agency" means any public agency authorized by the Act to enter into a joint exercise of powers agreement with the Members.

"Public Capital Improvement" has the meaning given to such term in Section 6585(g) of the Act, as in effect on the date hereof, and as hereinafter amended.

"Secretary" means the secretary of the Authority.

"State" means the State of California.

"Vice Chairman" means the vice chairman of the Authority.

ARTICLE II

GENERAL PROVISIONS

Section 2.01. Purpose. This Agreement is made pursuant to the Act providing for the joint exercise of powers common to the Members. The purpose of this Agreement is to provide for the financing of Public Capital Improvements for the Members through the issuance of Bonds by the Authority and the leasing of the Public Capital Improvements to the Members.

Section 2.02. Creation of Authority. Pursuant to the Act, there is hereby created a public entity to be known as the "National City Joint Powers Financing Authority". The Authority shall be a public entity separate and apart from the Members, and shall administer this Agreement.

Section 2.03. Commission. The Authority shall be administered by a Commission consisting of five (5) Commissioners. The Mayor, Vice-Mayor, and members of the City Council of the City and the Chairman, Vice-Chairman, and Members of the governing body of the CDC *ex officio* shall constitute the Chairman, Vice-Chairman, and Commissioners of the Authority, respectively. The number of Commissioners may be changed by amendment of this Agreement. The Commission shall be called the "Commission of the National City Joint Powers Financing Authority". All voting power of the Authority shall reside in the Commission.

Section 2.04. Meetings of the Commission. (a) Regular Meetings. The Commission shall provide for its regular meetings; provided, however, that at least one regular meeting shall be held each year. The date, hour and place of the holding of regular meetings shall be fixed by resolution of the Commission and a copy of such resolution shall be filed with each of the Members.

(b) Special Meetings. Special meetings of the Commission may be called in accordance with the provisions of Section 54956 of the Government Code of the State.

(c) Call, Notice and Conduct of Meetings. All meetings of the Commission, including without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of Sections 54950 et seq. of the Government Code of the State.

Section 2.05. Minutes. The Secretary shall cause to be kept minutes of the meetings of the Commission and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Commissioner and to each of the Members.

Section 2.06. Voting. Each Commissioner shall have one vote.

Section 2.07. Quorum; Required Votes; Approvals. Commissioners holding a majority of the votes shall constitute a quorum for the transaction of business, except that less than a quorum may adjourn from time to time. The affirmative votes of at least a majority of the Commissioners shall be required to take any action by the Commission.

Section 2.08. Bylaws. The Commission may adopt, from time to time, such bylaws, rules and regulations for the conduct of its meetings as are necessary for the purposes hereof.

ARTICLE III

OFFICERS AND EMPLOYEES

Section 3.01. Chairman, and Vice-Chairman The officers shall perform the duties normal to said offices; and

(a) the Chairman shall sign all contracts on behalf of the Authority, and shall perform such other duties as may be imposed by the Commission; and

(b) the Vice Chairman shall act, sign contracts and perform all of the Chairman's duties in the absence of the Chairman.

Section 3.02. Secretary. The City Manager of the City is hereby designated as the Secretary of the Authority. The Secretary shall countersign all contracts signed by the Chairman or Vice Chairman on behalf of the Authority, perform such other duties as may be imposed by the Commission and cause the Secretary of State's standard form

relating to joint exercise of powers agreements to be filed with the California Secretary of State pursuant to the Act.

Section 3.03. Auditor and Treasurer. Pursuant to Section 6505.6 of the Act, the Finance Director of the City is hereby designated as the Auditor and Treasurer of the Authority. The Auditor and Treasurer shall be the depository, shall have custody of all of the accounts, funds and money of the Authority from whatever source, shall have the duties and obligations set forth in Sections 6505 and 6505.5 of the Act and shall assure that there shall be strict accountability of all funds and reporting of all receipts and disbursements of the Authority.

Section 3.04. Officers in Charge of Records, Funds and Accounts. Pursuant to Section 6505.1 of the Act, the Auditor and Treasurer shall have charge of, handle and have access to all accounts, funds and money of the Authority and all records of the Authority relating thereto; and the Secretary shall have charge of, handle and have access to all other records of the Authority.

Section 3.05. Bonding Persons Having Access to Public Capital Improvements. From time to time, the Commission may designate persons, in addition to the Secretary and the Auditor and Treasurer, having charge of, handling or having access to any records, funds or accounts or other Public Capital Improvements of the Authority, and the respective amounts of the official bonds of the Secretary and the Auditor and Treasurer and such other persons pursuant to Section 6505.1 of the Act.

Section 3.06. Legal Advisor. The City Attorney of the City is hereby designated as the Legal Advisor of the Authority. The Legal Advisor shall perform such duties as may be prescribed by the Commission.

Section 3.07. Other Employees. The Commission shall have the power to appoint and employ such other consultants and independent contractors as may be necessary for the purposes of this Agreement.

All of the privileges and immunities from liability, exemption from laws, ordinances and rules, all pension, relief, disability, workers' compensation and other benefits which apply to the activities of officers, agents, or employees of a Public Agency when performing their respective functions shall apply to them to the same degree and extent while engaged in the performance of any of the functions and other duties under this Agreement.

None of the officers, agents, or employees directly employed by the Commission shall be deemed, by reason of their employment by the Commission to be employed by any Member or, by reason of their employment by the Commission, to be subject to any of the requirements of the Members.

Section 3.08. Assistant Officers. The Commission may appoint such assistants to act in the place of the Secretary or other officers of the Authority (other than any Commissioner) as the Commission shall from time to time deem appropriate.

ARTICLE IV

POWERS

Section 4.01. General Powers. The Authority shall exercise in the manner herein provided the powers common to each of the Members and necessary to the accomplishment of the purposes of this Agreement, subject to the restrictions set forth in

Section 4.04, including but not limited to the common power of eminent domain with respect to Public Capital Improvements.

As provided in the Act, the Authority shall be a public entity separate from the Members. The Authority shall have the power to finance the acquisition of Public Capital Improvements necessary or convenient for the operation of the Members, and to acquire Obligations of the Members.

Section 4.02. Power to Issue Bonds. The Authority shall have all of the powers provided in Article 4 of the Act (commencing with Section 6584), including the power to issue Bonds under the Bond Law.

Section 4.03. Specific Powers. The Authority is hereby authorized, in its own name, to do all acts necessary for the exercise of the foregoing powers, including but not limited to, any or all of the following:

(a) to make and enter into contracts;

(b) to employ agents or employees;

(c) to acquire, construct, manage, maintain or operate any buildings, works or improvements;

(d) to acquire, construct, hold and dispose of Public Capital Improvements in accordance with Rules and Regulations of the Authority, including the leasing of such Public Capital Improvements to the members;

(e) to sue and be sued in its own name;

(f) to incur debts, liabilities or obligations, provided that no debt, liability or obligation shall constitute a debt, liability or obligation of any of the Members;

(g) to apply for, accept, receive and disburse grants, loans and other aids from any agency of the United States of America or of the State;

(h) to invest any money in the treasury pursuant to Section 6505.5 of the Act that is not required for the immediate necessities of the Authority, as the Authority determines is advisable, in the same manner and upon the same conditions as local agencies, pursuant to Section 53601 of the Government Code of the State;

(i) to apply for letters of credit or other form of credit enhancement in order to secure the repayment of its Bonds and enter into agreements in connection therewith;

(j) to carry out and enforce all the provisions of this Agreement;

(k) to make and enter into Bond Purchase Agreements;

(l) to purchase Obligations issued by any Member; and

(m) to exercise any and all other powers as may be provided in the Bond Law.

Section 4.04. Restrictions on Exercise of Certain Powers. The powers of the Authority shall be exercised in the manner provided in the Act and in the Bond Law, and, except for those powers set forth in the Bond Law, shall be subject (in accordance

with Section 6509 of the Act) to the restrictions upon the manner of exercising such powers that are imposed upon the City in the exercise of similar powers.

Section 4.05. Obligations of Authority. The debts, liabilities and obligations of the Authority shall not be the debts, liabilities and obligations of any of the Members.

ARTICLE V

METHODS OF PROCEDURE; CREDIT TO MEMBERS

Section 5.01. Assumption of Responsibilities By the Authority. As soon as practicable after the date of execution of this Agreement, the Commissioners shall give notice (in the manner required by Section 2.04) of the organizational meeting of the Commission. At said meeting the Commission shall provide for its regular meetings as required by Section 2.04.

Section 5.02. Delegation of Powers. Each of the Members hereby delegates to the Authority the power and duty to acquire, by lease, lease-purchase, installment sale agreements, or otherwise, such Public Capital Improvement necessary or convenient for the operation of the Members.

Section 5.03. Credit to Members. All accounts or funds created and established pursuant to any trust agreement or indenture to which the Authority is a party, and any interest earned or accrued thereon, shall inure to the benefit of the respective Members for which such funds or accounts were created.

ARTICLE VI

CONTRIBUTION; ACCOUNTS AND REPORTS; FUNDS

Section 6.01. Contributions. The Members may in the appropriate circumstance when required hereunder: (a) make contributions from their treasuries for the purposes set forth herein, (b) make payments of public funds to defray the cost of such purposes, (c) make advances of public funds for such purposes, such advances to be repaid as provided herein, or (d) use its personnel, equipment or property in lieu of other contributions or advances. The provisions of Government Code 6513 are hereby incorporated into this Agreement.

Section 6.02. Accounts and Reports. To the extent not covered by the duties assigned to a trustee chosen by the Authority, the Auditor and Treasurer shall establish and maintain such funds and accounts as may be required by good accounting practice or by any provision of any trust agreement or indenture entered into with respect to the proceeds of any Bonds issued by the Authority. The books and records of the Authority in the hands of a trustee or the Auditor and Treasurer shall be open to inspection at all reasonable times by representatives of the Members. The Auditor and Treasurer of the Authority, within 180 days after the close of each Fiscal Year, shall give a complete written report of all financial activities for such Fiscal Year to the Members to the extent such activities are not covered by the report of such trustee. The trustee appointed under any trust agreement or indenture shall establish suitable funds, furnish financial reports and provide suitable accounting procedures to carry out the provisions of said trust agreement or indenture. Said trustee may be given such duties in said trust agreement or indenture as may be desirable to carry out this Agreement.

Section 6.03. Funds. Subject to the applicable provisions of any trust agreement or indenture which the Authority may enter into, which may provide for a trustee to receive,

have custody of and disburse Authority funds, the Auditor and Treasurer of the Authority shall receive, have the custody of and disburse Authority funds as nearly as possible in accordance with generally accepted accounting practices, shall make the disbursements required by this Agreement or to carry out any of the provisions or purposes of this Agreement.

Section 6.04. Administrative Expenses. The Members shall pay their proportionate share (determined on the basis of a Member's percentage share of any financings completed by the Authority) of administrative expenses.

ARTICLE VII

TERM; DISPOSITION OF ASSETS

Section 7.01. Term. This Agreement shall become effective as of the date of execution hereof by the parties hereto, and shall continue in full force and effect so long as bonds of the Authority are outstanding or any lease agreements are outstanding between the Authority and a Member or Members (or between Members).

Section 7.02. Disposition of Assets. Upon termination of this Agreement, all property of the Authority, both real and personal, shall be divided among the parties hereto in such manner as shall be agreed upon by the parties.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 8.01. Notices. Notices hereunder shall be in writing and shall be sufficient if delivered to:

City of National City
City Hall
1243 National City Boulevard
National City, California 92050
Attn: City Clerk

Section 8.02. Section Headings. All section headings in this Agreement are for convenience of reference only and are not to be construed as modifying or governing the language in the section referred to or to define or limit the scope of any provision of this Agreement.

Section 8.03. Consent. Whenever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

Section 8.04. Law Governing. This Agreement is made in the State under the constitution and laws of the State and is to be so construed.

Section 8.05. Amendments. This Agreement may be amended at any time, or from time to time, except as limited by contract with the holders of Bonds issued by the Authority or certificates of participation in payments to be made by the Authority or the Members or by applicable regulations or laws of any jurisdiction having authority, by one or more supplemental agreements executed by all of the parties to this Agreement either as required in order to carry out any of the provisions of this Agreement or for any other purpose, including without limitation addition of new parties (including any legal

entities or taxing areas heretofore or hereafter created) in pursuance of the purposes of this Agreement.

Section 8.06. Enforcement by Authority. The Authority is hereby authorized to take any or all legal or equitable actions, including but not limited to injunction and specific performance, necessary or permitted by law to enforce this Agreement.

Section 8.07. Severability. Should any part, term or provision of this Agreement be decided by any court of competent jurisdiction to be illegal or in conflict with any law of the State, or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

Section 8.08. Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the respective Members. Neither of the Members may assign any right or obligation hereunder without the written consent of the other Member.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereto affixed, as of the day and year first above written.

CITY OF NATIONAL CITY

By: George H Waters
Mayor

[SEAL]

ATTEST

Lori Anne Peoples
City Clerk

COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF NATIONAL CITY

By: George H Waters
Chairman

[SEAL]

ATTEST:

Gerald A Peterson
Secretary

COPY

AMENDMENT TO AGREEMENT

This Amendment to Agreement is made and entered into this 21st day of April, 1992, by and between the City of National City, hereinafter referred to as "City," and the Community Development Commission of the City of National City, hereinafter referred to as "CDC."

This Amendment to Agreement is made with reference to the following recitals:

A. On or about April 1, 1991, City and CDC entered into an agreement entitled "Joint Exercise of Powers Agreement between the City of National City and the Community Development Commission of the City of National City," hereinafter referred to as "the Agreement."

B. It is now desirable for the parties to amend the Agreement to add additional provisions thereto.

NOW, THEREFORE, City and CDC, for and in consideration of the mutual promises and agreements herein contained, do agree that the Agreement is amended as follows:

1. The following paragraph is added after the sixth paragraph of recitals:

> WHEREAS, the Bond Law also authorizes and empowers the Authority to issue bonds and to purchase bonds issued by the CDC whenever there are significant public benefits to CDC, as determined by the Authority, and authorizes and empowers the Authority to sell bonds so purchased to public or private purchasers at public or negotiated sale; and

2. The following paragraph is added after the sixth paragraph of Article I, Section 1.01:

> "Bond Purchase Agreement" means an agreement of the Authority to purchase CDC Bonds solely from funds received (i) from the Authority's simultaneous sale of such bonds to the purchaser or purchasers named therein, on the terms and conditions set forth therein, or (ii) from the proceeds of Bonds issued by the Authority.

3. The following paragraph is added after the tenth paragraph of Article I, Section 1.01:

"CDC Bonds" shall mean bonds of the CDC.

4. Article II, Section 2.01 is amended to read as follows:

Section 2.01. Purpose. This Agreement is made pursuant to the Act providing for the joint exercise of powers common to the Members. The purpose of this Agreement is to provide for the financing of Public Capital Improvements for the Members through the issuance of Bonds by the Authority and the leasing of the Public Capital Improvements to the Members, and the assisting of the CDC in its redevelopment activities by the Authority exercising the powers referred to in the recitals hereof and described in Section 4.02 herein.

5. Article IV, Section 4.02 is amended to read as follows:

Section 4.02. Power to Issue Bonds and Purchase CDC Bonds. The Authority shall have all of the powers provided in Article 4 of the Act (commencing with Section 6584), including the power to issue bonds under the Bond Law, and the power to purchase, pursuant to a Bond Purchase Agreement, CDC Bonds issued by the CDC at public or negotiated sale, for the purposes set forth in Section 2.01 hereof, all in accordance with the Bond Law, which such Bonds so purchased may be held by the Authority or sold to public or private purchasers at public or negotiated sale, in whole or in part, under and pursuant to any terms or conditions set by the Authority in connection with any purchase or sale contemplated herein as the Authority deems to be necessary, appropriate and in the public interest, in furtherance of the Bond Law.

With the above exceptions, each and every provision of the Agreement entered into on or about April 1, 1991 shall remain in full force and effect.

City of National City

By George H. Waters
George H. Waters
Mayor

Community Development Commission
of the City of National City

By George H. Waters
George H. Waters
Chairman

CITY OF NATIONAL CITY
2017 LEASE FINANCING

CERTIFICATE REGARDING EFFECTIVENESS OF JOINT EXERCISE OF POWERS AGREEMENT

July 6, 2017

The undersigned hereby states and certifies:

(a) that the undersigned is the duly appointed, qualified and acting Secretary of the National City Joint Powers Financing Authority, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Authority") and operating pursuant to Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the Government Code of the State of California (the "Act") and pursuant to that certain Joint Exercise of Powers Agreement, dated April 1, 1991 (the "Agreement") by and between the City of National City and the Community Development Commission of the City of National City and, as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

(b) that attached hereto is a true, correct and complete copy of the Agreement, including any and all amendments thereto, which Agreement has not been amended, modified or supplemented, rescinded or repealed, and is in full force and effect as of the date hereof;

(c) that all required filings have been made with the California Secretary of State, and the Authority is in good standing as a joint exercise of powers agency under the Act.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the date first written above.

NATIONAL CITY JOINT POWERS OF FINANCING AUTHORITY

Secretary

[Signature Page to Certificate of Secretary Regarding Effectiveness of Joint Exercise of Powers Agreement]

For attachment, see Tab 16.

CITY OF NATIONAL CITY
2017 LEASE FINANCING

INCUMBENCY AND SIGNATURE CERTIFICATE OF AUTHORITY

July 6, 2017

The undersigned hereby state and certify:

(a) I am the duly appointed, qualified and acting Secretary of the National City Joint Powers Financing Authority, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Authority");

(b) I am familiar with the facts herein certified and am authorized to certify the same;

(c) The persons named under the table below are the duly elected, qualified and acting commissioners and officers of the Authority as of June 20, 2017:

Name	Office
Ron Morrison	Chairman
Albert Mendivil	Vice Chairman
Jerry Cano	Commissioner
Mona Rios	Commissioner
Alejandra Sotelo-Solis	Commissioner

(d) The following documents all bear the manual signatures of the Chairman named herein:

(i) Facilities Lease, dated as of July 1, 2017, by and between the City of National City (the "City") and the Authority;

(ii) Facilities Sublease, dated as of July 1, 2017, by and between the City and the Authority; and

(iii) Assignment Agreement, dated as of July 1, 2017, by and among the Authority and Banc of America Public Capital Corp, as assignee and Banc of America Leasing & Capital, LLC, as assignee.

(e) The signature set forth opposite the name and title of the following person is the genuine signature of such person, who holds the office designated below:

Name and Title	Signature
Ron Morrison, Chairman	

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the date first written above.

NATIONAL CITY JOINT POWERS OF FINANCING AUTHORITY

Secretary

[Signature Page to Incumbency and Signature Certificate of Authority]

CITY OF NATIONAL CITY
2017 LEASE FINANCING

CERTIFICATE OF THE AUTHORITY

July 6, 2017

The National City Joint Powers Financing Authority, a joint exercise of powers authority organized and existing under the laws of the State of California (the "Authority"), hereby states and certifies:

(a) that Ron Morrison is the duly appointed, qualified and acting Chairman of the Authority, and, as such, is familiar with the facts herein certified and is authorized and qualified to certify the same;

(b) that a resolution was duly adopted at a meeting of the Commissioners of the Authority on June 20, 2017, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout;

(c) that, by all necessary action, the Authority has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained in, the following documents, and has authorization to enter into the following such documents (collectively, the "Authority Documents") under the laws of the State of California:

(i) Facilities Lease, dated as of July 1, 2017, by and between the City of National City (the "City") and the Authority;

(ii) Facilities Sublease, dated as of July 1, 2017, by and between the City and the Authority; and

(iii) Assignment Agreement, dated as of July 1, 2017, by and among the Authority and Banc of America Public Capital Corp, as assignee and Banc of America Leasing & Capital, LLC, as assignee.

(d) that the Authority has duly executed and delivered each of the Authority Documents;

(e) that the representations and warranties of the Authority contained in the Authority Documents are true and correct in all material respects as of the date hereof as if made on the date hereof; and

(f) that the Authority has complied with all agreements and covenants and satisfied all conditions stated in the Authority Documents on its part to be performed or satisfied at or prior to the date hereof.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the date first written above.

NATIONAL CITY JOINT POWERS OF FINANCING AUTHORITY

Ron Morrison
Chairman

[Signature Page to Certificate of the Authority]

LETTER OF REPRESENTATIONS

City of National City
National City, California

Re: Assignment of Facilities Sublease dated as of July 1, 2017, between the City of National City and the National City Joint Powers Financing Authority

Dear Sir/Madam:

A pro rata portion of the rights of the National City Joint Powers Financing Authority (the "Authority") under the Facilities Lease dated as of July 1, 2017, between the Authority and the City of National City (the "City"), and the Facilities Sublease dated as of July 1, 2017 (the "Facilities Sublease"), between the City and the Authority (collectively, the "Assigned Property"), including the right to receive 100% of the Series A Tax-Exempt Base Rental Payments (as defined in the Facilities Sublease), are being assigned to the undersigned (the "Assignee"). Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Facilities Sublease.

The Assignee hereby certifies, represents, warrants, acknowledges and covenants to the City as follows:

(a) The Assignee understands and acknowledges that the City will rely on the certifications, representations, warranties, acknowledgements and covenants contained in this Letter of Representations.

(b) The Assignee is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it was incorporated or formed and is authorized to accept the assignment of the Assigned Property.

(c) The Assignee (MARK OR INDICATE APPROPRIATELY):

[X] is a "qualified institutional buyer" (a "Qualified Institutional Buyer") within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act"), or

[ ] is an "accredited investor" as described in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act (an "Institutional Accredited Investor").

(d) The Assignee understands and acknowledges that, under the provisions of the Facilities Sublease, the Assigned Property is subject to the transfer limitations described in the Facilities Sublease and in the Assignment Agreement.

(e) The Assignee has sufficient knowledge and experience in financial and business matters, including the acquisition and ownership of municipal obligations similar to the Assigned Property, to be capable of evaluating the merits and risks of its accepting the assignment of and retaining ownership of the Assigned Property. The Assignee is a lender that regularly extends credit by acquiring loans in the form of state and local government

obligations such as the Facilities Sublease in the normal course of its business, and the Assignee is able to bear the economic risks of such a financial transaction.

(f) Except to the extent provided in the Facilities Sublease, the Facilities Lease and the Assignment Agreement, and the documents and other information delivered pursuant thereto (including without limitation opinions and title reports), the Assignee is not relying upon the City or its employees or consultants for advice as to the merits and risks of acquiring the Assigned Property and the Assignee has not relied upon the City's legal counsel, financial advisor, placement agent(s), facilities consultant, or other consultants to the City for any information, representations, or opinions regarding the City, the Property, the Assigned Property, or the Assignee's acquisition of the Assigned Property, other than those contained in the Facilities Lease and the Facilities Sublease. The Assignee has sought such accounting, legal, and tax advice as it has considered necessary to make an informed decision concerning its acquisition of the Assigned Property.

(g) The Assignee has conducted its own independent examination of, and has had an opportunity to ask questions and receive answers concerning, the City, the Assigned Property and the security therefor, and the transactions and documents related to or contemplated by the foregoing.

(h) The Assignee has been furnished with, or given access to, all documents and information that the Assignee has requested regarding the City, the Property, the Assigned Property and the security therefor, and the transactions and documents related to or contemplated by the foregoing, and all matters related thereto.

(i) The Assignee understands that no official statement, offering memorandum, or circular has been or will be issued in connection with the assignment of the Assigned Property and that the Assigned Property and underlying obligations are not rated by any accredited rating agency.

(j) The Assignee understands that the Facilities Sublease has not been registered under the Securities Act and that such registration is not legally required. Additionally, the Facilities Sublease has not been registered, and no qualification for sale has been made, under the Blue Sky Laws of any state. The Assignee will not sell, convey, pledge, or otherwise transfer the Assigned Property without prior compliance with applicable state and federal laws and the provisions of the Facilities Sublease and this Letter of Representations. The Assignee is not acting in the capacity of broker, dealer, municipal securities underwriter, placement agent, financial advisor, or municipal advisor in connection with its acquisition of the Assigned Property.

(k) The person executing this letter on behalf of the Assignee is duly authorized to do so on the Assignee's behalf.

IN WITNESS WHEREOF, the Assignee has executed this Letter of Representations as of the date set forth below.

Dated: July 6, 2017

BANC OF AMERICA PUBLIC CAPITAL CORP

By: _____

Name: Terri J. Preston

Title: Authorized Agent

LETTER OF REPRESENTATIONS

City of National City
National City, California

Re: Assignment of Facilities Sublease dated as of July 1, 2017, between the City of National City and the National City Joint Powers Financing Authority

Dear Sir/Madam:

A pro rata portion of the rights of the National City Joint Powers Financing Authority (the "Authority") under the Facilities Lease dated as of July 1, 2017, between the Authority and the City of National City (the "City"), and the Facilities Sublease dated as of July 1, 2017 (the "Facilities Sublease"), between the City and the Authority (collectively, the "Assigned Property"), including the right to receive 100% of the Series B Taxable Base Rental Payments (as defined in the Facilities Sublease), are being assigned to the undersigned (the "Assignee"). Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Facilities Sublease.

The Assignee hereby certifies, represents, warrants, acknowledges and covenants to the City as follows:

(a) The Assignee understands and acknowledges that the City will rely on the certifications, representations, warranties, acknowledgements and covenants contained in this Letter of Representations.

(b) The Assignee is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it was incorporated or formed and is authorized to accept the assignment of the Assigned Property.

(c) The Assignee (MARK OR INDICATE APPROPRIATELY):

[X] is a "qualified institutional buyer" (a "Qualified Institutional Buyer") within the meaning of Rule 144A promulgated under the Securities Act of 1933, as amended (the "Securities Act"), or

[ ] is an "accredited investor" as described in Section 501(a)(1), (2), (3) or (7) of Regulation D promulgated under the Securities Act (an "Institutional Accredited Investor").

(d) The Assignee understands and acknowledges that, under the provisions of the Facilities Sublease, the Assigned Property is subject to the transfer limitations described in the Facilities Sublease and in the Assignment Agreement.

(e) The Assignee has sufficient knowledge and experience in financial and business matters, including the acquisition and ownership of municipal obligations similar to the Assigned Property, to be capable of evaluating the merits and risks of its accepting the assignment of and retaining ownership of the Assigned Property. The Assignee is a lender that regularly extends credit by acquiring loans in the form of state and local government

obligations such as the Facilities Sublease in the normal course of its business, and the Assignee is able to bear the economic risks of such a financial transaction.

(f) Except to the extent provided in the Facilities Sublease, the Facilities Lease and the Assignment Agreement, and the documents and other information delivered pursuant thereto (including without limitation opinions and title reports), the Assignee is not relying upon the City or its employees or consultants for advice as to the merits and risks of acquiring the Assigned Property and the Assignee has not relied upon the City's legal counsel, financial advisor, placement agent(s), facilities consultant, or other consultants to the City for any information, representations, or opinions regarding the City, the Property, the Assigned Property, or the Assignee's acquisition of the Assigned Property, other than those contained in the Facilities Lease and the Facilities Sublease. The Assignee has sought such accounting, legal, and tax advice as it has considered necessary to make an informed decision concerning its acquisition of the Assigned Property.

(g) The Assignee has conducted its own independent examination of, and has had an opportunity to ask questions and receive answers concerning, the City, the Assigned Property and the security therefor, and the transactions and documents related to or contemplated by the foregoing.

(h) The Assignee has been furnished with, or given access to, all documents and information that the Assignee has requested regarding the City, the Property, the Assigned Property and the security therefor, and the transactions and documents related to or contemplated by the foregoing, and all matters related thereto.

(i) The Assignee understands that no official statement, offering memorandum, or circular has been or will be issued in connection with the assignment of the Assigned Property and that the Assigned Property and underlying obligations are not rated by any accredited rating agency.

(j) The Assignee understands that the Facilities Sublease has not been registered under the Securities Act and that such registration is not legally required. Additionally, the Facilities Sublease has not been registered, and no qualification for sale has been made, under the Blue Sky Laws of any state. The Assignee will not sell, convey, pledge, or otherwise transfer the Assigned Property without prior compliance with applicable state and federal laws and the provisions of the Facilities Sublease and this Letter of Representations. The Assignee is not acting in the capacity of broker, dealer, municipal securities underwriter, placement agent, financial advisor, or municipal advisor in connection with its acquisition of the Assigned Property.

(k) The person executing this letter on behalf of the Assignee is duly authorized to do so on the Assignee's behalf.

IN WITNESS WHEREOF, the Assignee has executed this Letter of Representations as of the date set forth below.

Dated: July 6, 2017

BANC OF AMERICA LEASING & CAPITAL, LLC

By: _____

Name: Terri J. Preston

Title: Vice President

NOSSAMAN LLP

ATTORNEYS AT LAW

18101 Von Karman Avenue
Suite 1800
Irvine, CA 92612
T 949.833.7800
F 949.833.7878

Refer To File #: 502574-0001

July 6, 2017

City of National City
National City, California

Banc of America Leasing & Capital, LLC
Hunt Valley, Maryland

Banc of America Public Capital Corp
Hunt Valley, Maryland

Re: Facilities Sublease, dated as July 1, 2017, between the City of National City Joint Powers Financing Authority and the City of National City, assigned to Banc of America Leasing & Capital, LLC and Banc of America Public Capital Corp

Ladies and Gentlemen:

We have acted as Special Counsel to the City of National City (the "City") in connection with the execution and delivery by the City of a Facilities Sublease, dated as of July 1, 2017 (the "Facilities Sublease") between the City and the National City Joint Powers Financing Authority (the "Authority"), and a Facilities Lease, dated as of July 1, 2017 (the "Facilities Lease") between the City and the Authority. The Facilities Sublease and the Facilities Lease are referred to collectively as the "City Documents." The City Documents are entered into and delivered pursuant to a Resolution of the City Council of the City on June 20, 2017. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Facilities Sublease.

The City is obligated under the Facilities Sublease to pay the Series A Tax-Exempt Base Rental Payments, a portion of which is designated as interest, and the Series B Taxable Base Rental Payments, which bear interest that is not intended to be exempt from federal gross income under Section 103 of the Internal Revenue Code of 1986 (the "Code"). The pro rata portion of the Facilities Sublease represented by the Series B Taxable Base Rental Payments is designated a "new clean renewable energy bond" (the "CREBs Obligations") for purposes of Section 54C(a) of the Code. The Authority has assigned its right to receive Series A Tax-Exempt Base Rental Payments and Series B Taxable Base Rental Payments and certain other right and interests in the Facilities Sublease respectively to Banc of America Public Capital Corp (the "Series A Assignee") and Banc of America Leasing & Capital, LLC (the "Series B Assignee") pursuant to an Assignment Agreement, dated as of July 1, 2017 (the "Assignment Agreement") among the Authority, the Series A Assignee and the Series B Assignee.

As Special Counsel we have examined copies certified to us as being true and complete copies of the proceedings of the City Council of the City in connection with the authorization and execution of the City Documents. In this connection, we have also examined such other documents, opinions and instruments as we have deemed necessary in order to render the

opinions expressed herein. In such examination, we have assumed the genuineness of all signatures (of parties other than the City and the Authority) on original documents and the conformity to the original documents of all copies submitted to us.

We have also assumed the due execution and delivery (by all parties other than the City and the Authority) of all documents which we have examined where due execution and delivery are a prerequisite to the effectiveness thereof. As to the various questions of fact material to our opinion, we have relied upon statements or certificates of officers and representatives of the Authority, the City, public officials and others.

On the basis of the foregoing examination and assumptions and in reliance thereon and on all such other matters of fact as we deemed relevant under the circumstances, and upon consideration of the applicable laws, we are of the opinion that:

1. The Facilities Lease and the Facilities Sublease have been duly and validly authorized, executed and delivered by the City and the Authority, and the Assignment Agreement has been duly and validly authorized, executed and delivered by the Authority, and, assuming such documents have been duly authorized, executed and delivered by the other parties thereto, constitute the legally valid and binding obligations of the Authority and the City enforceable in accordance with their respective terms.

2. The portion of each Series A Tax-Exempt Base Rental Payment accruing under the Facilities Sublease designated as and comprising interest and received by the Series A Assignee is excludable under existing statutes, regulations, rulings and court decisions, from gross income for Federal income tax purposes pursuant to Section 103(a) of the Code, and is exempt from personal income taxes of the State of California under present law. In addition, the portion of each Series A Tax-Exempt Base Rental Payment designated as and comprising interest received by the Series A Assignee is not an item of tax preference for purposes of the Code's alternative minimum tax provisions, although Special Counsel observes that the interest portion is included in adjusted current earnings in calculating corporate alternative minimum taxable income for purposes of determining a Authority's alternative minimum tax liability.

3. The CREBs Obligations are "new clean renewable energy bonds" within the meaning of Section 54C(a) of the Code and are "special tax credit bonds" within the meaning of Section 6431(f) of the Code. The opinions set forth in the preceding sentence are subject to the condition that the City comply with all provisions of the Code that must be complied with subsequent to the execution of the City Documents to maintain such qualification under Section 54C(a) of the Code, as described in the tax certificate for the CREBs Obligations.

4. The Facilities Sublease and the Assignment Agreement are exempt from registration under Section 3(a)(2) the Securities Act of 1933, as amended.

In rendering the opinions expressed in paragraph 2 above, we are relying upon representations and covenants of the Authority and the City in the Facilities Sublease and in the tax certificate of the City of even date herewith concerning the use of proceeds, the investment and use of proceeds and the rebate to the Federal government, if necessary, of certain earnings thereon. In addition, we have assumed that all such representations are true and correct and that the Authority and the City will comply with such covenants. We express no opinion with respect to the exclusions of the interest on the Series A Tax-Exempt Base Rental Payments from gross income under Section 103(a) of the Code in the event that any such representations

are untrue or the City or the Authority fails to comply with such covenants. Except as stated above, we express no opinion as to any Federal tax consequences of the receipt of the portion of each Series A Tax-Exempt Base Rental Payments designated as and comprising interest with respect to, or the ownership or disposition of the rights under the Facilities Sublease.

Certain agreements, requirements and procedures contained or referred to in the Facilities Sublease and other relevant documents may be changed and certain actions (including, without limitation, prepayment of the Series A Tax-Exempt Base Rental Payments) may be taken or omitted under the circumstances and subject to the terms and conditions set forth in such documents. No opinion is expressed herein as to the portion of each Series A Tax-Exempt Base Rental Payment accruing under the Facilities Sublease designated as and comprising interest and received by the Authority if any such change occurs or action is taken or omitted upon the advice or approval of counsel other than ourselves.

In rendering the opinions expressed in paragraph 3 above, we are relying upon representations and covenants of the Authority and the City in the Facilities Sublease and in the tax certificate of the City of even date herewith concerning the CREBs Obligations, compliance of which is necessary to assure future actions, omissions or events will not cause the CREBs Obligations to fail to qualify as "new clean renewable energy bonds" within the meaning of Section 54C(a) of the Code, or as "specified tax credit bonds" within the meaning of Section 6431(f) of the Code. We have assumed that all such representations are true and correct and that the Authority and the City will comply with such covenants. We express no opinion with respect to the CREBs Obligations to qualify as "new clean renewable energy bonds" within the meaning of Section 54C(a) of the Code, or as "specified tax credit bonds" within the meaning of Section 6431(f) of the Code in the event that any such representations are untrue or the City or the Authority fails to comply with such covenants.

The opinions expressed in paragraph 1 above are qualified to the extent that enforcement of the agreements referred to in such paragraphs may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or limiting creditors' rights generally.

We express no opinion as to the availability of equitable remedies, and advise you that a California court may not strictly enforce certain covenants if it concludes that enforcement would be unreasonable under the circumstances. Furthermore, we express no opinion with respect to any indemnification, contribution or choice of law provisions contained in these agreements. This opinion is furnished by us solely for your benefit and that of your successors and assigns and solely with respect to the execution of the Facilities Sublease, related documents and the transactions contemplated therein, upon the understanding, as we have advised you, and as you have agreed, that we are not hereby assuming any professional responsibility to any other person whatsoever. No opinion is expressed herein as to the accuracy, completeness or sufficiency of any financial information provided to the Series A Assignee, Series B Assignee or the Authority. Our opinion herein is not to be used, circulated, quoted or otherwise referred to for any other purpose without our express written permission.

Respectfully submitted,

Norton LLP

Mayor
Ron Morrison

Council Members
Albert Mendivil
Alejandra Sotelo-Solis
Mona Rios
Jerry Cano

Office of the City Attorney

City Attorney
Angil P. Morris-Jones

Senior Assistant City Attorney
Nicole Pedone

Deputy City Attorney
Roberto M. Contreras

July 6, 2017

City of National City
National City, California

Banc of America Leasing & Capital, LLC
Hunt Valley, Maryland

Banc of America Public Capital Corp
Hunt Valley, Maryland

Re: Facilities Sublease, dated as July 1, 2017, between the City of National City Joint Powers Financing Authority and the City of National City, assigned to Banc of America Leasing & Capital, LLC and Banc of America Public Capital Corp

Ladies and Gentlemen:

I have acted as counsel to the City of National City (the "City"), in connection with the execution and delivery by the City of a Facilities Sublease, dated as of July 1, 2017 (the "Facilities Sublease") between the City and the National City Joint Powers Financing Authority (the "Authority"), and a Facilities Lease, dated as of July 1, 2017 (the "Facilities Lease") between the City and the Authority. The Facilities Sublease and the Facilities Lease are referred to collectively as the "City Documents." The City Documents are entered into and delivered pursuant to a Resolution of the City Council of the City on June 20, 2017. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Facilities Sublease.

In rendering the opinions set forth below I have examined executed originals or copies certified or otherwise identified to my satisfaction of the City Documents, and such other documents, records and other instruments as I have deemed necessary or appropriate as a basis for the opinions set forth below. As to questions of fact material to my opinion, I have relied upon representations of the City contained in the City Documents and the certified proceedings and certifications of public officials and others furnished to me without undertaking to verify the same by independent investigation. I have assumed the genuineness of all signatures by or on behalf of all parties to all documents referenced in this opinion (other than with respect to the City), the legal capacity of natural persons to deliver the certificates or documents referred to herein (other than with respect to the City), the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified, conformed or photostatic copies, and the proper execution, delivery and/or filing of the documents referred to above (other than with respect to the City).

1243 National City Boulevard; National City, California 91950-4397
Tel.: (619) 336-4220 Fax: (619) 336-4327

Based upon the foregoing, I am of the opinion, under existing law, as follows:

1. The City is a municipal corporation duly organized and validly existing under the Constitution and laws of the State of California with full legal right, power and authority to execute, deliver and perform all of its obligations under the City Documents.

2. The Resolution was adopted at a meeting of the City Council which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting.

3. No authorization, approval, consent or other order of the State or any local agency thereof, other than such authorizations, approvals and consents which have been obtained, is required for the valid authorization, execution and delivery of the City Documents or the consummation by the City of the transactions contemplated thereby. No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, regulatory agency, public board or body to which the City is a party and has been served with a summons or other notice thereof, is pending or, to my knowledge, threatened, in any way affecting the existence of the City or the titles of its officers to their respective offices, or seeking to restrain or to enjoin the execution of the City Documents, or in any way contesting or affecting the validity or enforceability of the City Documents, or any action of the City contemplated by any of such documents or the powers of the City with respect to the City Documents.

This opinion is furnished by me solely for your benefit and that of your successors and assigns, upon the understanding that I am not hereby assuming any professional responsibility to any other person whatsoever other than the addressees hereof. My opinion herein is not to be used, circulated, quoted or otherwise referred to for any other purpose without my express written permission; provided that this opinion may be included in the official transcript of the proceedings relating to the execution of the Facilities Sublease. My opinion herein is limited to matters governed by the laws of the State of California, and I assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

Respectfully submitted,

Angil P. Morris-Jones
City Attorney

NOSSAMAN LLP

ATTORNEYS AT LAW

50 California Street
34th Floor
San Francisco, CA 94111
T 415.398.3600
F 415.398.2438

Katherine S. Thursby
D 415.438.7212
kthursby@nossaman.com

Refer To File – 502574-0001

VIA FEDEX

June 30, 2017

Ms. Leah Deffenbaugh
Senior Closing Specialist
Stewart Title Guaranty Company
100 Pine Street, Suite 450
San Francisco, CA 94111

Re: City of National City 2017 Lease Financing

Dear Leah:

Enclosed herewith please find fully-executed counterpart originals of each of the following documents:

1. Facilities Lease (the "Facilities Lease"), dated as of July 1, 2017, between the City of National City (the "City"), as lessor, and National City Joint Powers Financing Authority (the "Authority"), as lessee.

2. Facilities Sublease (the "Facilities Sublease"), dated as of July 1, 2017, between the Authority, as lessor, and the City, as lessee.

3. Assignment Agreement (the "Assignment Agreement"), dated as of July 1, 2017, between the Authority, Banc of America Public Corp, a Kansas corporation and its successors and assigns as assignee of the Assigned Series A Rights (the "Series A Assignee"), and Banc of America Leasing & Capital, LLC, a limited liability corporation organized under the laws of the United States of America and its successors and assigns as assignee of the Assigned Series B Rights (the "Series B Assignee," and together with the Series A Assignee, the "Assignees"), assigning certain rights of the Authority to the Assignees as described therein.

4. Termination Agreement (the "Termination Agreement"), dated as of July 5, 2017, among the City, the Authority and Bank of America, N.A. ("Bank of America").

You are hereby instructed to cause the Termination Agreement to be filed in the Official Records of San Diego County, California, on July 5, 2017; provided that, as of the date and the time of such recording, Stewart Title Guaranty Company ("Stewart Title") is then prepared to and shall comply with each of the provisions of this letter.

You are further hereby instructed to cause the Facilities Lease, the Facilities Sublease and the Assignment Agreement to be filed in the Official Records of San Diego County, California, on July 6, 2017, in the order listed in this paragraph; provided that, as of the date and

the time of such recording, Stewart Title is then prepared to and shall comply with each of the provisions of this letter.

At the sole cost and expense of the City, Stewart Title shall issue the following title insurance policy (the "Title Policy") as of the date and time of recording, showing the City as the fee owner of the real property described in that certain Pro Forma Owner's Policy of Title Insurance prepared by your office, a current copy of which is attached to these instructions (the "Pro Forma") (the real property described in the Pro Forma is referred to herein as the "insured lands"):

1. A Standard CLTA Owner's policy, together with the endorsements attached to the Pro Forma, with liability in the amount of $5,523,602, naming the Assignees as the insured, and insuring the validity and priority of the Facilities Sublease (and the interest of the Authority, as lessor thereunder, as assigned to the Assignees), subject only to the Approved Exceptions, the Facilities Lease and the Assignment Agreement.

As used herein, the term "Approved Exceptions" shall mean Exceptions shown on the Pro Forma.

If any of the instructions in this letter cannot be followed for any reason whatsoever, please call me at (415) 438-7212 immediately at the offices of Nossaman LLP, 50 California St, 34th Floor, San Francisco, California 94111. Please also confirm to me your receipt of this letter and its enclosures, upon receipt, by signing below and sending a copy to me email at kthursby@nossaman.com. Furthermore, as soon as the documents have been recorded in accordance with this letter, please call me at (415) 438-7212 and provide me with the date and time of recording and the Instrument Number of each recorded document.

Promptly after recordation, one extra original of each of the enclosed documents, showing Stewart Title's certification that the same has been recorded and setting forth the date of recording and Instrument Number, together with a copy of these instructions signed by you in the space provided below to indicate your acceptance on behalf of Stewart Title, are to be delivered to me at the address provided above.

As soon as reasonably possible, but not later than two (2) weeks after the date of recording, please forward to me one original and two copies of the Title Policy.

All costs, fees and premiums associated with this transaction are to be paid by the City. Please send an invoice to myself (kthursby@nossaman.com) via email with wire instructions for payment on July 6, 2017.

Thank you for your assistance and cooperation.

Very truly yours,

Katherine S. Thursby

Katherine S. Thursby
for Nossaman LLP

RECEIVED AND ACCEPTED ON BEHALF OF STEWART TITLE GUARANTY COMPANY

By: Leah D

Title: Sr. Coordinator

Dated: 6-30-17

Enclosures

Pro Forma Policy

(To be attached)

NHA | ADVISORS
Strategy. Innovation. Solutions.

4040 Civic Center Drive, Suite 200
San Rafael, CA 94903

Office: 415.785.2025
www.NHAadvisors.com

MEMORANDUM

To: Working Group

From: Craig, Hill, Eric Scriven and Mike Meyer

Date: July 5, 2017

RE: 2017 Lease Financing (Energy Conservation Project)
$1,800,000 Taxable Clean Renewable Energy Bond Portion
$3,723,602 Tax-Exempt Portion

FLOW OF FUNDS CLOSING INSTRUCTIONS

Pre-closing for the above-captioned issues is scheduled for **2:00pm, *Wednesday, July 5, 2017*** and will be conducted via Nossaman's online deal room. The closing will be conducted on ***Thursday, July 6, 2017 at 8:30am*** via conference call***.*** Please use the following dial-in number: (415) 655-0277 for the closing of the 2017 Lease Financing.

1. BOND PROCEEDS WIRE FROM BANC OF AMERICA TO THE CITY OF NATIONAL CITY

On the morning of the closing, **Banc of America (Banc of America Public Capital Corp and Banc of America Leasing & Capital, LLC)** will send two wires to the **City of National City**: (1) ***$1,764,706.00***, representing the bond proceeds for the Taxable CREB portion of the 2017 Lease Financing and (2) ***$3,638,602.00*** for the Tax-Exempt portion of the 2017 Lease Financing. Those amounts are computed as follows:

	Taxable CREBs	Tax-Exempt Lease	Total
Par Amount of Bonds	$1,800,000.00	$3,723,602.00	$5,523,602.00
Less: Costs of Issuance	($35,294.00)	($85,000.00)	($120,294.00)
Total Net Proceeds	**$1,764,706.00**	**$3,638,602.00**	**$5,403,308.00**

The wire instructions for the **City of National City** are as follows.

MUFG Union Bank
445 South Figueroa St, 8th Floor
Los Angeles, CA 90071

ABA: 122000496
Acct: 2740031565

2. COSTS OF ISSUANCE DISTRIBUTION

Upon receipt of invoices by the various financing team participants, Banc of America will disburse funds directly to each participant as detailed in the amounts below.

	Taxable CREBs	Tax-Exempt Lease	Total
Bond Counsel – Nossaman LLP	$10,000.00	$22,500.00	$32,500.00
Municipal Advisor – NHA Advisors	17,500.00	42,250.00	59,750.00
Placement Agent – Hilltop Securities	5,500.00	14,000.00	19,500.00
Title Insurance – Stewart Title	2,060.18	4,261.82	6,322.00
CDIAC Reimbursement – Nossaman	0.00	1,380.90	1,380.90
City Expenses – City of National City	233.82	607.28	841.10
Total	**$35,294.00**	**$85,000.00**	**$120,294.00**

CITY OF NATIONAL CITY
2017 LEASE FINANCING

RECEIPT OF PROCEEDS

July 6, 2017

I, Leslie Deese, City Manager of the City of National City (the "City") hereby state and certify that on the date hereof, pursuant to the Facilities Lease, dated as of July 1, 2017 (the "Facilities Lease"), by and between the City and the National City Joint Powers Financing Authority (the "Authority"), the City received $5,523,602.00 from the Authority as the Facilities Lease Payment (as defined in the Facilities Lease), which amount is to be applied, as follows:

(a) $3,638,602.00 to the tax-exempt portion of the Project;

(b) $1,764,706.00 to the CREB portion of the Project;

(c) $85,000.00 to the payment of Related Project Costs relating to the tax-exempt portion of the Project; and

(d) $35,294.00 to the payment of Related Project Costs relating to the CREB portion of the Project.

Capitalized undefined terms used in this Certificate shall have the meanings ascribed thereto in the Facilities Sublease, dated as of July 1, 2017, by and between the Authority and the City.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of the date first written above.

CITY OF NATIONAL CITY

Leslie Deese
City Manager

[Signature Page to City's Receipt of Proceeds]

California Water Boards

Edmund G. Brown Jr.
Governor

Matthew Rodriguez
Secretary for
Environmental Protection

California Regional Water Quality Control Board, San Diego Region

July 7, 2016

In reply refer to
T0607300885:lthotakura

Mr. Stephen Manganiello
Director of Public Works/City Engineer
City of National City
1243 National City Boulevard
National City, CA 91950

Subject: Uniform Closure Letter for National City Joint, 1200 National City Blvd., National City, California

Mr. Manganiello:

This letter confirms the completion of a site investigation and corrective action for the underground storage tank(s) formerly located at the above-described location. Thank you for your cooperation throughout this investigation. Your willingness and promptness in responding to our inquiries concerning the former underground storage tank(s) are greatly appreciated.

Based on information in the above-referenced file and with the provision that the information provided to this agency was accurate and representative of site conditions, this agency finds that the site investigation and corrective action carried out at your underground storage tank(s) site is in compliance with the requirements of subdivisions (a) and (b) of section 25296.10 of the Health and Safety Code and with corrective action regulations adopted pursuant to section 25299.3 of the Health and Safety Code and that no further action related to the petroleum release(s) at the site is required.

Claims for reimbursement of corrective action costs submitted to the Underground Storage Tank Cleanup Fund more than 365 days after the date of this letter or issuance or activation of the Fund's Letter of Commitment, whichever occurs later, will not be reimbursed unless one of the following exceptions applies:

- Claims are submitted pursuant to section 25299.57, subdivision (k) (reopened UST case); or
- Submission within the timeframe was beyond the claimant's reasonable control, ongoing work is required for closure that will result in the submission of claims beyond that time period, or that under the circumstances of the case, it would be unreasonable or inequitable to impose the 365-day time period.

This notice is issued pursuant to subdivision (g) of section 25296.10 of the Health and Safety Code.

Please be advised that:

1. Any land use changes for the site may require reevaluation to determine if the changes pose an unacceptable risk to public health;

2. Any contaminated soil encountered or excavated as part of future subsurface construction/utility work must be managed in accordance with all applicable legal and regulatory requirements; and,

3. All future construction on the project area must include post construction best management practices to control storm water runoff in compliance with the US Environmental Protection Agency Guidance Document: "Technical Guidance on Implementing the Stormwater Runoff Requirements for Federal Projects under Section 438 of the Energy Independence and Security Act."

In the subject line of any response, please include the reference code **T0607300885:lthotakura**. For questions or comments, please contact Ms. Lalitha Thotakura by phone at 619-521-3002, or by email at lalitha.thotakura@waterboards.gov.

Respectfully,

DAVID W. GIBSON
Executive Officer

DWG;js;jc;cc;lt

cc (via e-mail):

Ms. Alissa Barrow, SCS Engineers, abarrow@scsengineers.com

Tech Staff Info & Use	
GeoTracker Global ID	T0607300885

ENERGY SERVICES AGREEMENT

by and between

CITY OF NATIONAL CITY

and

AMERESCO, INC.

Dated as of June 20, 2017

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ATTACHMENTS

Attachment A Property Description
Attachment B Energy Audit Report (containing Sections A through G)
Attachment C Notice to Proceed
Attachment D Third Party Manufacturer Warranties
Attachment E Contract Cost and Annual Services
Attachment F Change Order For
Attachment G Substantial Completion Certificate
Attachment H Notice of Completion
Attachment I Glossary of Energy Management Terms and Abbreviations
Attachment J December 15, 2015 Energy Audit Agreement
Attachment K Ameresco SOQ & Interview Question Responses
Attachment L Installation Schedule

ENERGY SERVICES AGREEMENT

THIS ENERGY SERVICES AGREEMENT, including all Attachments (A-K), which include various exhibits, schedules, and addenda. (this "***Agreement***") is entered into as of June 20, 2017 ("***Effective Date***"), by and between the CITY OF NATIONAL CITY, having its principal place of business located at 1243 National City Boulevard, National City, CA 91950 ("***Customer***") and Ameresco, Inc., a Delaware corporation, with an address of 60 East Rio Salado Parkway, Suite 1001, Tempe, AZ 85281 ("***Ameresco***"). The Customer and Ameresco may be collectively referred to as the "***Parties***" and individually as a "***Party***."

RECITALS

WHEREAS, Customer wishes Ameresco to perform a project consisting of certain energy conservation services and installations ("***Project***") as set forth in Section D of the EAR (defined below) at Customer's facilities described in Attachment A (each, a "***Property***"), and Ameresco wishes to perform such services;

WHEREAS, Section D of the EAR (defined below) as the same may be amended and/or otherwise modified from time to time as provided herein is hereinafter referred to as the "***Scope of Work***";

WHEREAS, Customer issued a Request for Statements of Qualifications ("SOQ") (attached to this Agreement as Attachment K) that sought statements of qualifications of interested energy service firms to engage in an energy services contract;

WHEREAS, Ameresco's responses to certain questions raised in the SOQ are also attached to this Agreement as Attachment K;

WHEREAS, based on Ameresco's responses to the SOQ, Customer has determined that Ameresco is a provider of comprehensive energy efficacy and renewable energy solutions and is qualified by experience and ability to perform the services desired by Customer, and Ameresco is willing to perform such services;

WHEREAS, based on Ameresco's responses to the SOQ, Customer chose to engage the services of Ameresco in the form of the Energy Audit Agreement, attached hereto as Attachment J;

WHEREAS, pursuant to the Energy Audit Agreement, Ameresco performed a comprehensive energy audit of the Property and prepared an Energy Audit Report/ dated as of December 7, 2016 (the "***EAR***"), which is attached hereto as Attachment B;

WHEREAS, performance of the EAR constituted the first phase ("Phase 1") of the Project;

WHEREAS, by virtue of this Agreement, Ameresco has been directed by Customer to proceed with the implementation of the recommendations specified in the EAR, which will constitute the second phase of the Project ("Phase 2"). Phase 2 will consist of the design and installation of energy conservation measures described and recommended in Section D of the EAR, which is attached hereto as Attachment B;

WHEREAS, Customer enters into this Agreement to develop energy conservation measures in accordance with Government Code Section 4217.10 *et. seq.*;

WHEREAS, the Glossary of Energy Management Terms and Abbreviations, attached hereto as Attachment I, defines certain energy-related phrases, terms, abbreviations necessary to the interpretation of this Agreement; and

WHEREAS, Customer owns each Property.

NOW, THEREFORE, in consideration of the covenants, representations, warranties, and mutual promises and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

SECTION 1 Scope of Work.

(a) Work:

1. **Project Work:** Upon Ameresco's receipt of (i) the Notice To Proceed (as defined in Section 4) and (ii) evidence of the funding of an escrow account (the "***Construction Escrow***") with immediately available funds sufficient for the payment of the Contract Cost (as defined in Section 4), Ameresco shall furnish all labor, materials and equipment and perform all work required for the completion of the Scope of Work. As used in this Agreement, the term "Work" means the performance of the Scope of Work, whether completed or

partially completed, and includes all other labor, materials, equipment and services provided or to be provided by Ameresco to fulfill Ameresco's obligations, as described in the Scope of Work and otherwise set forth in the Contract Documents (defined in Section 23 of this Agreement), other than warranty work, M&V Services or any services to be provided by Ameresco following issuance of the Notice of Completion. The Scope of Work shall include the installation of the energy conservation measures as set forth in Section D of the EAR (the "***ECMs***"). Customer and Ameresco shall mutually plan the scheduling of the Work. The Work will be planned to minimize the interruption of the daily routine of Customer's staff except as permitted in writing by Customer.

2. **Economic Conditions.** If Customer does not issue a Notice to Proceed within fourteen (14) days after signing this Agreement, then Ameresco may adjust the Contract Cost as described herein. Due to the current pricing volatility of raw materials (i.e. copper, steel, PVC, fuel, and wire insulation) required to produce and transport cable, PVC products, equipment and pipes containing steel, copper and similar products, Ameresco reserves the right to adjust the Contract Cost to reflect the actual cost increases in such materials and products that take place between the date the Contract Cost was agreed to by Customer, if different from the Contract Cost in Section 4, and the actual date a Notice to Proceed is issued by the Owner, authorizing Ameresco to proceed with the Project. In the event that pricing of such materials increases, Customer, in its sole discretion, may either (1) agree to execute a Change Order to compensate Ameresco for the actual cost increases of materials, or (2) terminate this Agreement. Alternatively, Ameresco and Customer may agree to decrease the project size by removing components of the ECMs to be otherwise installed hereunder. Ameresco will provide back-up documentation to substantiate the Change Order. Ameresco will take commercially reasonable efforts to mitigate the impact of economic conditions charges.

(b) **Disposal:** Ameresco, at its sole cost, shall (i) be responsible for disposal of all non-hazardous equipment and materials which are rendered useless and removed as a result of the installation of the ECMs and (ii) cause all lamps which are classified as hazardous wastes by the rules and regulations of the U.S. Environmental Protection Agency (40 CFR Parts 260 through 279) and PCB-contaminated ballasts, if any, which have been rendered useless and removed as a result of the installation of the ECMs to be transported and disposed of as specified in Attachment B. All other existing PCB-contaminated ballasts, lamps and any other hazardous materials,

however, shall remain the sole responsibility of Customer and Ameresco shall assume no liability whatsoever in connection with their removal, transportation and disposal unless expressly included in the Scope of Work.

(c) Asbestos and Lead Paint:

(1) The Scope of Work is predicated on the viability of the Project without Ameresco encountering or disturbing lead paint or asbestos, or being required to perform any asbestos or lead paint abatement or taking any other action with respect to asbestos or lead paint, in each case other than as expressly set forth in the Scope of Work.

(2) In the event that Ameresco: (A) encounters any friable or non-friable asbestos which is in the immediate vicinity of its work, (B) determines that its work will result in the disturbance of asbestos material, or (C) determines that the presence of asbestos material will impede its work, in each case other than those materials which are expressly addressed in the Scope of Work, Ameresco will promptly notify Customer of the same and Ameresco and Customer will proceed in accordance with Section 1(c)(3) below. In the event that Ameresco cannot determine whether any particular material does or does not contain asbestos, Customer, upon Ameresco's written request, shall, at Customer's sole cost and expense, promptly perform tests or cause tests to be performed in order to determine whether or not such material contains asbestos and/or whether there are unacceptable levels of airborne particulate material containing asbestos and provide such test reports to Ameresco.

In the event Ameresco encounters lead paint or paint suspected to contain lead in any area where it is to perform services hereunder, Ameresco will promptly notify Customer of the same and Customer shall, at Customer's sole cost and expense, promptly perform tests or cause tests to be performed in order to determine whether or not such paint contains lead, and will provide such tests reports to Ameresco. In the event that such test reports demonstrate the presence of lead paint or Ameresco reasonably believes that performing its services under this Agreement is likely to cause the disturbance of lead paint in such a manner as to require Ameresco to provide any notification or take any actions pursuant to any federal, state or local laws, rules, regulations or guidelines, and Ameresco notifies Customer of the same, Customer will proceed in accordance with Section 1(c)(3) below.

(3) In the event the presence of lead paint or asbestos is identified as provided in Section 1(c)(1) or Section 1(c)(2) above, and at the time of execution of this Agreement, Ameresco shall identify to Customer a qualified lead paint or asbestos removal contractor ("Abatement Contractor") willing to, at Customer's option, promptly and properly remove, enclose, encapsulate, or otherwise abate any lead paint or asbestos in accordance with all applicable laws, regulations and guidelines ("Abatement"). Such Abatement Contractor shall meet all insurance requirements required by this Agreement. Upon Customer's receipt of Abatement Contractor's quote for the cost to engage in the Abatement, Customer may: (1) execute a change order to pay Ameresco for Abatement Contractor's cost to engage in the Abatement; (2) terminate the ECM or ECMs which are affected by the presence of asbestos or lead paint; or (3) engage the services of a second Abatement Contractor of Customer's choosing. Ameresco shall promptly inform Customer of any conditions that may require the City to engage in an Abatement or the services of an Abatement Contractor. In the event that Customer does not promptly take action, as provided herein, or notifies Ameresco that it will engage the services of its own Abatement Contractor, Ameresco will, in good faith, and to the extent permitted by applicable law and Ameresco's worker safety policies, continue work in other areas at the Property unaffected by the Abatement. Customer shall be responsible for all costs (including termination) incurred by Ameresco that relate to the presence of asbestos or lead paint unless expressly described in the Scope of Work.

(d) **Maintenance:** Customer, at its sole cost and expense, shall be responsible for servicing and maintaining the ECMs installed in each Property from and after Customer's execution and delivery of a ***Substantial Completion Certificate*** (as hereinafter defined) with respect to the Property in which each particular ECM is installed.

(e) **Compliance with Law:** Ameresco shall, at its expense, comply with and obtain all applicable licenses and permits required by federal, state and local laws in connection with (i) the installation of the ECMs and (ii) the operation and/or maintenance of the ECMs (to the extent that Ameresco agrees to perform such operations and/or maintenance services). In the event that Ameresco cannot procure any such license or permit in light of a requirement that Customer is required to do so, Customer shall promptly procure the same. Ameresco shall pay the required prevailing wage rates for work in connection with the Project according to the current California Prevailing wages for San Diego County.

(f) **Taxes**. Customer will cooperate with Ameresco and provide Ameresco with all appropriate documentation in its possession so that Ameresco may establish that it does not have to pay taxes, fees and assessments or other charges of any character which may be imposed or incurred by any governmental or public authority as an incident to title to, ownership of, or operation of the ECMs.

(g) **Non-Discrimination:** Ameresco agrees not to discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of age, sex, sexual orientation, race, disability, color, religion, national origin, Vietnam era military service or ancestry in accordance with applicable federal, state or local law.

(i) **Installation/Specifications:** Prior to the commencement of the Work hereunder, Ameresco may, at its option, provide (or Customer, at its option, may reasonably request to have Ameresco provide) a sample installation of, or written specification of, any ECM to be installed (each, a "***Sample***"). Customer shall furnish its written approval or disapproval of each Sample within ten (10) Business Days following Customer's receipt of Ameresco's written notice of installation and/or delivery of such Sample. If Customer disapproves any such Sample, Ameresco shall have the right to provide a substitute specification or ECM (each, a "***Substitution***") which conforms to the applicable specifications or is equivalent to any applicable Sample previously approved by Customer. Upon Customer's written approval of a Substitution, Ameresco may revise the Attachments to reflect each such Substitution. If Customer does not approve or disapprove of any Sample or Substitution within ten (10) Business Days following Customer's receipt of Ameresco's written notice thereof, then Customer shall be deemed to have given its approval of such Sample or Substitution, as applicable. If, however, Customer does not approve of any Substitution, the Parties hereby agree to negotiate a mutually acceptable solution. Customer shall not unreasonably withhold, condition or delay any approval provided for herein.

(j) **Duties, Obligations, and Responsibilities of Ameresco:**

(1) The Work to be performed under this Agreement shall be commenced and completed as set forth in the Installation Schedule attached hereto as Attachment L, subject to any unreasonable delay by the City and Force Majeure.

(2) All labor furnished under this Agreement shall be competent to perform the tasks undertaken, all materials and equipment provided shall be new and of appropriate quality and the completed work shall comply in all material respects with the requirements of this Agreement.

(3) Ameresco shall maintain the Project site in a reasonably clean condition during the performance of the Work set forth in Attachment B. Ameresco shall, throughout all of Phase 2 of the Project, regularly clean the Project site of all debris, trash and excess material or equipment. In the event any portion of the Scope of Work is suspended, Ameresco shall clean and leave the site in a reasonably clean condition before leaving the site. Rubbish and debris collected on the Work site shall only be stored in roll-off, enclosed containers prior to disposal. Stockpiles of such will not be allowed.

(4) Ameresco shall provide preliminary design documents to the Customer's Representative for informational purposes at interim periods throughout development of the Project. Customer shall bear all costs associated with changes to the schedule resulting from delays in its review of submittals and changes to the design documents; changes in Customer's design manuals, changes in building codes which occur after the date of this Agreement (other than the 2016 California Building Standards Code (Cal. Code Regs., Tit. 24) that went into effect on January 1, 2017, which changes Ameresco agrees have been incorporated into the Scope of Work); or performance of any changes in the Work requested by Customer, with the exception of changes in the Project resulting from Ameresco's failure to comply with the requirements of this Agreement.

(5) Inspection of Property or Properties. During execution of the Work set forth in Attachment B, Ameresco shall permit Customer and/or any of its representatives to enter upon the Project site to review or inspect the Work; provided, that in each case, the Customer and/or its representatives coordinate such review or inspection with Ameresco and agree to comply with all applicable federal, state, and local safety laws, rules and regulations, including, without limitation, those promulgated by the U.S. Department of Labor Occupational Safety & Health Administration. Customer, its employees, and visitors brought to the Project site shall adhere to all of Ameresco's site safety rules. The Work is subject to approval by Customer, or Customer's representative. While Customer shall notify Ameresco before noon of the working day before any inspection of a Property is requested or required,

Ameresco shall keep Customer reasonably informed of the progress of completion of all Work to be performed under this Agreement to enable Customer to schedule any inspections required by federal, state or local laws, rules, regulations or guidelines. Any Work done requiring an inspection that is completed without proper inspection will be subject to rejection. Customer, and any authorized representatives of Customer shall at all times have, with reasonable notice to Ameresco, access to the Work during its construction at shops and yards and while in storage, as well as to the Work site at each Property. Ameresco shall provide every reasonable facility for ascertaining that the materials and workmanship are in accordance with this Agreement. Inspection of the Work shall not relieve Ameresco of the obligation to fulfill all conditions of the Agreement. Any delay in the Work resulting from the scheduling of an inspection at Customer's request that causes an actual delay in the Installation Schedule shall be cause for a day-for-day extension of the Installation Schedule.

During the performance of the Work, defective or non-compliant work, unsuitable material(s) and equipment may be rejected notwithstanding and regardless of the fact that such defective or non-compliant work, unsuitable materials and equipment may or may not have been previously inspected by Customer's representative or that payment therefore has been included in an estimate for payment. Any defective or non-compliant work, unsuitable material(s) and equipment shall be replaced immediately to original contract specifications and any other improvements damaged as a result and such replacement shall be repaired to as good or better condition. All such work shall be done at Ameresco's expense and there shall be no costs to Customer.

All costs of inspection and testing performed during overtime work by Ameresco, which is allowed solely for the convenience of Ameresco, shall be borne by Ameresco. Customer shall have the authority to deduct the cost of all such inspection and testing from any partial payments otherwise due to Ameresco. The value of services rendered for these inspection-related purposes shall be at full cost recovery rates.

(6) Police Department Security. Ameresco must provide Customer a list of all potential personnel that may be present on the worksite within the Police Department (See Item #9 on Attachment A) thirty (30) days prior to date such personnel need access to the building. The list must provide the name of the proposed employer (Ameresco, sub-contractor, vendor, etc.), and the name,

address, and a copy of a valid photo ID (i.e. driver's license) of the person wishing to enter the Police Department.

1. Customer will perform a standard security check for all submitted names that will screen for matters including, without limitation: felonies, security threats, arrests, and gang affiliations. Individuals who do not pass the standard security check will not be admitted to the Police Department.

2. Ameresco's and its subcontractors' ability to hire and utilize personnel who can meet the foregoing requirements is a condition precedent to any payment due to Ameresco. Failure of Ameresco or its subcontractors to provide personnel who can meet such requirements of the Project shall constitute a default subject to Section 11(b)(i) of this Agreement with respect to the portion of the Scope of Work affected.

3. Daily access to the Police Department building shall be coordinated with the Police Department Representative and the initial Ameresco Representative a minimum of 24 hours in advance. Ameresco shall coordinate its and its subcontractors' efforts in a way that minimizes the number of accesses and egresses to and from the Police Department. Ameresco understands that gaining access and egress to the Police Department can take time for security reasons and any delays in access and egress are factored into the Contract Cost and there shall be no additional costs to Customer for any such delay.

4. Every person entering into the building shall check-in with the Police Department's designated personnel for each entry and wear the provided identifying badge in a clearly viewed location at all times. Every person shall exit the building by paths of egress approved by the Police Department or by escort of the designated Police Department personnel. Badges shall be returned to the Police Department each day.

(7) Ameresco will provide equipment manuals and other appropriate information regarding equipment installed hereunder to Customer before the time of Substantial Completion (as defined in Section 5).

(8) Ameresco will appoint one or more representatives who shall be the primary point of contact for construction matters. Such representative may be replaced

from time to time by Ameresco, with written notice to Owner. The initial Ameresco Representative shall be:

Name: Nancy Rorabaugh
Title: Business Development
Mailing Address: P.O. Box 910216
Telephone: 800-500-6711
Cell: 619-322-5400
Fax: 858-792-8296
Email: nrorabaugh@ameresco.com

Customer shall communicate only with such designated representative regarding performance of the Work and shall not communicate directly with Ameresco employees, agents, subcontractors or others retained to perform any part of the Work, unless otherwise specifically directed by Ameresco's representative. Ameresco shall pay for the cost of any minimum "show up" costs that a subcontractor, consultant, or other materials testing technician charges for being scheduled, by Ameresco, to appear at the Project site or Property, but could not perform work on the Project because the Project was not ready for the inspection or not ready to receive the subcontractor, consultant, or materials testing technician's work. Any invoices Customer receives for these "show up" costs shall be forwarded to Ameresco for payment. Customer shall be responsible for added costs or schedule delays resulting in whole or in part from its own obligations to comply with the foregoing sentence.

(9) Commissioning. With respect to the portions of the Scope of Work relating to the design and installation of HVAC controls and HVAC mechanical ECMs as detailed in ECM 1, ECM 6, and ECM 10, Ameresco shall coordinate and work with Customer's commissioning agent through the design phase, construction phase, and Commissioning Acceptance Phase (as defined in Section 5(f) below). Customer's commissioning agent shall, at Customer's sole cost and expense, participate in all design review meetings, prepare and maintain a commissioning plan, participate in monthly construction period commissioning meetings, develop and maintain a Construction Issues Log, prepare pre-functional equipment installation check lists, prepare functional performance tests, direct and oversee functional performance test and complete the final commissioning report. Any unreasonable delay in the Work resulting from the commissioning agent's activities (which is not be reasonably anticipated to

occur in the industry-accepted course and scope of commissioning work) that causes an actual delay in the Installation Schedule shall be cause for a day-for-day extension of the Installation Schedule.

SECTION 2 Ownership of and Security Interest in the ECMs.

Title to each ECM and other personal property installed or incorporated into the ECMs shall remain in the name of Ameresco until the time specified below. If, notwithstanding the intent of the Parties, Customer is deemed to hold title to the ECMs, and as security for the payment in full of the Contract Cost, Customer hereby assigns, transfers and grants to Ameresco a security interest in all of the ECMs. Customer hereby authorizes Ameresco to file, from time to time, Uniform Commercial Code financing statements in such jurisdictions as may be necessary to perfect and maintain its security interest in the ECMs. If requested by Ameresco, Customer agrees to execute and deliver all further instruments and documents and take all further action that may be necessary in order to create, perfect and protect Ameresco's security interest in the ECMs and hereby irrevocably appoints Ameresco as Customer's attorney-in-fact with full power to sign such instruments and documents. Any provision in this Section to the contrary notwithstanding, ownership and title to an ECM shall automatically pass to Customer and Ameresco's security interest in such ECM shall be released and terminated, in each case without further action on either Party's part, upon Ameresco's receipt of both (i) the executed ***Substantial Completion Certificate*** (as defined in Section 5) for such ECM and (ii) the indefeasible payment in full of all of Customer's payment obligations to Ameresco for such ECM.

SECTION 3 Financial Ability to Pay.

Customer agrees and acknowledges that Ameresco's obligation to perform the Project is contingent upon the availability of funds. Ameresco shall have no obligation to proceed hereunder until Ameresco has received the Notice to Proceed and evidence of funding of the Construction Escrow as described in Section 1(a)(i) hereof. If such items are not received by Ameresco within thirty (30) days following the execution hereof, then Customer and Ameresco shall each have the option, exercisable upon written notice to the other Party to terminate this Agreement. In that regard, Customer acknowledges and agrees that Ameresco has incurred and will incur further costs and expenses relating to the EAR work described in Attachment B. If Customer or Ameresco exercises such option to terminate this Agreement, Customer shall pay Ameresco $70,639.17 in recognition of the EAR work (See Attachment J, Exhibit A, Section 1.2 of the EAR).

SECTION 4 **Compensation and Monthly Progress Payments.**

(a) **Application for Payment; Release of Retainage.** Subject to the terms of this Agreement, Ameresco shall perform the Scope of Work at a total fixed price of five million, four hundred three thousand, three hundred eight Dollars and No cents ($5,403,308.00) ("***Contract Cost***"). The price is calculated in accordance with Attachment E hereto. For each month during the construction period of the Project following Customer's issuance to Ameresco of the Notice to Proceed in the form of Attachment C (the "***Notice to Proceed***"), Ameresco shall be entitled to monthly progress payments from the Escrow Account based upon the percentage of the Project construction and equipment procurement completed at the end of each month in accordance with the Scope of Work. Ameresco shall be paid the same percentage of the Contract Cost as such percentage of completion. Following the end of each month, during the construction period of the Project, Ameresco will provide to Customer an invoice together with a list in sufficient detail to reasonably identify construction and equipment procurement during such month ("***Application for Payment***"). Within thirty (30) calendar days after receipt of such Application for Payment, Customer shall pay or cause to be paid to Ameresco the amount due under such Application for Payment. Customer will retain five percent (5%) of all amounts due at the end of the Project as retention until thirty (30) days after filing of the Notice of Completion or as required by law. At the request and expense of Ameresco, Customer may substitute securities for the amount so retained in accordance with Public Contract Code section 22300.

(1) The Parties acknowledge that, prior to the execution of this Agreement, Ameresco conducted an audit of Customer's facilities and prepared the EAR in anticipation of payment therefor under this Agreement. As provided in Section 1.3(a) of the EAR, the Energy Audit Price (as defined in the EAR) is included in the Contract Cost set forth in Section 4(a) hereof and shall be included in the first Application for Payment. The first Application for Payment shall also include the actual costs for the purchase of a Payment and Performance Bond and mobilization costs. Payments for mobilization/demobilization costs shall be made in accordance with the following schedule: (i) 60% after construction begins, and (ii) 40% after acceptance of the Notice of Completion.

(2) Mobilization and demobilization shall consist of preparatory work and operations, including, but not limited to, those necessary for the move-on and move-off operations of personnel, equipment, supplies, and incidentals to the project site, for the establishment of all offices, storage yards, buildings, hook-up and disconnects

for utility services, and other facilities necessary for work on the Project, and for all other work and operations including the application for and acquiring of permits from other agencies, which must be performed or costs incurred prior to beginning work on the various items of work on the Project Site.

(3) When applicable, Mobilization/Demobilization shall be paid for at the Contract lump sum price bid. The lump sum price for Mobilization/Demobilization shall include full compensation for furnishing all labor, materials, tools, equipment, and incidentals, overhead, taxes, fees and profit for doing all the work involved in mobilization and demobilization. When the Contract Price does not include a contract pay item for mobilization and demobilization full compensation for any necessary mobilization and demobilization required shall be considered as included in the relevant items of work and there will be no additional costs to Customer.

(4) Upon completion of the Project and receipt of the Notice of Completion (defined below) from Customer, Ameresco shall submit a final Application for Payment for release of all retainage held by Customer. Customer shall make final payment no later than thirty days after receipt of the final Application for Payment. Payment of the final Application for Payment for Phase 2 of the Project shall constitute a waiver of claims by Customer, except those arising from (i) unsettled liens, claims, security interests or encumbrances arising out of the performance of the Scope of Work; (ii) failure of the work performed by Ameresco to comply with the provisions of this Agreement; or (iii) warranty provisions in this Agreement.

(b) All amounts not paid to Ameresco on or before the date which is thirty (30) days after receipt of the applicable Application for Payment shall accrue interest at the rate of twelve percent (12%) per annum for the number of days following each such due date until such time as such amount due has been paid in full. If Ameresco is prohibited by law from charging interest at the above rate but is instead limited by law to charging a maximum rate which is a lower rate, Ameresco shall charge interest at said lower rate.

(c) Submission of an invoice labeled "final invoice" shall constitute a waiver of any and all claims not already submitted by Ameresco and releases Customer and its elected officials, appointees, officers, agents, employees, and volunteers from all claims and all liability for all things done or furnished in connection with the Work, and every act of Customer and its elected officials, appointees, officers, agents, employees, and volunteers relating to or arising out of the Work and related to those undisputed amounts.

SECTION 5 Substantial Completion; Acceptance Phase Commissioning; Notice of Completion.

(a) Substantial Completion Certificate. When Ameresco considers installation of all ECMs in a Property (or portion thereof, as applicable) to be complete, Ameresco will deliver to Customer a blank substantial completion certificate in the form of Attachment G (the "***Substantial Completion Certificate***"). If, following a walk-through of the Property in accordance with Section 5(b) and Section 5(c) below, Customer determines that all ECM work for the Property has been completed pursuant to the terms of the Contract Documents, Customer shall complete, execute, and deliver to Ameresco each such ***Substantial Completion Certificate***. The date on such certificate will be the date of "***Substantial Completion***" for the Property or Properties listed on the certificate, and the date when Ameresco is relieved from responsibility to protect and maintain the ECM's at the then-completed Property. As used in this Agreement, the term "***Substantial Completion***" shall mean that all subject ECM's at a given Property have been installed by Ameresco, and, if such ECM is equipment, such equipment has been installed in accordance with the Contract Documents.

(b) Requirements Preparatory To Requesting a Walk-through. A walk-through is the required procedure used by Customer to generate a Punch list prior to confirming Substantial Completion and initiating the Commissioning Phase for each Property. The following items shall be completed prior to requesting a walk-through:

(1) Remove temporary facilities from the Property.
(2) Thoroughly clean the portions of the Property affected by the Work, removing all debris, trash and excess material or equipment relating to the performance of the Work.
(3) Provide completed and signed "As-Built Drawings" (also referred to as Record Drawings or Redlines) consistent with Section 23(f) of this Agreement.
(4) Provide all material and equipment maintenance and operation instructions and/or manuals.
(5) Provide all tools that are a permanent part of equipment installed in the Project.
(6) Provide and properly identify all keys; construction and permanent.
(7) Provide all final special inspection reports required by this Agreement and

applicable codes and regulations.

(8) Provide all items that this Agreement requires to be supplied as extra stock. All items shall be wrapped, sealed, or placed in a container as necessary to allow for storage by Customer for future use. The amount specified in this contract shall be verified by Customer and Ameresco.

(9) Ensure all certified prevailing wage rate documents and all other documents required by this Agreement and applicable codes and regulations have been submitted.

(10) Ameresco shall provide Customer with any spare parts for the proposed irrigation system as specified in the Agreement (if applicable).

(11) All salvaged materials have been delivered and accepted by the Customer or entity designated to receive them.

(c) Walk-through and Punch list Procedure. The following procedure outlines the steps to be taken upon Ameresco's assertion that a Property is Substantially Complete:

(1) When Ameresco considers that the Work and Scope of Work for a Property listed in Attachment A is substantially complete, Ameresco shall notify Customer in writing that the Property is substantially complete and request that Customer perform a walk-through for generation of a Punch list. Ameresco shall notify Customer at least seven (7) days in advance of the time the walk-through is to be performed.

(2) Consistent with the relevant portions of Section 1(j)(5), Customer will determine if the Property is ready for a walk-through by verifying whether Ameresco has provided or completed all items as required by Section 5(d), "Defective and Non-Compliant Work," whether Ameresco has obtained the applicable certifications, and by evaluating completeness by inspecting the Property and the specified Work required by the Agreement.

(3) Customer will facilitate a walk-through within five (5) Business Days following request from Ameresco. Any unreasonable delay in the Work resulting from the scheduling of a walk-through with Customer or Customer's representative that causes an actual delay in the Installation Schedule shall be cause for a day-for-day extension of the Installation Schedule.

(4) Ameresco shall make available at the Property for walk-through attendees the plans and specifications and the technical data, such as submittals and equipment manuals.

(5) Customer will generate the punch list within fifteen (15) Business Days from the date of the walk-through and submit it to Ameresco. Customer will not provide a preliminary punch list.

(6) If Customer begins to generate a Punch list and finds the Property is not substantially complete as defined in this Section 5, Customer will terminate the walk-through and notify Ameresco in writing.

(7) If, at any time during Customer's evaluation of the corrective Work required by the Punch list, Customer discovers that additional corrective Work is required, Customer may include that corrective Work in the Punch list. Ameresco shall be solely responsible for insuring the ECM's at the Property (consistent with Section 10(f)) and completing the corrective Work until the Project is Substantially Complete, all Punch list items have been corrected, and all operation and maintenance manuals have been accepted by Customer.

(8) Customer will meet with Ameresco until all Punch list items are corrected.

(9) During the 30-day stop notice/lien period that commences on the date the Notice of Completion (defined below) is recorded, Ameresco shall submit to Customer the retention billing. After Customer receives the retention billing, Customer will mail to Ameresco a "Release of Claims" form, which shall be completed by Ameresco and returned to Customer before the retention will be released.

(10) Upon Acceptance (as defined below), Ameresco shall assemble and deliver to Customer all records, documents, warranties, material certifications, bonds, guarantees, maintenance and service agreements, and maintenance and operating manuals.

(11) The cost of Ameresco's participation in the punch-list process shall be included in the various items of work and there shall be no additional costs to Customer.

(d) Correction of Punch List Items. Ameresco must correct defective or non-compliant Work noted in the Punch list in accordance with the ***Scope of Work***, Customer's written instructions, and within the time limits specified by Customer. Ameresco shall correct any part of the Work that Customer finds to be defective, not compliant with the Agreement, or unsafe in any way whether or not manufactured, fabricated, installed, completed, or overlooked and accepted by Customer, or Customer's representative. Ameresco shall remove from the Property any defective or non-compliant Work if it has been rejected by Customer

or Customer's representative and replace it with non-defective and conforming Work.

(1) If, upon notice, Ameresco fails to immediately correct the defective or non-compliant work, or Ameresco fails to correct the defective or non-compliant Work in a manner conforming to the Agreement, Customer's representative may order Ameresco to stop all or part of the Work on the Project. Customer's right to stop the Work does not give rise to any duty on Customer's part to stop work for Ameresco's benefit or the benefit of any other party. Ameresco shall bear all direct and indirect costs and damages that result from Customer's stop work notice.

(2) At the sole discretion of Customer, or Customer's representative, defective or non-compliant Work may be accepted in lieu of requiring Ameresco to correct or remove and replace the defective or non-compliant work. If Customer's representative's acceptance of defective or non-compliant Work occurs prior to final payment, Customer's representative will issue a Change Order incorporating the necessary revisions in the Agreement with respect to the defective or non-compliant work and indicating the appropriate decrease in the Contract Cost.

(3) If Ameresco fails to correct, remove, or replace defective or non-compliant work within five (5) Business Days from the date of a written notice from Customer's representative, then Customer's representative, may proceed with any correction of defective or non-compliant work undertaken in accordance with this section. Customer may take corrective action at any time in the event of an emergency. Customer may remedy after five (5) Business Days (as defined in Section 7) from the date of written notice when Ameresco fails to correct the defective or non-compliant work in accordance with the Agreement.

(4) When undertaking remedial action under this section, Customer may: exclude Ameresco from all or part of the Property; take possession of all or part of the Work; suspend the provision of Ameresco's Work or services; and incorporate into the Project all materials and equipment stored at the Property or for which Customer has paid, but Ameresco has stored elsewhere.

(5) Customer will not allow an extension of the time to complete the Project or

other applicable Project milestones because of any delay in the performance of the work attributable to Ameresco's undertaking remedial action to correct defective or non-compliant work.

In the event Ameresco fails to engage in the corrective work of defective or non-compliant Work as required by Section 5(d) of this Agreement, Ameresco shall reimburse Customer for any reasonable and customary out-of-pocket costs incurred by Customer in remedying any deficiency e.g., all reasonable and customary costs of repair or replacement of defective or non-compliant work and all costs of repair of any other Work on the Project destroyed or damaged by correction, removal, or replacement of Ameresco's defective or non-compliant work.

(e) If Customer provides Ameresco with a written statement identifying specific material performance deficiencies that it wishes Ameresco to correct, Ameresco will use reasonably diligent efforts to correct all such material deficiencies and will give written notice to Customer when all such items have been corrected. The Parties intend that a ***Substantial Completion Certificate*** will be executed for the Work at each Property as soon as all Work is installed and operating at each Property.

(f) Commissioning Acceptance Phase or Acceptance Period. Customer, or Customer's representative, shall, within five (5) Business Days after receipt of a request from Ameresco for a ***Substantial Completion Certificate*** undertake a commissioning acceptance phase of each ECM located at each Property listed in a ***Substantial Completion Certificate*** ("Commissioning Acceptance Phase" or "Commissioning Acceptance Period"). The Commissioning Acceptance Phase for each Property will include such stages as Check-up & Start-up, Post Measurement & Verification, Training, O & M Manuals, and Post Installation.

(g) Notice of Completion. Once Customer has completed, executed, and delivered to Ameresco a ***Substantial Completion Certificate*** for each Property listed in Attachment A, Customer shall promptly present to the City Council notice of final completion of the Project in the form of Attachment H (the "***Notice of Completion***"). Acceptance of the Project will occur after approval by the City Council finding that (1) all ECM's at each Property successfully passed the Commissioning Acceptance Phase, as determined by Customer or Customer's representative, and (2) that all of the requirements contained in the Agreement have been fulfilled that concern each Property listed in Attachment A ("Acceptance").

(h) Within fifteen (15) days after Acceptance, Customer shall complete, execute and deliver to Ameresco for recordation by the San Diego County Recorder each such ***Notice of Completion***. Customer shall not unreasonably withhold, condition, or delay the execution and delivery of any ***Substantial Completion Certificate*** or the ***Notice of Completion***.

SECTION 6 Guarantee of Solar Energy Production

(a) Guaranteed Three-Year Solar Production

Several capitalized, defined terms used in this Section 6 are defined in Attachment I. In addition to the system performance guarantees, energy savings guarantees, potential-to-save representations, and projected monetary values of those energy savings identified in Section F of the EAR (See Attachment B), Ameresco represents and warrants to Customer that the total three-year solar energy production, measured in kWH, generated by the six proposed photovoltaic systems will meet or exceed the Guaranteed Three-Year Solar Production as specified in Table 6(a) below:

Table 6(a)

Guaranteed Year 1-3 Solar Production						
Location	kW DC	kW AC	Year 1 kWH	Year 2 kWH	Year 3 kWH	Year 1-3 True Up Total kWH
Police Station	53	45	69,171	68,687	68,206	206,064
Arts Center	26	22	32,547	32,319	32,093	96,959
Civic Center	86	74	110,722	109,947	109,177	329,846
Public Library	75	64	94,518	93,856	93,199	281,573
Fire Station 34	20	17	23,665	23,500	23,335	70,500
MLK Community Center	18	15	22,648	22,489	22,332	67,469
Total	278	237	353,271	350,798	348,342	1,052,411

(b) Ameresco also represents and warrants to Customer that, if Customer purchases solar production M&V Services over the Solar Term (as defined in subsection 6(i)), each year during which Customer purchases such solar production M&V Services being referred to herein as a "Solar Guarantee Year", the total solar energy production (kWH) generated by the six proposed photovoltaic systems will

meet or exceed the Guaranteed Solar Production as specified in Table 6(b) below:

Table 6(b)

Guaranteed Solar Production	
Year	kWH Output
1	353,271
2	350,798
3	348,342
4	345,905
5	343,484
6	341,079
7	338,692
8	336,321
9	333,967
10	331,629
11	329,308
12	327,002
13	324,713
14	322,440
15	320,183
16	317,942
17	315,716
18	313,506
19	311,312
20	309,133
Total	6,614,748

The foregoing representations and warranties set forth in Section 6(a) and Section 6(b) are hereinafter referred to collectively as the "Production Guarantee".

(c) Annual Deficit and/or Annual Surplus

Determination of the Annual Deficit and/or the Annual Surplus for each Solar Guarantee Year listed in Table 6(b) above shall be calculated as follows:

Annual Deficit = Guaranteed kWH Output (Table 6(b)) – Actual Generation

(d) Guarantee Payment

At the end of each True-up Period:

(1) if the net total Annual Deficits for all systems is greater than zero (0) over the True-up Period, then Ameresco shall pay to Customer an amount equal to the cumulative product of (i) the Annual Deficits and (ii) the Avoided Energy Price per kWh (a "Solar Guarantee Payment");

(2) Ameresco shall, by written statement within ninety (90) days after the end of such True-Up Period, promptly notify Customer of any Solar Guarantee Payment due. A Solar Guarantee Payment shall be payable to Customer within thirty (30) days of the date of such written statement.

(e) Actual Generation Measurement

The process for measuring Actual Generation for each Solar Guarantee Year shall be:

(1) Initial Output Data Collection. For each Solar Guarantee Year, Ameresco will collect energy output data using its System Meter or from SDG&E utility data. For each Solar Guarantee Year, Ameresco will sum the daily kWh output provided by the System Meter or SDG&E to calculate the Actual Generation for such Solar Guarantee Year.

(2) Contingency for Equipment Failure. In the event of hardware, communication, or other failure affecting the System Meter, Ameresco will make commercially reasonable efforts to resolve the failure in a timely manner. In the event that data is lost and SDG&E utility data is not available, Actual Generation shall be adjusted to compensate for such lost data:

Ameresco will simulate electricity production during the missing interval utilizing the same modeling software that was used to develop the kWH savings presented in the EAR. The simulated electricity production during the missing interval, after review and approval by Customer or Customer's agent, will be added to the Actual Generation for the subject Solar Guarantee Year.

(f) Avoided Energy Price

The Avoided Energy Price for all Solar Guarantee years shall be $0.235/kWH. This Avoided Energy Price shall escalate for each successive Solar Guarantee Year at a compounded rate of 3.5%.

(g) The Production Guarantee described in this Section is subject to, and conditioned on, Customer performing its maintenance and other obligations required under this Agreement. If Customer fails to perform, or fails to properly perform its obligations under this Agreement, or interferes with, or permits any person to take any action which may reasonably prevent the achievement of the Guaranteed Annual Solar Production, the parties shall "meet and confer" as described in subsection (g)(1) below. Ameresco may equitably adjust the Guaranteed Annual Solar Production to reflect the outcome of the "meet and confer" procedures described in subsection (g)(1) or to reflect the outcome of the dispute resolution process described in Section 12(c) below. Ameresco's rights in this Section shall not be in limitation of any other rights it possesses under this Agreement. The "meet and confer" process shall proceed as follows:

(1) Either party may, by written notice referring to this Section, inform the other of the nature of any perceived interference that may prevent the achievement of the Guaranteed Annual Solar Production. Upon receipt of such a notice the other party shall respond in writing within ten (10) business days. The parties shall cooperate by providing information and answering questions to facilitate an informed discussion of the achievement of the Guaranteed Annual Solar Production. Such cooperation may involve a site visit by representatives of both parties to inspect the area perceived to prevent the achievement of the Guaranteed Annual Solar Production. If the parties are unable to agree between themselves on a resolution, such dispute shall be subject to dispute resolution pursuant to Section 12(c).

(h) The Production Guarantee described in this Section 6 is also subject to, and conditioned on, Ameresco's provision of the M&V Services as contemplated hereunder. Customer acknowledges and agrees that the Guaranteed Solar Production in Section 6(b) above is based on the assumption that Ameresco will continue to provide M&V Services for solar (i.e. photovoltaic) production

throughout the entire 20-year Solar Term. The M&V Services will be provided for the first three Solar Guarantee Years, automatically terminating after Solar Guarantee Year 3, unless extended or terminated at an earlier date as specified in this Agreement. Customer acknowledges and agrees that the Production Guarantee will terminate as of the date on which the expiration (or any earlier termination) of the M&V Services for solar production becomes effective. Customer shall have the right to extend the term of the M&V Services (and thus the period of the Production Guarantee) for solar production by written notice to Ameresco at least thirty (30) days prior to the expiration of the third Solar Guarantee Year. Customer shall also have the right to terminate M&V services for future Solar Guarantee Years by written notice to Ameresco at least thirty (30) days prior to the start of the new Solar Guarantee Year. Once terminated, Customer shall have the right to restart M&V services, and the Solar Term, beginning the following Solar Guarantee Year, by written notice to Ameresco at least thirty (30) days prior to the following Solar Guarantee Year. In the event of conflict between this Agreement and the EAR when determining the Guaranteed Solar Production, or the determination of any Solar Guarantee Payment, this Agreement shall take precedence.

(i) Ameresco shall provide the Production Guarantee during the Solar Term. As used in this Agreement, the "Solar Term" shall commence on the date of issuance of the Notice of Completion and expire automatically on the effective date of the expiration or earlier termination of those M&V Services for solar production as more particularly set forth in Section 6(g) above.

SECTION 7 Access to Property.

Customer shall provide Ameresco, its employees, agents and subcontractors access to the Property at all times, and from time to time for the purpose of fulfilling Ameresco's obligations under this Agreement. Ameresco shall coordinate any entry onto a Property at times other than, the Customer's regular business days, which are Monday through Thursday, 7:00 a.m. to 6:00 p.m. ("Business Days") with Customer's representative.

SECTION 8 Changes in Work.

(a) The quantity, quality, dimensions, type or other characteristics of the ECMs may be changed only by written consent of Customer and Ameresco, by the execution of a change order form in the form of Attachment F (a "***Change Order Form***"). In addition, the Scope of Work may be reduced or expanded including, without limitation, the addition or reduction of other energy efficiency measures and facilities not included within the ECMs scheduled on Attachment B by the execution and delivery of a Change Order Form.

(b) If Customer requests a proposal from Ameresco for a change in the Project, and subsequently elects not to proceed with the change, unless otherwise specifically agreed to in writing by both Parties, a Change Order shall not be issued and executed by Customer to reimburse Ameresco for any costs reasonably incurred for estimating time and materials described in the Scope of Work provided to date, services, design services and preparation of proposed revisions to the Agreement.

(c) Should Ameresco encounter subsurface or latent physical conditions at the site which differ materially from those indicated in documents provided by Customer, from those already known to Ameresco as a result of the EAR, as described in the Recitals section, or from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this Agreement, Ameresco shall give written notice to the Customer before any such condition is disturbed or further disturbed. No claim of Ameresco under this provision will be allowed unless Ameresco has given the required notice. The Customer will promptly investigate and, if it is determined that the conditions materially differ from those which Ameresco should reasonably have been expected to discover or anticipate, the 'parties shall negotiate an equitable adjustment to the Contract Cost and time for performance, as the case may be, and, subject to Section 8(d), a Change Order form may be issued and executed by the Customer to reflect such adjustment(s).

(d) Ameresco and Customer may change the plans, specifications, character of the Work, or quantity of work by Change Order as provided in this Section 8, provided the total arithmetic dollar value of all such changes, both additive and deductive, does not exceed fifteen (15) percent of the Contract Cost. Should it become necessary to exceed this limitation, the change shall be by written

Supplemental Agreement between Ameresco and Customer, unless both parties agree to proceed with the change by Change Order.

Change Orders shall be in writing and state the dollar value of the change or establish the method of payment, any adjustment in the time of completion of the Agreement, and when negotiated prices are involved, shall provide for Ameresco's signature indicating acceptance.

SECTION 9 Ameresco Warranty; Third Party Manufacturer Warranties.

(a) Ameresco warrants that the Work will be of good quality, performed consistent with good engineering practices; that the Work shall be new, unless otherwise specified in the Scope of Work; that the Work is warranted to be free from defects in materials and workmanship for a period of one (1) year from the date of execution of a ***Substantial Completion Certificate*** by Customer for the Work, on a Property by Property basis; and that the design shall be performed in accordance with the Contract Documents ("Ameresco Warranty Year"). Any manufacturers' warranties which exceed this Ameresco Warranty Year shall be assigned to Customer to the extent allowed by the manufacturer. A list of such manufacturer's warranties exceeding the Ameresco Warranty Year is set forth in Attachment D hereto. Ameresco also warrants Customer good and clear title to all equipment and materials furnished to Customer pursuant to this Agreement free and clear of liens and encumbrances.

(b) Except as provided in this Section 9, AMERESCO MAKES NO WARRANTIES OR REPRESENTATIONS OF ANY KIND, WHETHER STATUTORY, WRITTEN, ORAL OR IMPLIED, INCLUDING WITHOUT LIMITATION, WARRANTIES AS TO THE VALUE, DESIGN, AND CONDITION OR FITNESS FOR USE OR PARTICULAR PURPOSE OR MERCHANTABILITY, REGARDING THE EQUIPMENT, ECMS OR ANY SERVICES PROVIDED HEREUNDER.

(c) If within the Ameresco Warranty Year any part of the Work is found not to conform to the warranties above, or the Contract Documents, Ameresco shall, in accordance with this Agreement, in particular Section 5(d), repair promptly or replace defective equipment or materials promptly, at no cost to Customer, upon receipt of written notice from Customer within the Ameresco Warranty Year. If Ameresco so corrects defective or non-compliant Work in connection with any ECM during the Ameresco Warranty Year, the one-year term of the Ameresco Warranty Year shall, for each ECM so corrected, begin anew on the date any corrective work has been accepted by Customer and terminate one year thereafter. Customer shall not unreasonably

withhold, condition, or delay acceptance of any corrected Work.

SECTION 10 Customer Role and Responsibilities.

(a) **Operations:** Customer shall operate the equipment installed hereunder in accordance with the manufacturers' recommendations and any supplemental procedures supplied to Customer by Ameresco.

(b) **Maintenance:** Following the date of Substantial Completion of a Property, Customer shall be responsible, at Customer's sole cost and expense, to repair and maintain (i) the equipment and all other components which comprise the ECM and (ii) all other equipment which is attached thereto and/or is integral to the proper functioning of the ECM.

(c) **Malfunctions:** Customer shall promptly notify Ameresco after becoming aware of any malfunction in the operation of the ECMs or the equipment installed hereunder.

(d) **Protection of ECM:** Except in the case of emergency, Customer shall not remove, move, alter, turn off or otherwise significantly affect the operation of the equipment installed hereunder or the operation of the ECMs, or any individual part thereof, without the prior written approval of Ameresco, which approval shall not be unreasonably withheld. After receiving Ameresco's written approval, Customer shall proceed as instructed. Customer shall act reasonably to protect the ECMs from damage or injury, if, due to an emergency, it is not reasonable to notify Ameresco before acting. Customer agrees to protect and preserve the facility envelope and the operating condition of all ECMs, mechanical systems, and other energy consuming systems located on each Property.

(e) **Measurement System:** Customer shall not alter, move, modify or otherwise change the measurement and verification system or any component thereof without the prior written consent of Ameresco unless such action is in accordance with operating procedures provided by Ameresco.

(f) **Insurance and Risk of Loss or Damage:** Without limiting any of its obligations or liabilities under this Agreement, or warranties issued by Ameresco or third parties, Customer shall, at its expense, provide and maintain, as provided in this subsection, sufficient insurance against the loss or theft of or damage to the ECMs, the related equipment and all components installed hereunder, for the full replacement value thereof. At all times before issuance of the ***Substantial Completion Certificate*** with

respect to each Property, Ameresco's insurance shall be primary for any and all property damage that arises during the receipt and installation of the ECMs more particularly described in the Scope of Work.

Following execution and delivery of a ***Substantial Completion Certificate*** with respect to each Property, Customer assumes all risk of loss of or damage to the ECMs installed in such Property from any cause whatsoever except to the extent that such loss or damage arises from, is related to, or was caused by the negligence of Ameresco. Customer shall add the ECMs to its list of scheduled assets for which it specifically procures insurance. Upon damage to any item of the equipment installed hereunder or the ECMs, Customer shall promptly notify Ameresco and immediately place the same in good repair with the proceeds of any insurance received applied to the cost of such repair. If Customer determines that any item of the ECMs are lost, stolen, confiscated, destroyed or damaged beyond repair, Customer shall replace the same with like equipment in good repair in a timely fashion.

If at any time after the date of the ***Notice of Completion*** and after Customer's complete payment to Ameresco in accordance with Section 4(a), as such amount may be modified from time to time in accordance with this Agreement, any fire, flood, other casualty, or condemnation renders a majority of the Property incapable of being occupied and renders the ECMs or the equipment installed hereunder inoperable and, in the case of a casualty, the affected portion of such ECMs or equipment is not reconstructed or restored within one hundred twenty (120) days from the date of such casualty, Ameresco and/or Customer may terminate this Agreement by delivery of a written notice to the other Party. Upon such termination, Customer shall pay Ameresco any amounts, or pro-rata portions thereof, accrued under Section 4 and Attachment E.

(g) **Telephone and Internet:** Customer shall be responsible for installing and maintaining telephone lines and all associated costs, including internet/Ethernet charges, for the energy management system's telephone and communication lines. Ameresco may use Customer's LAN for the purposes of the energy management system.

(h) **Alteration:** Customer shall not move, alter or change the ECMs in any way that causes a reduction in the level of efficiency or savings generated by any ECM or the equipment installed hereunder without obtaining Ameresco's prior written approval which shall not be unreasonably withheld.

(i) **Storage:** Customer shall provide one (1) 10' x 20' covered, caged storage area located behind Civic Center (near the intersection of "A" Avenue and East 12th Street) to store tools and equipment for use while completing Work on the Project. Ameresco shall remove, at its cost, all items stored in such area within five (5) Business Days after Ameresco receives the ***Notice of Completion*** from Customer. Customer assumes no liability for theft, collision, fire, or damage of any kind to, or injuries resulting from storing, the temporarily stored tools and equipment. In no event shall Customer pay Ameresco for the loss of use of any temporarily stored tools and equipment, or for loss of any items left in any toolbox, container, or storage bin. Ameresco shall leave all storage areas in a neat, clean condition (free of debris, trash and excess material or equipment) as determined by Customer.

(j) **Fuel:** Customer shall procure and pay for all energy and fuel for the operation of the Property.

(k) **Studies:** Customer shall disclose to Ameresco results of any geotechnical investigations, inspections and investigations performed by Customer at the Property prior to commencement of the Scope of Work, pertaining to mechanical, structural, sub-surface and environmental conditions. Customer acknowledges that Ameresco will rely on the correctness and completeness of such information, unless Customer expressly advised Ameresco to the contrary.

(l) Customer shall appoint one or more representatives ("Customer Representative") who shall have the authority to act on behalf of Customer in respect to all matters pertaining to this Agreement. Such representative may be replaced from time to time by Customer, with written notice to Ameresco. The initial Customer Representative shall be:

Stephen Manganiello
Director of Public Works/City Engineer
1243 National City Boulevard
National City, CA 91950
Telephone: (619)-336-4382
SManganiello@nationalcityca.gov

If initial Customer Representative is unavailable, the secondary Customer Representative shall be:

Kuna Muthusamy
Assistant Director of Engineering / Public Works
1243 National City Boulevard
National City, CA 91950
Telephone: (619)-336-4383
kMuthusamy@nationalcityca.gov

SECTION 11 Defaults by Customer and Ameresco.

(a) Customer shall be in default under this Agreement upon the occurrence of any of the following:

(1) Customer fails to pay when due any amount to be paid under this Agreement and such failure continues for a period of five (5) Business Days after notice of overdue payment is delivered by Ameresco to Customer; or

(2) any representation or warranty made by Customer in this Agreement or in any writing delivered by Customer pursuant hereto proves at any time to have been false, misleading or erroneous in any material respect as of the time when made; or

(3) Customer fails to perform or meet any of its required duties or obligations under this Agreement and fails to cure such failure, and the effects of such failure, within thirty (30) days of receipt of written notice of default, unless such failure or the effects of such failure cannot be completely cured within thirty (30) days after said written notice, in which case a default shall exist only if Customer does not commence and diligently pursue to cure such failure, or the effects of such failure, as soon as possible; or

(4) Customer goes into receivership, or makes an assignment for the benefit of creditors whether voluntary or involuntary, or a petition is filed by or against Customer under any bankruptcy, insolvency or similar law and such petition is not dismissed within sixty (60) days.

(b) Ameresco shall be in default under this Agreement upon the occurrence of either of the following:

(1) Ameresco fails to perform or meet any of its required duties or obligations

under this Agreement and fails to cure such failure, or the effects of such failure, within thirty (30) days of receipt of written notice of default, unless such failure, or the effects of such failure, cannot be completely cured within thirty (30) days after said written notice, in which case a default shall exist only if Ameresco does not commence and diligently pursue to cure such failure, or the effects of such failure, as soon as possible; or

(2) any representation or warranty made by Ameresco in this Agreement or in any writing delivered by Ameresco pursuant hereto proves at any time to have been false, misleading or erroneous in any material respect as of the time when made; or

(3) Ameresco goes into receivership, or makes an assignment for the benefit of creditors whether voluntary or involuntary, or a petition is filed by or against Ameresco under any bankruptcy, insolvency or similar law and such petition is not dismissed within sixty (60) days.

SECTION 12 Remedies for Defaults.

(a) In the event Customer defaults under this Agreement, Ameresco may, subject to the dispute resolution procedures in Section 12(c) below:

(1) bring actions for any remedies available at law or in equity or other appropriate proceedings for the recovery of direct damages, (including amounts past due), and/or bring an action in equity for specific performance; or

(2) require Customer to pay (and Customer agrees that it shall pay) all out-of-pocket costs and expenses incurred by Ameresco as a result (directly or indirectly) of the event of default and/or Customer's actions under this Agreement, including, without limitation, any attorneys' fees and expenses and all costs related to the repossession, safekeeping, storage, repair, reconditioning or disposition of any ECMs; or

(3) without recourse to legal process, Ameresco may terminate this Agreement by delivery of written notice of termination.

(b) In the event Ameresco defaults under this Agreement, Customer may, subject to the dispute resolution procedures in Section 12(c) below:

(1) bring actions for any remedies available at law or in equity or other appropriate proceedings for the recovery of direct damages, (including amounts past due), and/or bring an action in equity for specific performance; or

(2) require Ameresco to pay (and Ameresco agrees that it shall pay) all out-of-pocket costs and expenses incurred by Customer as a result (directly or indirectly) of the event of default and/or Ameresco's actions under this Agreement, including, without limitation, any attorneys' fees and expenses and all costs related to the repossession, safekeeping, storage, repair, reconditioning or disposition of any ECMs; or

(3) without recourse to legal process, Customer may terminate this Agreement by delivery of written notice of termination.

(c) If claims, disputes or other matters in controversy ("***Claims***") arise concerning this Agreement, a representative from management of both Parties may meet in person or by phone within ten Business Days after either Party gives the other Party written notice of the dispute (the "***Dispute Notice***"). The Dispute Notice shall set forth in reasonable detail the aggrieved party's position and its proposal for resolution of the dispute. If the dispute is not resolved within 30 calendar days after the first meeting of the Parties, then the Parties may endeavor to resolve their Claims by non-binding mediation. A request for mediation shall be made in writing, delivered to the other Party and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of any and all remedies at law or in equity, but, in such event, mediation shall proceed in advance of any other proceedings filed in a judicial forum, which shall be stayed pending the results of the mediation. The Parties shall share the fees of the mediation equally. The mediation shall be held in the city/town of San Diego, CA. If the parties do not resolve the Claims through informal dispute resolution or mediation, either Party is free to use any other available remedy in law or at equity.

SECTION 13 **[Intentionally omitted.]**

SECTION 14 **Term; Termination.**

(a) Notwithstanding Section 6, the "Term" of this Agreement shall be the period of time commencing on the date of execution of this Agreement and expiring upon the expiration or earlier termination of the Solar Term or as otherwise provided in this Section 14.

At any time after the date of recording of the ***Notice of Completion***, Customer may terminate this Agreement upon thirty (30) days prior written notice to Ameresco, provided that Customer has paid to Ameresco all amounts due, subject to Section 32, as set forth in Section 4 and on Attachment E (other than amounts due for future performance by Ameresco). Customer shall provide notice to Ameresco of its election to terminate no later than thirty (30) days in advance of the end of the then current performance period year. The termination shall become effective on the last day of said performance period year.

The termination of this Agreement by Customer for any reason permitted in this Agreement, including, without limitation, as provided in Sections 1, 3, 10, 12, 14, and 15 hereof, shall release Ameresco from its obligation to provide maintenance, monitoring and training services after the effective date of termination, as well as its obligation to provide the Production Guarantee after the termination effective date; provided, however, that Customer is responsible for payment for maintenance, execution of services described in the Scope of Work and training services performed in accordance with the terms of this Agreement prior to the termination date and Ameresco shall remain responsible for any payments due to Customer under applicable provisions of this Agreement for periods prior to the termination effective date.

SECTION 15 Insurance and Bonds.

(a) Liability Insurance

(i) General. Ameresco shall obtain, and at all times during performance of the Scope of Work, maintain all of the insurance described herein. Surety companies and insurance companies shall familiarize themselves with all of the conditions and provisions of the Contract Documents (as defined in Section 23 below), and they waive the right of special notification of any change or modification of the Contract Documents or of decreased or increased work or of the cancellation of the Contract, or of any other acts by Customer or any other additionally insured, under the terms of the Contract. Notwithstanding the provisions of any other contract or agreement, the failure of any surety company or insurance company to receive notification of any of the aforesaid changes shall in no way relieve the surety company or insurance company of its obligations under the Agreement.

(ii) Employer's Liability Insurance. Ameresco shall provide during the life of this Agreement, Employer's Liability Insurance, including Occupational Disease, in the amount of, at least, one million dollars ($1,000,000.00) per person per accident. Ameresco shall provide Customer with a certificate of Employer's Liability Insurance before commencing work on the project. Such insurance shall comply with the provisions of the Contract Documents. The policy shall be endorsed, if applicable, to provide a Borrowed Servant/Alternate Employer Endorsement and contain a Waiver of Subrogation in favor of Customer.

(iii) Commercial General Liability Insurance. Ameresco shall procure and maintain during the life of this Agreement and for such other period as may be required herein, at its sole expense, "occurrence" form Commercial General Liability insurance coverage, at least as broad as the most current ISO CAL Form 00 01 including but not limited to, premises liability, contractual liability, products/completed operations, personal and advertising injury, independent contractors, Completed Operations/Products (for ten [10] years after final completion) and Blanket Contractual, which may arise from or out of Ameresco's operations, use, and management of the Site, or the performance of its obligations hereunder. The policy shall not contain any exclusion contrary to this Agreement including but not limited to endorsements or provisions limiting coverage for (1) contractual liability (including but not limited to ISO CG 24 26); or (2) cross-liability for claims or suits against one insured against another. Policy limits shall not be less than Five Million Dollars ($5,000,000) per occurrence for bodily injury, personal injury and property damage and general aggregate limit of not less than Ten Million Dollars ($10,000,000) providing at least all of the following minimum coverage (with deductibles or self-insured retentions not to exceed $100,000). If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit. Defense costs shall be paid in addition to the limits.

(iv) The limits set forth herein shall apply separately to each insured against whom claims are made or suits are brought, except with respect to the limits of liability.

The limits set forth herein shall not be construed to relieve Ameresco from liability in excess of such coverage, nor shall it limit Ameresco's indemnification obligations to Customer and others, and shall not preclude

Customer from taking such other actions available to Customer under other provisions of the Contract Documents or law.

(v) Ameresco shall cause any and all of its subcontractors engaged in the performance of the Scope of Work or Work under this Agreement to provide and maintain types and amounts of insurance coverage and limits of liability, consistent with industry custom and practice, and agreed to by Customer, commensurate to the type of work to be performed and exposure to risk. If any subcontractor's coverage does not comply with the foregoing provisions, Ameresco shall indemnify and hold Customer and its employees, officers, agents, officials, and volunteers harmless from any damage, loss, cost, or expense, including reasonable attorneys' fees), incurred by the aforementioned as a result of any third party claims for personal bodily injury or property damage. The provisions in this section shall not be limited in any way by the amount of insurance obtained by the affected subcontractor.

(vi) All general liability policies provided pursuant to the provisions of this Article shall comply with all the provisions of the Contract Documents.

(vii) All general liability policies shall be written to apply to all bodily injury, including death, property damage, personal injury, owned and non-owned equipment, blanket contractual liability, completed operations liability, explosion, collapse, under-ground excavation, removal of lateral support, asbestos removal (under the Contractor's Pollution Liability Policy under Section 15(a)(x) below only), and other covered loss, however occasioned, occurring during the policy term, and shall specifically insure the performance by Ameresco of that part of the indemnification contained in Section 15 of this Agreement relating to liability for injury to or death of persons and damage to property. If the coverage contains one or more aggregate limits, a minimum of 50% of any such aggregate limit must remain available at all times; if over 50% of any aggregate limit has been paid or reserved, Customer may require additional coverage to be purchased by Ameresco to restore the required limits. Ameresco may combine primary, umbrella, and as broad as possible excess liability coverage to achieve the total limits indicated above. Any umbrella or excess liability policy shall follow form of the underlying policy and include the additional insured endorsement described in the Contract Documents.

(viii) Automobile Liability Insurance. Ameresco shall take out and maintain at all times during the term of this Agreement a comprehensive "occurrence" form

Automobile Liability Insurance at least as broad as ISO CA 00 01 (Any Auto) in the amount of, at least, five million dollars ($5,000,000) (or current limit carried, if higher) combined single limit for bodily injury and property damage, providing at least all of the following coverage (with deductibles or self-insured retentions not to exceed $25,000). Such insurance shall provide coverage for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, in a form and with insurance companies acceptable to Customer. Limits may be satisfied through a combination of primary and excess policies. Such insurance shall comply with the provisions of the Contract Documents.

(ix) Builder's Risk ("All Risk"). It is Ameresco's responsibility to maintain or cause to be maintained Builder's Risk ["All Risk"] extended coverage insurance on all work, material, equipment, appliances, tools, and structures that are or will become part of the Work and subject to loss or damage by fire, and vandalism and malicious mischief, in an amount to cover 100% of the replacement cost. Customer accepts no responsibility for the Work until the date on which Customer executes and delivers the Notice of Completion with respect to the Work. Ameresco shall provide a certificate evidencing this coverage before commencing performance of the Work.

The named insureds shall be Ameresco, all Subcontractors of any tier (excluding those solely responsible for design work), suppliers, and Customer, its elected and appointed officers, agents, officials, employees, and volunteers, as their interests may appear. Ameresco shall not be required to maintain property insurance for any portion of the Work following Customer's execution and delivery of the Notice of Completion.

Policy shall be provided for replacement value on an "all risk" basis. There shall be no coinsurance penalty provision in any such policy. Policy must include: (1) coverage for any ensuing loss from faulty workmanship, nonconforming work, omission or deficiency in design or specifications; (2) coverage against machinery accidents and operational testing; (3) coverage for removal of debris, and insuring the buildings, structures, machinery, equipment, materials, facilities, fixtures and all other properties constituting a part of the Project; (4) transit coverage, including ocean marine coverage (unless insured by the supplier), with sub-limits sufficient to insure the full replacement value of any key equipment item; and (5) coverage with sub-limits sufficient to insure the full replacement value of any property or equipment

stored either on or off the Site. Such insurance shall be on a form acceptable to Customer to ensure adequacy and sublimit.

In addition, the policy shall meet the following requirements:

1) Insurance policies shall be so conditioned as to cover the performance of any extra work performed under the Agreement.

2) Coverage shall include all materials stored on site and in transit.

Such insurance, certificates and endorsements shall comply with all provisions of the Contract Documents.

(x) Contractor's Pollution Liability $1,000,000 per claim and in the aggregate.

(xi) Form and Proof of Carriage of Insurance. Any insurance carrier providing insurance coverage required by the Contract Documents shall be admitted to and authorized to do business in the State of California unless waived, in writing, by Customer's Risk Manager. Carrier(s) shall have an A.M. Best rating of not less than an A-:VII. Insurance deductibles or self-insured retentions must be declared by Ameresco, and such deductibles and retentions shall have the prior written consent from Customer. If umbrella or excess liability coverage is used to meet any required limit(s) specified herein, Ameresco shall provide a "follow form" endorsement satisfactory to Customer indicating that such coverage is subject to the same terms and conditions as the underlying liability policy.

(xii) Ameresco shall cause its insurance carrier(s) to furnish Customer with a properly executed original Certificates(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, showing such insurance is in full force and effect.

(xiii) Customer, its officials, officers, employees, agents ,and volunteers shall be named as Additional Insureds on Ameresco's All Risk policy and on Ameresco's and its subcontractors' policies of Commercial General Liability and Automobile Liability insurance using, for Ameresco's policy/ies of Commercial General Liability insurance, ISO CG forms 20 10 and 20 37 (or endorsements providing the exact same coverage), and, for subcontractors' policies of Commercial General Liability insurance, ISO CG form 20 38 (or

endorsements providing the exact same coverage).

(xiv) All of the following endorsements are required to be made a part of each of the above described policies:

1) "Thirty (30) days prior written notice of cancellation, except ten (10) days for nonpayment of premium, shall be given to Customer in the event of cancellation and/or reduction in coverage of any nature. Such notice shall be sent to:

Stephen Manganiello, Director of Public Works/City Engineer
City of National City
1243 National City Blvd.
National City, CA 91950

With a copy to:

Mike Gomez, Risk Manager (Liability)
City of National City
140 East 12th Street, Suite A
National City, CA 91950

2) "All policies of insurance shall contain a provision under which the insurance carrier waives its rights of subrogation with respect to Customer and the other parties named as additional insureds in this section."

Certificates of Insurance on Acord Form 25 or other Customer approved form, shall be submitted to the City Engineer and Risk Manager prior to commencement of the Work. Ameresco shall provide one copy of each required Certificate of Insurance for each copy of the Agreement. Ameresco shall furnish copies of separate certificates and endorsements for each Subcontractor. Ameresco agrees to furnish promptly to Customer originals of any endorsements issued after execution of the Agreement amending Ameresco's coverage or limits. Ameresco further agrees that, upon receipt of any notice of cancellation or alteration, Ameresco shall procure, within ten (10) days, other policies of insurance similar in all respects to the policy or policies about to be canceled or altered. If Ameresco fails to provide acceptable policies of insurance, Customer may obtain such insurance at the cost and expense of Ameresco.

Ameresco and its insurance carriers shall provide a Waiver of Subrogation in favor of

Customer.

The Certificates(s) and policies of insurance shall contain or shall be endorsed to contain the covenant of the insurance carrier(s) that it shall provide no less than thirty (30) days written notice, except ten (10) days for nonpayment of premium, shall be given to Customer prior to any nonrenewal or cancellation of such insurance. In the event of a nonrenewal or cancellation of coverage, Customer may terminate the Agreement or stop the Work in accordance with the Contract Documents, unless Customer receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements evidencing coverage's set forth herein and the insurance required herein is in full force and effect.

Ameresco shall not take possession, or use the Site, or commence operations under this Agreement until Customer has been furnished original Certificate(s) of Insurance and certified original copies of endorsements or policies of insurance including all endorsements and any and all other attachments as required in this section. The original endorsements for each policy and the Certificate of Insurance shall be signed by an individual authorized by the insurance carrier to do so on its behalf.

With the exception of Workers Compensation, Certificate(s) of Insurance, policies and endorsements shall so covenant and shall be construed as primary, and Customer's insurance and/or deductibles and/or self-insured retentions or self-insured programs shall not be construed as contributory. Ameresco shall provide endorsement(s) to this effect, using ISO CG form 20 01 or endorsement(s) providing the required coverage, at Customer's request.

Customer reserves the right to adjust the monetary limits of insurance coverage during the term of this Agreement including any extension thereof if in Customer's reasonable judgment, the amount or type of insurance carried by Ameresco becomes inadequate.

Ameresco shall require all tiers of sub-contractors working under this Agreement to provide the insurance required under this Section unless otherwise agreed to in writing by Customer.

(b) Performance & Payment Bonds:

(i) The successful bidder shall deliver to Customer two fully executed, identical counterparts of the Performance Bond and Payment (Labor and Materials)

Bond in the form supplied by Customer and included in the Contract Documents. Each bond shall be for one hundred percent (100%) of the Agreement Price. The surety insurer shall be admitted to transact surety business in the State of California, in accordance with Code of Civil Procedure section 995.120. Personal sureties and unregistered surety companies are unacceptable.

(ii) Before execution of the Agreement, the Bidder shall file Payment Bond and the Performance Bond with Customer to be approved by the Board in the amounts and for the purposes noted below. Bonds issued by a surety who is listed in the latest version of US. Department of Treasury Circular 570, who is authorized to issue bonds in California, and whose bonding limitation shown in said circular is sufficient to provide bonds in the amount required by the Agreement shall be deemed to be approved unless specifically rejected by Customer. Bonds from all other sureties shall be accompanied by all of the documents enumerated in the Code of Civil Procedure, Section 995.660 a). The Bidder shall pay all bond premiums, costs, and incidentals.

(iii) Each bond shall incorporate, by reference, the Agreement and be signed by both the Bidder and the Surety. The signature of the authorized agent of the Surety shall be notarized.

(iv) The Bidder shall provide two (2) good and sufficient surety bonds. The "Payment Bond" (Material and Labor Bond) shall be for not less than 100 percent of the Agreement Price, to satisfy claims of material suppliers and mechanics and laborers employed by it on the Work. The Payment Bond shall be maintained by Ameresco in full force and effect until Customer's execution and delivery of the Notice of Completion and until all claims for materials and labor are paid, and shall otherwise comply with the Civil Code.

The "Performance Bond" shall be for 100 percent of the Agreement Price to guaranty faithful performance of all work, within the time prescribed, in a manner satisfactory to Customer, and that all materials and workmanship will be free from original or developed defects. The bond must remain in effect until the end of the initial Ameresco Warranty Year set forth in Section 9(a) of this Agreement.

(v) Should any bond become insufficient, Ameresco shall renew the bond within 10 days after receiving notice from Customer.

Should any surety at any time be unsatisfactory to Customer, notice to that effect will be given to Ameresco. No further payments shall be deemed due or will be made under the Agreement until a new surety qualifies and is accepted by Customer.

(vi) Changes in the Work or extensions of time, made pursuant to the Agreement, shall in no way release Ameresco or the Surety from its obligations. As a condition of providing a bond for this project the Surety waives any notice requirements of such changes in the Work or extensions of time.

(vii) The Payment Bond and the Performance Bond shall only apply to the installation portion of this Agreement and do not apply in any way to energy savings guarantees, payments or maintenance or operational provisions, except that the Performance Bond shall guarantee that the installation will be free of defective materials and workmanship during the initial Ameresco Warranty Year.

SECTION 16 Indemnification.

(a) Anything in this Agreement to the contrary notwithstanding, neither Party nor its respective officers, directors, agents, employees, parent, subsidiaries or affiliates or their officers, directors, agents, employees, or volunteers shall be liable to any other Party, or its parent, subsidiaries, affiliates, officers, directors, agents, employees, volunteers, successors or assigns, or their respective insureds, for any incidental, indirect, punitive or consequential damages, connected with or resulting from performance or non-performance of this Agreement (irrespective of whether such claim of liability is based upon breach of warranty, strict liability, tort, contract, operation of law or otherwise) or anything done in connection therewith including, without limitation, claims in the nature of lost revenues, income or profits (other than payments expressly required and properly due under this Agreement), and increased expense of, reduction in or loss of power generation production or equipment used therefor.

(b) Ameresco's liability in contract under this Agreement shall in all cases be limited to damages with respect to claims arising out of the performance or nonperformance of Ameresco's obligations under this Agreement Ameresco's liability to Customer in tort (including negligence) shall, in all cases, not be limited to the proceeds of insurance maintained by Ameresco pursuant to the requirements of this Agreement.

(c) To the fullest extent permitted by law, Ameresco shall protect, indemnify, defend (with counsel selected and reasonably satisfactory to the party being held harmless and indemnified) and hold harmless Customer, and its elected officials, appointees, officers, agents, and employees (hereafter referred to individually as the "indemnitee" and collectively as the "indemnitees", from and against any and all types of liability, causes of action, claims, damages, demands, losses, expenses (including, but not limited to reasonable attorneys' fees and legal costs) (collectively, "Losses") from or to third parties and attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, arising out of or resulting from, either directly or indirectly:

(i) Ameresco's negligence with respect to the performance of the Work;

(ii) defective or non-compliant Work; or

(iii) the occurrence of either (or both) of the following:

a. violations of or a failure to comply with any safety order, rule, code or regulation, or

b. any and all liens, stop notices, charges of every type, nature or kind which may be at any time filed or claimed against the Project or any portion thereof, or Customer as a consequence of acts of Ameresco, his Subcontractors, material suppliers or others for which they are responsible, provided that Customer is not in default of its payment obligations under the Agreement;

(iv) any equal opportunity, unemployment, withholding, social security, workers' compensation or other employee benefit claims with respect to Ameresco or any Subcontractor arising out of the Work; or

(v) violation of any local, State or Federal law, regulation or code by Ameresco or any Subcontractor.

(vi) any intentional act by Ameresco or any of Ameresco's subcontractors of any tier, suppliers, employees, agents, officers, owners, consultants and volunteers.

(vii) Customer shall require any other contractor or subcontractor who may have a

contract on this Project with Customer to perform work in the areas where Work will be performed under this Agreement to agree to indemnify Customer and Ameresco, and hold them harmless from all claims for bodily injury and property damage that may arise from that contractor's or subcontractor's operations.

This indemnity obligation shall apply notwithstanding any negligent or intentional acts, errors or omissions of any indemnitee, but Ameresco's obligation to pay Losses shall be reduced in proportion to the percentage by which any indemnitee's negligent or intentional acts, errors or omissions caused the Losses. Such obligation shall not be construed to negate, abridge or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this section. Such indemnification and hold harmless shall include all defense-related fees and costs associated with the defense of each and every indemnitee, by counsel selected by each and every indemnitee and reasonably acceptable to Ameresco.

In any and all claims against Customer and its elected officials, appointees, officers, agents, and employees by any employee of Ameresco, any Subcontractor, any supplier of Ameresco or Subcontractors, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this section shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Ameresco or any Subcontractor or any supplier of either of them under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

The provisions in this section shall survive the termination or expiration of the Agreement until such time as action against any indemnitee on account of the matter covered by the indemnity is barred by the applicable statute of limitations, and shall not be limited in any way by the amount of insurance coverage obtained by Ameresco or any indemnitee.

SECTION 17 Agreement Interpretation and Performance.

The interpretation and performance of this Agreement, and the interpretation and enforcement of the rights of the Parties hereunder, shall be construed in accordance with and governed by the laws of the State of California. In the event of any ambiguity or conflict in meaning, the terms of this Agreement shall not be construed against the drafting Party based upon that Party's having drafted this Agreement.

SECTION 18 Privileged and Proprietary Information.

Customer may from time to time communicate to Ameresco certain confidential information to enable Ameresco to effectively perform the services to be provided herein. To the extent permitted by law, Ameresco shall treat all such information as confidential and shall not disclose any part thereof without the prior written consent of Customer. Ameresco shall limit the use and circulation of such information, even within its own organization, to the extent necessary to perform the services to be provided herein. The foregoing obligation of this Section 18, however, shall not apply to any part of the information that (i) has been disclosed in publicly available sources of information; (ii) is, through no fault of Ameresco, hereafter disclosed in publicly available sources of information; (iii) is already in the possession of Ameresco without any obligation of confidentiality; or (iv) has been or is hereafter rightfully disclosed to Ameresco by a third party, but only to the extent that the use or disclosure thereof has been or is rightfully authorized by that third party.

Ameresco shall not disclose any reports, recommendations, conclusions or other results of the services or the existence of the subject matter of this Agreement without the prior written consent of Customer. In its performance hereunder, Ameresco shall comply with all legal obligations it may now or hereafter have respecting the information or other property of any other person, firm or corporation.

Ameresco shall be liable to Customer for any damages caused by breach of this condition, pursuant to the provisions of this Section 18.

Customer is subject to the Public Records Act and this Section 18 is not intended to impede or impair Customer's requirements or obligations under that Act. If Customer receives a request for a copy of any information or documentation which Ameresco has indicated, by written notice to Customer, Ameresco considers confidential and proprietary, Customer shall notify Ameresco so that Ameresco may, at Ameresco's sole cost and expense, seek relief from compliance with such request.

SECTION 19 Severability.

Any term or provision of this Agreement that is declared invalid by any court of competent jurisdiction, shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement.

SECTION 20 Assignments and Subcontracting.

(a) Ameresco may elect to use subcontractors and/or subconsultants in meeting its obligations hereunder. A subcontractor is a person or entity who has a direct contract with Ameresco to perform any effort in connection with the Work. The term Subcontractor does not include any separate contractors employed by Customer or such separate contractors' subcontractors. For the purposes of this Agreement, no contractual relationship shall exist between Customer and any Subcontractor. Ameresco shall be responsible for the management of its Subcontractors in their performance of their Work.

(b) Customer shall not assign, transfer, or otherwise dispose of, in whole or in part, this Agreement, the ECMs, or any interest therein, or sublet or lend the ECMs or permit the ECMs to be used by anyone other than Customer, Customer's tenants at any Property and Customer's employees without the prior express written consent of Ameresco (or, if applicable, the Lessor) such consent not to be unreasonably withheld, conditioned or delayed.

(c) Ameresco shall not assign this Agreement, in whole or in part, to any other party without first obtaining the written consent of Customer. The foregoing notwithstanding, Ameresco may assign, without the prior written consent of Customer, its (i) rights and obligations under this Agreement, in whole or in part, to any affiliated or associated company of Ameresco and (ii) rights for payments under this Agreement to any financial institution, lender or investor in connection with a leasing or financing arrangement for the ECMs. Ameresco will notify Customer ten (10) Business Days prior to any such assignment and Customer agrees to acknowledge receipt of such notice in writing within three (3) Business Days after such notice.

SECTION 21 Waiver.

The failure of either Party to require compliance with any provision of this Agreement shall not affect that Party's right to later enforce the same. It is agreed that the waiver by either Party of performance of any term of this Agreement or of any breach thereof will not be held or deemed to be a waiver by that Party of any subsequent failure to perform the same or any other term or condition of this Agreement or any breach thereof.

SECTION 22 Force Majeure.

(a) If either Party shall be unable to carry out any part of its obligations under this Agreement (except Customer's obligation to make payments when due) due to causes beyond its control ("***Force Majeure***"), including but not limited to an act of God, strikes, lockouts or other industrial disturbances, acts of public enemies, acts of terrorism, orders or restraints of any kind of the government of the United States or any state or any of their departments agencies or officials or any other civil governmental, military or judicial authority, war, blockage, insurrection, riot, sudden action of the elements, fire, explosion, flood, earthquake, storms, drought, landslide, or explosion or nuclear emergency, utility power outage, this Agreement shall remain in effect but the affected Party's obligations shall be suspended for a period equal to the disabling circumstances, provided that:

(1) the non-performing Party gives the other Party prompt written notice describing the particulars of the Force Majeure, including but not limited to the nature of the occurrence and its expected duration, and continues to furnish timely regular reports with respect thereto during the period of Force Majeure;

(2) the suspension of performance is of no greater scope and of no longer duration than is required by the Force Majeure;

(3) no obligations of either Party that arose before the Force Majeure causing the suspension of performance are excused as a result of the Force Majeure;

(4) the non-performing Party uses reasonable efforts to remedy its inability to perform; and

(5) the Term, shall be extended for a period equal to the number of days that the Force Majeure prevented the non-performing Party from performing.

(b) Any decision by Customer to close or change the use of the facilities or ECMs at the Property shall not constitute a Force Majeure excusing Customer's performance under this Agreement, unless such decision to close or change the use of the facilities or ECMs at a Property is itself the direct result of an event of Force Majeure as described herein.

SECTION 23 Contract Documents; Ownership of Design Documents.

(a) The Contract Documents consist of this Agreement and its Attachments (A-K), which include various exhibits, schedules, and addenda.

(b) Upon execution of this Agreement by both Parties, this Agreement and its Attachments (including the EAR attached as Attachment B hereto) shall constitute the entire Agreement between the Parties relating to the subject matter hereof, and shall supersede all proposals, previous agreements, discussions, correspondences, and all other communications, whether oral or written, between the Parties relating to the subject matter of this Agreement.

(c) Section headings used herein are for the convenience of reference only and are not to be construed as a part of this Agreement.

(d) This Agreement may not be modified or amended except in writing signed by the Parties.

(e) All documents and specifications and the EAR ("***Project Information***") prepared and furnished by Ameresco pursuant to this Agreement and specifically developed for the Project site with the Customer's funds shall become the property of Customer upon completion of the Project. Ameresco shall retain file copies of such information as required by law and standards of its professional practice. If Customer reuses the Project Information for purposes other than directly related to the Project, it does so at its own risk. In such event, except as provided in Section 18 of this Agreement, the name and seal of Ameresco's design professionals shall be removed and Ameresco and its design professionals shall not be liable to Customer or third parties for such re-use.

(f) Record Drawings (Red-line As-built drawings). Accurate and legible records shall be kept on a set of contract drawings of all changes of Work, which occur during construction. Ameresco shall record, by dimension and/or scale drawings, all wiring, conduits and pull boxes as actually installed. All information necessary to maintain and/or service any concealed work shall be noted on these record drawings. Such records shall be kept up to date with all entries checked by the Customer Engineer before the Work is buried or covered up. Upon completion of the Work for each Property (but prior to acceptance of the Work), Ameresco shall deliver to Customer two sets of complete "As Built" record drawings.

Customer reserves the right to request interim prints of the "As-Builts" record drawing when Ameresco submits periodic application for payment in order to verify the accuracy and timeliness of recording the actual construction conditions. If Ameresco's "As Built" documentation is not satisfactory to Customer, or Customer's

representative, this deficiency may be cause to delay approval of the periodic or final payment applications until the deficiencies are resolved to Customer's satisfaction.

If Ameresco fails to keep adequate As-Built Drawings, Customer, or Customer's representative, may take any and all measures necessary to create proper and acceptable As-Built drawings through any means that Customer, or Customer's representative, deems appropriate including hiring a qualified third party. All costs incurred by Customer to develop and produce As-Built drawings shall be deducted from amounts due to Ameresco.

(g) Precedence of Contract Documents. If there a conflict between any of the Contract Documents, the documents highest in precedence shall control. A conflict is where one item is shown differently in two locations and both indications of the item cannot be constructed, produced, or interpreted consistently. An omission of an item in one area of the plans, specifications or Contract Documents, but shown in another, is not a conflict but shall be considered included in all. The precedence of the Contract Documents shall be as follows:

(1) Permits of other agencies as may be required by law.

(2) California Building, Mechanical, Electrical and Plumbing codes.

(3) Change Orders and Supplemental Agreements; whichever occurs last.

(4) Agreement & Exhibits (other than the EAR).

(5) EAR

(6) Statement of Qualifications & Ameresco's Responses to SOQ

(7) Project Special Provisions

(8) Project Plans

SECTION 24 Notices.

All notices, requests, demands, claims and other communications hereunder shall be in writing. Any notice, request, demand, claim or other communication hereunder (other than regularly scheduled payments) shall be deemed properly given or made upon receipt if delivered in person or sent by electronic facsimile with regular mail follow-up, or two Business Days after being deposited in the mail if sent by registered or certified mail, return receipt requested, postage prepaid, or the next business day if sent by overnight delivery service, in each case, addressed as follows:

CITY OF NATIONAL CITY

Stephen Manganiello
Director of Public Works/City Engineer
1243 National City Boulevard
National City, CA 91950
(619)-336-4382
(619)-336-4397
SManganiello@nationalcityca.gov

And to:

Kuna Muthusamy
Assistant Director of Engineering/Public Works
1243 National City Boulevard
National City, CA 91950
(619)-336-4383
(619)-336-4397
kMuthusamy@nationalcityca.gov

With a copy to:

Office of the City Attorney
City Attorney
1243 National City Boulevard
National City, CA 91950
(619)-336-4220
(619)-336-4327
attorney@nationalcityca.gov

AMERESCO, INC.

60 East Rio Salado Parkway, Suite 1001
Tempe, AZ 85281
Attention: Dominic Palma
Facsimile: 480-499-9170

With a copy to:

AMERESCO, INC.
111 Speen Street, Suite 410
Framingham, MA 01701
Attention: General Counsel
Facsimile: 508-598-3219

Either Party may change such address from time to time by written notice to the other Party.

SECTION 25 Records.

To assist Ameresco in its performance of this Agreement, Customer shall (to the extent it has not already done so) furnish (or cause its energy suppliers and transporters to furnish) to Ameresco, upon its request, accurate and complete data (kept by Customer or Customer's energy suppliers and transporters in the regular course of their respective businesses)

concerning energy usage for the existing facilities at the Property. Such records shall include, without limitation, the following data for the most current thirty-six (36) month period: (i) utility records; (ii) occupancy information; (iii) descriptions of any changes in building structure or heating, cooling or other systems or energy requirements; (iv) descriptions of all energy consuming or saving equipment used on Property; and (v) descriptions of all energy management procedures presently utilized. If requested by Ameresco, Customer shall also provide any prior energy analyses of the Property to the extent reasonably available.

SECTION 26 Representations and Warranties.

Each Party warrants and represents to the other that:

(a) it has all requisite power, authority, licenses, permits and franchises, corporate or otherwise, to execute and deliver this Agreement and perform its obligations hereunder;

(b) its execution, delivery and performance of this Agreement have been duly authorized by, and are in accordance with, as to Ameresco, its organic instruments and, as to Customer, by all requisite municipal, city council or other action and are not in breach of any applicable law, code or regulation;

(c) this Agreement has been duly executed and delivered by the signatories so authorized, and constitutes its valid and binding obligation;

(d) its execution, delivery and performance of this Agreement shall not result in a breach or violation of, or constitute a default under, any agreement, lease or instrument to which it is a party or by which it or its properties may be bound or affected;

(e) it has not received any notice of, nor to the best of its knowledge there is no, pending or threatened violation of any applicable laws, ordinances, regulations, rules, decrees, awards, permits or orders which would materially adversely affect its ability to perform its obligations hereunder; and

(f) the persons executing this Agreement are duly authorized to do so.

(g) Customer represents and warrants to Ameresco that Customer has obtained all necessary governmental, legal, administrative and any other approval necessary for it to enter into this Agreement.

SECTION 27 Independent Contractor.

Nothing in this Agreement shall be construed as reserving to Customer any right to exercise any control over or to direct in any respect the conduct or management of business or operations of Ameresco. The entire control or direction of such business and operations shall be in and shall remain in Ameresco, subject only to Ameresco's performance of its obligations under this Agreement. Neither Ameresco nor any person performing any duties or engaged in any work on the Property on behalf of Ameresco shall be deemed an employee or agent of Customer. Neither Ameresco nor any of its employees shall be entitled to any of the rights, benefits, or privileges of Customer's employees, including but not limited to retirement, medical, unemployment, or worker's compensation insurance. Nothing in this Section shall be deemed to be a waiver of Customer of the right to use its property. Customer and Ameresco are independent of one another and shall have no other relationship relating to or arising out of this Agreement. Neither Party shall have or hold itself out as having the right or authority to bind or create liability for the other by its intentional or negligent act or omission, or to make any contract or otherwise assume any obligation or responsibility in the name of or on behalf of the other Party.

SECTION 28 Additional Representations and Warranties of Customer.

Customer hereby warrants and represents to Ameresco that:

(a) Customer intends to continue to use the Property in a manner reasonably similar to its present use;

(b) Customer does not intend to make any changes to the electrical and thermal consumption characteristics of the Property from those which existed during the time when the EAR was performed except as may have been disclosed in writing by Customer to Ameresco prior to the date of this Agreement;

(c) Customer has provided Ameresco with all records heretofore requested by Ameresco (and, in that regard, Ameresco acknowledges that it has received data obtained during the performance of the EAR from Customer which appear to be complete as of the date of this Agreement) and that the information set forth therein is, and all information in other records to be subsequently provided pursuant to this Agreement shall be, true and accurate in all material respects except as may be disclosed by Customer in writing;

(d) Customer has not entered into any contracts or agreements for the Property with persons or entities other than Ameresco regarding the provision of the services set forth in the Scope of Work (provided that the foregoing shall not be deemed to

prohibit or restrict Customer from entering into new contracts or continuing existing contracts with other persons or entities for the performance of similar services.

(e) Since the date of the EAR, there has been no change, event, circumstance or development that has or could reasonably be expected to have a material adverse effect on (i) the operation or condition of the Property, (ii) the energy usage at the Property, or (iii) the ability of Customer to perform its obligations hereunder.

SECTION 29 Absence of Fraud or Collusion.

Ameresco hereby certifies, by its execution of this Agreement, that no official or employee of Customer has any pecuniary interest in this Agreement or in the expected profits to arise hereunder, and that this Agreement is made in good faith without fraud or collusion with any other person involved in the bidding process.

SECTION 30 Negligent/Wrongful Acts.

It is understood and agreed that neither Party to this Agreement shall be liable for any negligent or wrongful acts, either of commission or omission, chargeable to the other, unless such liability is imposed by law or is otherwise expressly provided for herein, and that this Agreement shall not be construed as seeking to either enlarge or diminish any obligation or duty owed by one Party against the other or against third parties.

SECTION 31 Further Documents and Events.

The Parties shall execute and deliver all instruments and documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement. Ameresco agrees to execute and deliver all documents reasonably required to release any lien held by Ameresco or its assignees upon the termination of this Agreement and payment of all amounts required to be paid by Customer to Ameresco pursuant to this Agreement. Customer agrees to execute and deliver all documents which may be required by an entity which provides funds for any financing contemplated herein and to cooperate with Ameresco in obtaining such funds. Customer agrees to execute and deliver all instruments and documents which may be required to obtain all licenses, permits and governmental approvals required by Ameresco for installation and operation of the ECMs. Ameresco's obligations hereunder are subject to obtaining all such required licenses, permits and governmental approvals.

SECTION 32 **Compliance with California Laws.**

The parties hereby acknowledge and agree as follows:

(a) The Project is a "public works project" as defined in Section 1720 of the California Labor Code ("Labor Code"), and Part 7, Chapter 1, of the Labor Code is applicable to the Project. Ameresco must be, and shall be deemed and construed to be, aware of and understand the requirements of California Labor Code Sections 1720 et seq., and 1770 et seq., and Title 8 of the California Code of Regulations, Section 16000 et seq. (collectively, "Prevailing Wage Laws") which require the payment of prevailing wage rates and the performance of other requirements on public works projects. Ameresco, at no additional cost to the Customer, shall comply with any and all applicable labor-related requirements, regardless of how implemented, including, without limitation, requirements for payment of Prevailing Wage Laws, maintenance, inspection and submittal of payroll records, notice and posting requirements, et cetera. Ameresco must ensure that any and all subcontractors working under Ameresco comply with Prevailing Wage Laws and other public works requirements. Ameresco, at no additional cost to the Customer, must cooperate with the California Department of Industrial Relations ("DIR"), the Compliance Monitoring Unit of the DIR, and the Customer in connection with labor-law compliance matters. A contractor or subcontractor that has been debarred in accordance with the Labor Code, including, without limitation, pursuant to Sections 1777.1 or 1777.7, is not eligible to bid on, perform, or contract to perform any portion of the Work. Wage rates for the Work shall be in accordance with the general prevailing rates of per-diem wages determined by the Director of Industrial Relations pursuant to Labor Code Section 1770. Wage rates shall conform to those on file at the Customer's principal office and Ameresco must post a copy of such wage rates at each Property. The Customer will withhold payment to Ameresco necessary to satisfy civil wage and penalty assessment(s) issued by the Labor Commissioner. The following Labor Code sections, regardless of whether set forth or summarized in this Agreement, or whether correctly set forth or summarized in this Agreement, are by this reference incorporated into and are a fully operative and effective provisions of this Agreement, and Ameresco shall be solely responsible for compliance therewith, as applicable:

(1) Section 1735: Anti-Discrimination Requirements;

(2) Section 1775: Penalty for Prevailing Wage Rate Violations;
(3) Section 1776: Payroll Records;
(4) Sections 1777.5, 1777.6 and 1777.7: Apprenticeship Requirements;
(5) Sections 1810 through 1812: Working Hour Restrictions;
(6) Sections 1813 and 1814: Penalty for Failure to Pay Overtime; and
(7) Section 1815: Overtime Pay.

(b) Pursuant to California Public Contract Code ("PCC") section 7103.5, in entering into a public works contract or a subcontract to supply goods, services or materials pursuant to a public works contract, Ameresco and its subcontractors offer and agree to assign to the Customer all rights, title and interest in and to all causes of action it may have under section 4 of the Clayton Act (15 U.S.C. section 15) or under the Cartwright Act (Chapter 2 [commencing with section 16700] of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services or materials pursuant to the public works contract or subcontract. This assignment shall be made and become effective at the time the Customer tenders final payment to Ameresco, without further acknowledgment by the Parties.

(c) Ameresco shall keep one copy of this Agreement and all other Contract Documents, Change Orders and Title 24 of the California Code of Regulations, on hand at each Property and available for review at all times. Said documents shall be kept in good order and available to representatives of the Customer and governmental and quasi-governmental entities with competent jurisdiction over the Project or any portion thereof. Ameresco hereby represents and warrants that it is familiar with and that it will comply with the provisions of Title 24 of the California Code of Regulations as they relate to the Project.

(d) Pursuant to Government Code Section 8546.7, the State Auditor has the right, for a period of three years following final payment, to review, audit and/or copy records of the contracting Parties with respect to each contract providing for expenditure of public funds in excess of $10,000.

(e) The Customer will permit the substitution of securities in lieu of withholding retention, in accordance with the provisions of PCC section 22300 if requested within thirty (30) days of execution of this Agreement.

(f) PCC Section 20104 et seq. establishes procedures and requirements for claims on public works projects of $375,000 or less. Subject to the provisions of this Section 32, PCC Section 20104 et seq. shall apply to claims by Ameresco arising from this Agreement for amounts of $375,000 or less. Subject to the provisions of this Section 32, all claims by Ameresco arising from this Agreement shall be subject to the Government Claims Act set forth in California Government Code Section 810 et seq.

(g) PCC section 20104.50 ("Section 20104.50") establishes requirements for public agencies to promptly pay their contractors. The Customer shall process and pay the invoices for Progress Payments submitted by Ameresco pursuant to this Agreement in accordance with the requirements of Section 20104.50, and the Customer shall pay interest on late payments as provided in Subsection (b) of Section 20104.50.

(h) Only apprentices, as defined in Labor Code section 3077, who are in training under apprenticeship standards and written apprenticeship agreements under Chapter 4 (commencing at section 3070), Division 3 of the Labor Code, are eligible to be employed under the Agreement.

(i) Ameresco shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Labor Code, in particular the statutory minimum and maximum computation of compensation metric contained in California Labor Code Section 4452, and all amendments to the California Labor Code; and all similar State or federal acts or laws applicable; and shall indemnify, and hold harmless the Customer and its officers, and employees from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description, including reasonable attorney's fees and defense costs presented, brought or recovered against the Customer or its officers, employees, or volunteers, for or on account of any liability under any of said acts which may be incurred by reason of any work to be performed by Ameresco under this Agreement.

SECTION 33 Third Party Beneficiaries.

Except as may be specifically provided for in this Agreement, the Parties hereto do not intend to create any rights for, or grant any remedies to, any third party beneficiary of this Agreement.

SECTION 34 **Notifications of Governmental Action - Occupational Safety and Health.**

The Parties agree to notify each other as promptly as is reasonably possible upon becoming aware of an inspection under, or any alleged violation of, the Occupational Safety and Health Act or any other provision of federal, state or local law rule or regulation relating in any way to the undertakings of either Party under this Agreement.

Customer or Customer's Representative, their employees and visitors brought to the Project site by Customer shall adhere to all of Ameresco's site safety rules while on or near the site. Visitors or other employees of the Customer shall be accompanied by the Customer's Representative at all times while at or near the site and Ameresco's Representative shall receive advance notice of such visits.

SECTION 35 **References.**

Unless otherwise stated all references to a particular "***Attachment***" or to "***Attachments***" or to a particular "Section" or to "Sections" thereto, are to the referenced Attachment or Attachments which are attached to this Agreement and all such referenced Attachments are incorporated by reference within this Agreement. All references herein to a Section or subsection shall refer to a Section or a subsection, as the case may be, of this Agreement unless this Agreement specifically provides otherwise.

[END OF AGREEMENT – SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the duly authorized officers or representatives of the Parties have set their hand on the date first written above with the intent to be legally bound.

CITY OF NATIONAL CITY

By: _____
Ron Morrison, Mayor

AMERESCO, INC., a Delaware corporation
(Signatures of two corporate officers required)

By: _____
Robert Georgeoff, Vice President

By: _____
John R. Granara III, EVP & CFO

APPROVED AS TO FORM:

Angil P. Morris-Jones
City Attorney

By: _____

Roberto M. Contreras
Deputy City Attorney

[Signature page to Energy Services Agreement]

ATTACHMENT A

PROPERTY DESCRIPTION

The Scope of Work will be performed at the following locations:

	Building Name	National City Address
1	Civic Center	1243 National City Boulevard National City, CA 91950
2	MLK Community Center	140 E 12th Street National City, CA 91950
3	Kimball Senior Center	1221 D Avenue National City, CA 91950
4	Kimball Recreation Center	148 E 12th Street National City, CA 91950
5	El Toyon Recreation Center	2005 E 4th Street National City, CA 91950
6	Camacho Recreation Center & Gym	1800 E 22nd Street National City, CA 91950
7	Casa de Salud	1408 Harding Avenue National City, CA 91950
8	Public Library	1401 National City Boulevard National City, CA 91950
9	Police Department	1200 National City Boulevard National City, CA 91950
10	Fire Station 34	343 E 16th Street National City, CA 91950
11	Fire Station 31	2333 Euclid Avenue National City, CA 91950
12	Arts Center	200 E 12th Street National City, CA 91950
13	Las Palmas Pool	1800 E 22nd Street National City, CA 91950

	Building Name	National City Address
14	Kimball Park	140 E 12th Street National City, CA 91950
15	El Toyon Park	2005 E 4th Street National City, CA 91950
16	La Palmas Park	2101 Palm Avenue National City, CA 91950
17	Public Works Yard	1726 Wilson Avenue National City, CA 91950

ATTACHMENT B

Energy Audit Report (containing Sections A through G)

[Attached Behind]

ATTACHMENT C

NOTICE TO PROCEED
[PROPOSE CUSTOMER VERSION]

[insert date]

Mr. Robert Georgeoff, Vice President
Ameresco, Inc.
60 East Rio Salado Parkway, Suite 1001
Tempe, AZ 85281

Subject: Ameresco Energy Conservation Measures, CIP No. 17-03

Dear Mr. Georgeoff:

Ameresco, Inc. is authorized to begin work on the above referenced project on , 2017. This letter is your **NOTICE TO PROCEED**. You must obtain all required permits from the Building Department prior to beginning work. Unless otherwise specified in the special provisions, the contact time shall commence upon the date of issuance of the Notice to Proceed. The work shall start within 5 days thereafter, and be diligently processed to completion within the contract time.

In accordance with the contract, the construction shall be completed on or before _____.

Kuna Muthusamy, Assistant Director of Engineering & Public Works is the Project Manager representing the City of National City. He can be reached at (619)-336-4383 or via email at kmuthusamy@nationalcityca.gov.

All correspondence regarding this project shall be sent to:

City of National City
Engineering Department
1243 National City Blvd.
National City, CA 91950

Thank you for your interest in working with the City of National City.

Sincerely,

Stephen Manganiello
City Engineer

ATTACHMENT D

THIRD PARTY MANUFACTURER WARRANTIES

[ATTACH BEHIND]

ATTACHMENT E

CONTRACT COST AND ANNUAL SERVICES

(a) Contract Cost: Customer shall pay to Ameresco, an amount equal to five million, four hundred three thousand, three hundred eight Dollars and No Cents ($5,403,308.00) (the "***Contract Cost***") in accordance with the terms described in Section 4 of this Agreement. The Contract Cost includes the EAR work described in Attachment B of this Agreement.

(b) Other Services: Energy Savings Reporting
Measurement and Verification to be determined based on type of energy conservation measures implemented as referenced in Attachment B. Measurement and Verification services ("M&V Services") may terminate as more fully described in Section 6 of this Agreement.

ATTACHMENT F

CHANGE ORDER FORM

Ameresco Energy Services Agreement **CHANGE ORDER NO. 1**

Specification No. (Date)

Contractor:

Reason/Purpose for this Change Order:

The City of National City and Contractor agree to the following change to the original Contract:

Original Contract Amount.....

Net change by previously authorized Change Orders..... -

Subtotal..... -

Amount of this change order.....

New contract amount.....

Working days added: Working days subtracted: 0 Percent change in Contract to date

Submitted by:			
Project Manager	Date	City Project Manager	Date

Approved by:			
City Engineer	Date	City Manager, required for Change Orders >$24,999	Date

By signing this Change Order the Contractor confirms that he/she is completely familiar with its terms and conditions and has fairly negotiated its price, terms and conditions. If this Change Order is approved, Contractor will provide all of the equipment, materials and labor necessary to provide a complete work as described above at that the price stated herein. Additionally, Contractor confirms that the price is fair and complete and represents all costs associated with the work, including but not limited to all equipment, materials, labor, supervision, overhead, fees, bonds, insurance, profit, etc. and that there will be no further compensation. All of the terms and conditions of the original contract documents are incorporated herein. (***2 originals: 1 for City Clerk, 1 for Contractor***)

Accepted and agreed to by (Contractor's name):	
Name:	Date

Note to Contractor: If you do not agree with this Change Order you may be directed to proceed with this work under the terms of the contract and you may proceed under protest. You must comply with the contract requirements of submitting a written protest to protect your claim.

Originals: City Clerk, Contractor

cc: Engineering project file, Project Manager

ATTACHMENT G

SUBSTANTIAL COMPLETION CERTIFICATE

PROJECT NAME & ADDRESS: _____

_____

PROJECT NO.: _____

CONTRACT DATE: _____

DESCRIPTION:

The installation of [list each ECM being accepted with this certificate] at the above-listed City location(s) [insert a Property's name from Attachment A] under the Agreement has/have been reviewed and found to be in good working order pursuant to the attached Commissioning Report. The date of Substantial Completion of the forgoing ECM(s) is hereby established as:

SUBSTANTIAL COMPLETION DATE:_____

The date of Substantial Completion of a Property is the date certified by Customer when such Property has been commissioned by Customer to perform and operate in accordance with the Agreement so that Customer derives beneficial use thereof.

The Substantial Completion date set forth above is the date of commencement of the Ameresco Warranty Year, as defined in Section 9 of the Agreement. A list of items to be completed or corrected are identified below as punchlist items. The failure to include any items on such punchlist does not alter the responsibility of Ameresco to complete all Work in accordance with the Agreement.

CONTRACTOR: Ameresco, Inc., 60 East Rio Salado Parkway, Suite 1001, Tempe, AZ 85281

AUTHORIZED SIGNATURE: _____ **DATE:** _____

NAME: _____
(type or print)

CUSTOMER: CITY OF NATIONAL CITY
1243 National City Boulevard, National City, CA 91950

AUTHORIZED SIGNATURE: _____ **DATE:** _____

NAME: _____
(type or print)

PUNCHLIST ITEMS

Attach additional page(s) as necessary. Number of pages attached _____.

ATTACHMENT H

NOTICE OF COMPLETION

RECORDING REQUESTED BY
WHEN RECORDED MAIL TO:
NAME: CITY OF NATIONAL CITY
ADDRESS: 1243 NATIONAL CITY BOULEVARD
NATIONAL CITY, CA 91950

NOTICE OF COMPLETION

CALIFORNIA CIVIL CODE SECTION 9204

NOTICE IS HEREBY GIVEN of the completion on [insert date] of the Ameresco Energy Services Agreement CIP No. 17-03 Work of improvement or portion of work of improvement under construction or alteration.

Ameresco performed certain energy conservation services and installations at those City facilities attached hereto as **Attachment A.**

Street Address City State Zip Code

The undersigned owns the following interest or estate in said property:

Owner in fee

Nature of the interest or estate of owner (mortgagor, lessee, etc.)

Said work of improvement was performed on the property pursuant to a contract with

Ameresco, Inc.

Name of Original Contractor

The following work and material were supplied:

Labor provided: general laborer. Materials: HVAC Mechanical Equipment, solar panels, interior and exterior lights, and irrigation lines. Services: Installation of Civic Center HVAC & Controls Upgrades, Solar Panels, Interior Lighting Upgrades, Exterior Lighting Upgrades, HVAC Equipment Replacements, Irrigation Controls as well as the implementation of Domestic Water Conservation measures.

General statement of kind of labor, services, equipment or materials

The names and addresses of co-owners are: N/A

Joint tenants, tenants in common, or other owners

Dated: [insert date]; _____

Signature of Owner
City of National City
1243 National City Blvd.
National City, CA 91950

I, the undersigned, declare:

I have read the foregoing Notice of Completion and know the contents thereof; the same is true of my own knowledge. I declare under penalty of perjury under the laws of the State of California that the forgoing is true and correct.

Executed on [insert date] at, National City, California.

Signature: _____
RON MORRISON, MAYOR

Noc 14-05

ATTACHMENT I

GLOSSARY OF ENERGY MANAGEMENT TERMS AND ABBREVIATIONS

[Attached Behind]

ATTACHMENT J

December 15, 2015 Energy Audit Agreement

[ATTACH BEHIND]

ATTACHMENT K

Ameresco SOQ and Interview Question Responses

ATTACHMENT L

Installation Schedule

[*to be negotiated by Ameresco and Customer*]

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 6/13/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Arthur J. Gallagher Risk Management Services, Inc.
470 Atlantic Avenue
Boston MA 02210

CONTACT NAME:
PHONE (A/C, No, Ext): 617-261-6700 FAX (A/C, No): 617-646-0400
E-MAIL ADDRESS:

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Zurich American Insurance Company	16535
INSURER B : National Union Fire Insurance Company of	19445
INSURER C : Zurich American Insurance Company of IL	27855
INSURER D : Steadfast Insurance Company	26387
INSURER E :	
INSURER F :	

INSURED AMERINC-17
Ameresco, Inc.
111 Speen Street
Suite 410
Framingham MA 01701

COVERAGES **CERTIFICATE NUMBER:** 1803740543 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY	Y		GLO585238804	11/30/2016	11/30/2017	EACH OCCURRENCE	$2,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$500,000
							MED EXP (Any one person)	$10,000
							PERSONAL & ADV INJURY	$2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						GENERAL AGGREGATE	$4,000,000
	POLICY X PRO-JECT X LOC						PRODUCTS - COMP/OP AGG	$4,000,000
	OTHER:							$
A	AUTOMOBILE LIABILITY	Y		BAP585238704	11/30/2016	11/30/2017	COMBINED SINGLE LIMIT (Ea accident)	$1,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
B	X UMBRELLA LIAB X OCCUR			013791009	11/30/2016	11/30/2017	EACH OCCURRENCE	$10,000,000
	EXCESS LIAB CLAIMS-MADE						AGGREGATE	$10,000,000
	DED RETENTION $							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	N / A		WC595394503	11/30/2016	11/30/2017	X PER STATUTE / OTH-ER	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y/N N (Mandatory In NH)						E.L. EACH ACCIDENT	$1,000,000
	If yes, describe under DESCRIPTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$1,000,000
							E.L. DISEASE - POLICY LIMIT	$1,000,000
C	Installation Floater			PWG455350513	11/30/2016	11/30/2017		$5,403,308
D	Contractors Pollution			EOC669274306	11/30/2016	11/30/2017		$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: Energy Services Agreement

The City of National City, its elected officials, officers, agents, employees, and volunteers are included as Additional Insured throughout the City of National City on the general liability policy, as per form # U-GL-1175-F CW, edition 04/13 and on the auto policy, as per form #CA 20 48, edition 02/99. The umbrella policy follows form to the underlying.

CERTIFICATE HOLDER

City of National City
c/o Risk Manager
1243 National City Boulevard
National City CA 91950

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Patrick J. Veale

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The ACORD name and logo are registered marks of ACORD

ZURICH®

Contractor's Protective Professional Indemnity And Liability Insurance Policy Jacket

STEADFAST INSURANCE COMPANY
Dover, Delaware
Administrative Offices – 1299 Zurich Way
Schaumburg, Illinois 60196-1056

Important Notice

Service of Suit and In Witness Clause

ZURICH®

Service of Suit

In the event an action or proceeding arises under the contract, it is agreed that the Company, at your request, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver or limitation of the right to arbitration as set forth herein or to commence an action in any court of competent jurisdiction in the United States to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or any state in the United States. It is further agreed that service of process in such suit may be made upon Illinois Corporation Service Company, 801 Adlai Stevenson Drive, Springfield, IL 62703. In any suit instituted against the Company upon this policy, the Company will abide by the final decision of such court or of any appellate court in the event of an appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefore, the Company hereby designates the Superintendent, Commissioner or Director of Insurance, other officer specified for that purpose in the statute, or his successors in office as its true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Insured of any beneficiary hereunder arising out of this policy of insurance and hereby designates the above named Illinois Corporation Service Company as the entity to whom the said officer is authorized to mail such process or a true copy thereof.

In Witness Clause

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

Nancy D. Mueller

President

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1299 Zurich Way
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8am - 4pm [CT])
Email: info.source@zurichna.com

Disclosure Statement

ZURICH®

It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.

Disclosure Statement

NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

http://www.zurichnaproducercompensation.com

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company

and its underwriting subsidiaries.

Contractor's Protective Professional Indemnity® and Liability Insurance Declarations

ZURICH®

Steadfast Insurance Company
Dover, Delaware
Administrative Offices - 1299 Zurich Way
Schaumburg, Illinois 60196-1056

Policy Number: EOC 6692743-06 **Renewal of:** EOC 6692743-05

Producer Number: 18615000

Producer Name: ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.

Item 1. **Named Insured:** AMERESCO, INC.

Address: 111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Item 2. **Limits of Liability:**

COVERAGE PART A:	$10,000,000	Each "Claim"
	$10,000,000	Aggregate Limit of Liability
COVERAGE PART B:	$10,000,000	Each "Claim"
	$10,000,000	Aggregate Limit of Liability
COVERAGE PART C:	$10,000,000	Each "Claim"
	$10,000,000	Aggregate Limit of Liability
COVERAGE PART D:	$2,500,000	Each "Claim"
	$2,500,000	Aggregate Limit If Liability
Rectification Coverage:	$6,000,000	Each "Claim"
	$6,000,000	Aggregate Limit of Liability
Policy:	$20,000,000	Aggregate Limit of Liability

Item 3. **"Policy Period":** Inception Date: 11/30/2016 Expiration Date: 11/30/2017
(12:01 a.m. local time at the address shown in Item 1.)

Item 4. **Self Insured Retention:**

COVERAGE PART A:	$500,000	Each "Claim"
COVERAGE PART B:	$500,000	Each "Claim"
COVERAGE PART C:	$500,000	Each "Claim"
COVERAGE PART D:	$500,000	Each "Claim"
Rectification Coverage:	$500,000	Each "Claim"

Item 5. **"Retroactive Date":** **See Applicable Attached Endorsements**

Item 6. **Premium:** $446,315 (25.00% Minimum & Deposit Premium)

Item 7. **Endorsement(s) Effective at Inception: "See Schedule of Forms and Endorsements"**

Item 8. **Policy Form:** STF-CPP-100-B CW (11/09)

THESE DECLARATIONS TOGETHER WITH THE APPLICATION(S), COVERAGE PART FORM(S), AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE NUMBERED POLICY. THE INSURANCE AS PROVIDED HEREIN IS "CLAIMS MADE." PLEASE DISCUSS ANY QUESTIONS YOU MAY HAVE WITH YOUR AGENT OR BROKER.

Schedule Of Forms And Endorsements

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

This endorsement modifies insurance provided by the following:

Form Number	Endorsement Number	Form Name
STF-CPP-128-A CW (05/09)		Contractor's Protective Professional Indemnity and Liability Insurance Policy Jacket
STF-GU-199-B (01/09)		Service of Suit and In Witness Clause
STF-CPP-100-B CW (11/09)		Contractor's Protective Professional Indemnity and Liability Insurance
STF-CPP-150-A CW (04/10)	01	Modified Retroactive Dates
STF-CPP-107-A CW (05/09)	02	Additional Named Insured(s)
STF-CPP-116-A CW (05/09)	03	Ninety (90) Day Cancellation
STF-CPP-123-A CW (05/09)	04	Punitive Damages Where Allowable by Law
STF-CPP-131-C CW (11/10)	05	Contractor's Pollution Liability - Claims Made with Mold and Mitigation
STF-CPP-142-A CW (04/10)	06	Aggregate Self-Insured Retention
STF-CPP-144-A CW (04/10)	07	Amendment To Waiver Of Subrogation Clients and Others Where Required By Contract
STF-CPP-147-A CW (04/10)	08	Modified Products Exclusion
STF-CPP-149-A CW (04/10)	09	Reduced Self-Insured Retention and Indemnity Endorsement
STF-CPP-155-B CW (03/11)	10	Rectification Indemnity Coverage
STF-CPP-156-B CW (11/10)	11	Non-Owned Disposal Site - Offsite and Onsite Coverage
STF-CPP-157-A CW (05/10)	12	Notification to Others of Cancellation
STF-CPP-159-A CW (05/10)	13	Notification to Others of Cancellation, Nonrenewal or Reduction of Insurance

STF-CPP-175-A CW (06/11)	14	Coverage Part C - Primary and Non-Contributory When Required by Written Contract
STF-CPP-185-A CW (03/12)	15	Choice of Counsel - Coverage Parts A and C
STF CPP 140 A CW (01/10)	16	Amendment to Definition O.
STF-CPP-140-A CW (01/10)	17	Amendment to Definition of Loss - Coverage Part C
STF-CPP-140-A CW (11/11)	18	Amended Definition - "Microbial Event"
STF-CPP-167-A CW (03/11)	19	Amendment of Definition J Coverage Part C- Contractor's Pollution Liability
STF-CPP-119-B CW (02/12)	20	Nuclear Energy Liability Exclusion - Broad Form
U-GU-1191-A CW (03/15)	21	Sanctions Exclusion Endorsement

Contractor's Protective Professional Indemnity and Liability Insurance

THIS POLICY PROVIDES CLAIMS MADE COVERAGE. UNDER COVERAGE PART A, "PROFESSIONAL LIABILITY CLAIMS" MUST FIRST BE MADE AGAINST THE "INSURED" DURING THE "POLICY PERIOD" AND REPORTED IN WRITING TO US DURING THE "POLICY PERIOD" OR EXTENDED REPORTING PERIOD, IF APPLICABLE. UNDER COVERAGE PART B, "PROTECTIVE INDEMNITY CLAIMS" MUST FIRST BE MADE BY YOU AGAINST THE "DESIGN PROFESSIONAL" AND REPORTED IN WRITING BY YOU TO US DURING THE "POLICY PERIOD" OR EXTENDED REPORTING PERIOD, IF APPLICABLE.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine your rights, duties and what is and is not covered. Throughout this policy the words "you" and "your" refer to the "Named Insured" shown in the Declarations. The words "we", "us", and "our" refer to the Company providing this insurance. This policy contains Coverage A - Contractor's Professional Liability Coverage and Coverage B - Contractor's Protective Professional Indemnity Coverage, including terms and conditions unique to those coverage parts, and Common Policy Sections applicable to both Coverage Part A and Coverage Part B.

Refer to the DEFINITIONS sections of this policy for the special meaning of words and phrases that appear in quotation marks. PLEASE READ THE ENTIRE POLICY CAREFULLY.

In consideration of the premium charged, your undertaking to pay the Self Insured Retention, if any, and in reliance upon the statements in the application made a part hereof, and subject to the Limit of Liability of this insurance as set forth in the Declarations, and the Exclusions, Conditions and other terms of this Policy, we agree with you as follows:

I. INSURING AGREEMENT

COVERAGE PART A - CONTRACTOR'S PROFESSIONAL LIABILITY COVERAGE

A. COVERAGE

We will pay on behalf of the "Insured" all sums in excess of the applicable Self Insured Retention noted in Item 4 of the Declarations that the "Insured" is legally obligated to pay as "Damages" because of a "Professional Liability Claim" first made against the "Insured" during the "Policy Period" and reported to us during the "Policy Period", the Automatic Extended Reporting Period or the Optional Extended Reporting Period if applicable, provided that:

1. the "Professional Liability Claim" arises out of an actual or alleged negligent act, error or omission with respect to the rendering of or failure to render "Professional Services" by the "Insured" or any entity for which the "Insured" is legally responsible;
2. the actual or alleged negligent act error, or omission took place during the "Policy Period" or on or after the "Retroactive Date" specified in the Declarations; and
3. prior to the effective date of the first policy issued to you and continuously renewed by us, none of your principals, partners, directors or officers had any knowledge of any circumstance that could reasonably be expected to result in a "Professional Liability Claim".

B. DEFENSE

We have the right and duty to defend, with counsel of our choice, any "Professional Liability Claim" seeking "Damages" to which Coverage Part A of this insurance applies. "Professional Liability Claim Expenses" reduce the applicable Limit of Liability identified in the Declarations and as described in Section IV.A.2 SELF INSURED RETENTION. Our duty to defend all "Professional Liability Claims" or pay any "Damages" or "Professional Liability Claim Expenses" to which this insurance applies shall end when the applicable Limit of Liability has been exhausted by the payment of "Professional Liability Claim Expenses" or "Damages".

C. MEDIATION

If we and you agree to use "Mediation" to resolve a "Professional Liability Claim" and the "Professional Liability Claim" is resolved thereby, the Self Insured Retention set out in the Declarations shall be reduced by 50% for that "Professional Liability Claim", subject to maximum reduction of $20,000 each "Professional Liability Claim". Any Self Insured Retention payments above the reduced Self Insured Retention amount will be reimbursed within 30 days of the resolution of the "Professional Liability Claim".

COVERAGE PART B - CONTRACTOR'S PROTECTIVE PROFESSIONAL INDEMNITY

A. COVERAGE

We shall indemnify you for "Loss" in excess of the "Design Professional's Insurance", subject to the provisions of the Self Insured Retention and Limit of Liability designated in Items 4 and 2 of the Declarations, respectively, provided that:

1. a "Protective Indemnity Claim" is first made by you against the "Design Professional" under contract to you and reported in writing by you to us during the "Policy Period" or if exercised, the Optional Extended Reporting Period;
2. such "Protective Indemnity Claim" arises out of a negligent act, error or omission of the "Design Professional" in the rendering of or failure to render "Professional Services", and the act, error or omission took place on or after the "Retroactive Date" specified in the Declarations; and
3. prior to the effective date of the first policy issued to you and continuously renewed by us, none of your principals, partners, directors or officers had any knowledge of any circumstance that could reasonably be expected to result in a "Protective Indemnity Claim".

B. DEFENSE

We shall not defend any "Design Professional", even if the "Design Professional's Insurance" has been reduced, exhausted, or for any reason is unavailable.

II. DEFINITIONS

A. "Bodily Injury" means physical injury, sickness, disease, death, mental anguish or emotional distress sustained by any person.

B. "Claim" means "Professional Liability Claim" or as otherwise defined as by endorsement to this policy.

C. "Claim Expenses" means:

1. fees charged by an attorney designated by:
   (a) us; or
   (b) the "Insured" with our prior written consent.
2. with the exception of Item 4. in this definition, all other fees, costs and expenses resulting from the investigation, adjustment, or defense of a "Claim", and the premiums for appeal, attachment or similar bonds;
3. interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the amount available for the judgment under this policy; and
4. allowable expenses of $500 per day but no more than $10,000 for each "Claim" as compensation to your principals, directors, officers or employees for personally attending any legal or disciplinary proceeding at our request. These allowable expenses shall not be applied towards reducing the applicable Self Insured Retention amount and are in addition to the Limit of Liability.

"Claim Expenses" do not include salaries of your principals, directors, officers or employees, or salaries or expenses of our regular employees or officials; or fees and expenses of independent or public adjusters retained by us or the "Insured".

D. "Damages" means the monetary amounts for which the "Insured" may be held legally liable, including sums paid as judgments, awards, or settlements, and related "Professional Liability Claim Expenses" but do not include:

1. the restitution, return, withdrawal or reduction of fees, profits or charges for services rendered or offered or any other consideration or expenses paid to the "Insured" or by the "Insured" for services or products; or

2. judgments or awards deemed uninsurable by law.

E. "Design Professional" means those persons or entities or successors professionally qualified to perform "Professional Services" either itself or through the services of a subcontractor or subconsultant at any tier.

F. "Design Professional's Insurance" means all professional liability policies insuring the "Design Professionals" under contract to you.

G. "Insured" means:

1. the "Named Insured";

2. your current or former principals, partners, executive officers, directors, stockholders, trustees or employees while acting on your behalf and within the scope of their duties as such;

3. your current or former employees including leased personnel under your supervision, but only for acts within the scope of their employment or lease agreement;

4. your heirs, executors, administrators, assigns and legal representatives in the event of death, incapacity or bankruptcy, but solely with respect to the liability of the Named Insured otherwise insured herein;

5. any "Predecessor in Interest";

6. any "Insured" with regard to its participation in a legal entity including a limited liability company or joint venture, but only to the extent of the Insured's legal liability resulting from its performance of Professional Services under the respective legal entity or joint venture.

7. Any entity that is newly formed or acquired by the Named Insured during the policy period where the Named Insured has greater than fifty percent ownership, control, or beneficial interest, provided however that:

   a. Coverage shall be provided only for "Damages" arising out of "Professional Services" performed on or after the date of formation or acquisition, subject to the "Retroactive Date"; and

   b. This coverage shall expire at the end of the Policy Period or within 90 days of such formation or acquisition of the entity, whichever is earlier, unless you submit written notice to the Company providing detailed information concerning the newly formed or acquired entity, and provided further that you pay any additional premium requested by the Company.

H. "Loss" as respects Coverage Part B, means the amount you are legally entitled to recover from the "Design Professional(s)" either by adjudication by a court of competent jurisdiction, arbitration or settlement or any other method of dispute resolution to which we agree in writing. Such "Loss" must be the result of a negligent act, error or omission on the part of the "Design Professional(s)" in the rendering of or failure to render "Professional Services".

I. "Mediation" means non-binding intervention by a neutral third party.

J. "Named Insured" means the partnership, firm or corporation named in Item 1 of the Declarations, and includes any and all affiliates, divisions, subsidiary corporations, or subsidiary limited liability companies thereof, and any other legal entity in which you have fifty percent or more ownership.

K. "Policy Period" means the period set forth in the Declarations, or any shorter period resulting from a termination of this policy.

L. "Predecessor in Interest" means any prior entity whose assets have been acquired by you or whose partners, principals or shareholders have joined you and whose name has been provided in the application and for whose insurance you are responsible by written agreement.

M. "Professional Liability Claim" means any demand received by an "Insured" seeking "Damages" for "Professional Services" and alleging liability or responsibility on the "Insured's" part or on the part of any entity for whom the "Insured" is legally responsible.

N. "Professional Liability Claim Expenses" means "Claim Expenses".

O. "Professional Services" for purposes of Coverage Part A means those services that the "Insured", a "Design Professional", or an entity providing services under contract to a "Design Professional", are qualified to perform for others in their capacity as an architect, engineer, landscape architect, land surveyor or planner, construction manager, a LEED accredited professional, interior designer/space planner, or as specifically described by endorsement to this policy. "Professional Services" includes "Technology Services" to the extent provided in conjunction with the aforementioned capacities.

P. "Professional Services" for purposes of Coverage Part B means those services that the "Design Professional", or an entity providing services under contract to the "Design Professional", are qualified to perform for others in their capacity as an architect, engineer, landscape architect, land surveyor or planner, construction manager, a LEED accredited professional, interior designer/space planner, or as specifically described by endorsement to this policy. "Professional Services" includes "Technology Services" to the extent provided in conjunction with the aforementioned capacities.

Q. "Property Damage" means:

1. Physical injury to or destruction of tangible property including the resulting loss of use thereof;
2. Loss of use of tangible property that has not been physically injured or destroyed.

R. "Protective Indemnity Claim" means a written demand by you against a "Design Professional(s)" under contract with you seeking a remedy from or alleging liability or responsibility on the part of such "Design Professional(s)" for "Loss" arising out of the "Design Professional's" rendering of or failure to render "Professional Services".

S. "Retroactive Date" means the date on or after which any alleged or actual negligent act, error or omission giving rise to a "Protective Indemnity Claim", "Professional Liability Claim", "Loss" or "Damage" must have taken place in order to be considered for coverage under this policy, as stated in Item 5 of the Declarations. If none is shown, the retroactive date will be the effective date of the first policy issued by us to you.

T. "Technology Services" means the activities performed by or on behalf of the Insured including:

a. website design or website programming;
b. database design or database management, data warehousing, data application hosting;
c. hosting, management or maintenance of websites designed or programmed;
d. maintenance of computer programs, applications or systems designed or developed;
e. design and development of computer software programs, applications or systems;
f. creation, maintenance, use, modification, alteration, and input into any digital model or digital representation, including, for example, a Building Information Model (BIM) or other computer assisted design or drafting system or program; and
g. electronic data transmission in conjunction with any of the above.

III. EXCLUSIONS

This insurance does not apply to "Damages" or "Losses" based upon or arising out of:

A. any "Professional Liability Claim" or "Protective Indemnity Claim" made by any "Insured" against any other "Insured;"

B. any "Professional Liability Claim" made by, or any "Protective Indemnity Claim" brought against, any individual or entity or its subrogees or assignees:

(1) that wholly or partially owns or operates you; or
(2) in which you have an ownership interest in excess of 20 percent; or
(3) that is controlled or operated by you; or
(4) in which the "Insured" is an officer or director;

C. the refusal to employ, termination of employment, coercion, evaluation, reassignment, discipline, wrongful infliction of emotional distress or other employment-related torts, harassment, discrimination, wrongful deprivation of a career opportunity, breach of any oral, written or implied employment contract or quasi-employment contract, violation of any federal, state or local statute, regulation, ordinance, common law or public policy concerning employment or discrimination in employment;

D. any obligation for which the "Insured" or any carrier as insurer shall be liable under any workers' compensation, unemployment compensation, employer's liability, disability benefits law or under any similar law;

E. any conduct by an individual, corporation, limited liability company, partnership or joint venture of which the "Insured" is a partner, director, officer, member, participant or employee, that is not designated in the Declarations, policy form, or endorsement as a "Insured", except that this exclusion shall not apply to the "Insured's" legal liability resulting from performance of its responsibilities on behalf of the respective individual, corporation, limited liability company, partnership or joint venture;

F. any express warranty or guarantee except to the extent such liability would have attached by law in the absence of such warranty or guarantee;

G. liability of others assumed by an "Insured" or a "Design Professional" under any contract or agreement, unless such liability would have attached by law in the absence of such agreement because of a negligent act, error or omission of the "Design Professional" or "Insured" or any other person, entity or organization for whom the "Design Professional' or "Insured" is legally responsible, and the liability arises out of the rendering of or failure to render "Professional Services".

H. any project that is insured under a project specific insurance policy, provided, however, that this exclusion shall not apply where your liability is found to be in excess of the limit of liability available under such project specific insurance policy which has been specifically included for excess coverage by endorsement to this policy;

I. the design or manufacture of any goods or products which are sold or supplied by the "Insured", the "Design Professional," or by others under license from the "Insured" or the "Design Professional";

J. fines, penalties, and the multiple portion of multiplied damages;

K. cost estimates being exceeded. This exclusion shall not apply to those "Damages" or "Losses" which arise out of a negligent act, error or omission in the rendering of or failure to render "Professional Services";

L. any dishonest, fraudulent, criminal, intentional or malicious act, error or omission or those of a knowingly wrongful nature, except that this exclusion shall not apply to an "Insured" who did not commit, participate in, or have knowledge of such conduct;

M. the cost to repair or replace faulty workmanship in any construction, erection, fabrication, installation, assembly or manufacturing process performed or provided by an "Insured" or anyone for whom any "Insured" is legally responsible, including materials, parts or equipment furnished in connection therewith, including any workmanship which is not in accordance with the drawings and specifications with respect to any construction, erection, fabrication, installation, assembly or manufacturing process. This exclusion shall not apply to those "Damages" or "Losses" which result from a negligent act, error or omission in the rendering of or failure to render "Professional Services" by an "Insured" or others for whom the "Insured" is legally responsible;

N. "Bodily Injury" and "Property Damage" arising out of job site safety, including the failure to protect any property or persons or the preparation or failure to prepare any safety precautions or procedures in connection with any project;

O. attorney fees and related expenses incurred by you resulting from the investigation, adjustment, appeal or making of a "Protective Indemnity Claim" against a "Design Professional";

P. with respect to a "Protective Indemnity Claim" only, any amount awarded by default judgment or other proceeding in which any "Design Professional" has failed to answer, plead and otherwise defend itself or indemnify you. However this exclusion shall not apply if the "Insured" cooperates with us to determine what the "Loss" would have been in the absence of such default judgment or other proceeding in which any "Design Professional" failed to answer, plead or otherwise defend itself;

Q. a settlement which has been reached without our express written consent;

R. war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, strike, riot, civil commotion, or terrorism, including any act which is certified by the United States Secretary of the Treasury as an "act of terrorism", as defined by the Terrorism Risk Insurance Act of 2002 or any amendment thereto;

S. "Bodily Injury" or "Property Damage" arising out of construction means, methods, techniques, sequences and procedures; and

T. any failure to prevent unauthorized access to or use of an electronic system or program, unless such unauthorized access arises out of a negligent act, error or omission in the rendering of or failure to render "Professional Services" by you or by any entity for which you are legally responsible.

IV. LIMITS OF LIABILITY

A. COVERAGE PART A

1. EACH PROFESSIONAL LIABILITY CLAIM LIMIT OF LIABILITY

   Our liability for each "Professional Liability Claim" including "Damages" and "Professional Liability Claim Expenses" shall not exceed the amount set out in the Declarations as Each "Professional Liability Claim" Limit of Liability - Coverage Part A. The available Each "Professional Liability Claim" Limit of Liability under the policy is reduced by the payment of "Damages" and "Professional Liability Claim Expenses". We shall not be obligated to pay any "Damages" or "Professional Liability Claim Expenses" or undertake or continue the defense of any "Professional Liability Claim" after the Each "Professional Liability Claim" Limit of Liability has been tendered into court or exhausted by payment of "Damages" or "Professional Liability Claim Expenses".

2. SELF INSURED RETENTION

   Our liability and obligation to you for "Damages" and "Professional Liability Claim Expenses" under Coverage Part A for each "Professional Liability Claim" shall attach excess of the Self Insured Retention – Coverage Part A stated in the Declarations. The Self Insured Retention shall apply to each "Professional Liability Claim".

B. COVERAGE PART B

1. EACH PROTECTIVE INDEMNITY CLAIM LIMIT OF LIABILITY

   Our liability for each "Protective Indemnity Claim" for "Loss" shall not exceed the amount set out in the Declarations as the Each "Protective Indemnity Claim" Limit of Liability - Coverage Part B. The available Each "Protective Indemnity Claim" Limit of Liability under the policy is reduced by the payment of "Loss" by us under this policy. We shall not be obligated to pay any "Loss" after the Each "Protective Indemnity Claim" Limit of Liability has been tendered into court or exhausted by payment of "Loss".

2. SELF INSURED RETENTION

   Our liability and obligation to indemnify you for "Loss" under Coverage Part B attaches upon full payment of the amount(s) of the "Design Professional's Insurance". In the event the "Design Professional's Insurance" is unavailable through either exhaustion of its limits or through the applicability of a valid exclusion under the "Design Professional's Insurance" then our liability and obligation to indemnify you shall attach excess of the Self Insured Retention - Coverage Part B stated in the Declarations. The Self Insured Retention shall apply to each "Protective Indemnity Claim".

C. AGGREGATE LIMIT OF LIABILITY

Our total liability for all "Damages", "Losses" and "Claim Expenses" under Coverage Parts A, B and any endorsed coverage parts combined shall not exceed the amount set forth in the Declarations as the Aggregate Limit of Liability. The available Aggregate Limit of Liability under the policy is reduced by the payment of "Damages", "Losses" and "Claim Expenses". We shall not be obligated to pay any "Damages", "Losses", or "Professional Liability Claims Expenses" after the Aggregate Limit of Liability has been tendered into court or exhausted by payments for "Damages", "Losses" or "Claim Expenses".

D. MULTIPLE INSUREDS, CLAIMS, CLAIMANTS AND POLICY PERIOD(S)

1. ONE LIMIT OF LIABILITY / SELF INSURED RETENTION

The inclusion of more than one "Insured" in the making of a single "Claim" or "Protective Indemnity Claim", or the bringing of multiple suits regarding the same negligent act, error or omission shall not increase our Limit of Liability; neither shall the making of "Claims" or the bringing of suits by more than one person or organization. Two or more "Claims" or "Protective Indemnity Claims" under Coverage Parts A, B and any endorsed coverage parts or a combination of Coverage Parts A, B, and any endorsed coverage parts, arising out of the same, interrelated, associated, repeated or continuous negligent act, error or omission or a series of related negligent acts, errors or omissions shall be treated as a single "Claim" and shall be subject to the same Limit of Liability and only one Self Insured Retention (if a single coverage part only), or one Limit of Liability and one Self Insured Retention for each applicable Coverage Part if multiple coverage parts are involved. Any payments under one Coverage Part shall not be recoverable under another Coverage Part.

2. TWO OR MORE POLICY PERIODS

Any "Claim" or "Protective Indemnity Claim" which takes place over two or more "Policy Periods" shall be subject to only one Limit of Liability and one Self Insured Retention (if a single coverage part only). Any such "Claim" or "Protective Indemnity Claim" involving more than one Coverage Part shall be subject to only one Limit of Liability, and one Self Insured Retention per applicable coverage part. All such "Claims" or "Protective Indemnity Claims", whenever made, shall be considered first made on the date on which the earliest "Claim" or "Protective Indemnity Claim" was first reported to us and the Limit of Liability and Self Insured Retention applicable to that "Policy Period" shall apply.

V. CLAIM PROVISIONS

A. PROFESSIONAL LIABILITY CLAIMS AND OTHER "CLAIMS"

1. NOTICE OF CLAIM

A. In the event of a "Claim", prompt written notice containing particulars sufficient to identify you or any "Insured" involved and reasonably obtainable information with respect to time, place and circumstances, and the names and addresses of any injured parties and of available witnesses, shall be given by or for you to us. Written notice must be provided to us no later than 60 days after the expiration or termination of the policy or as provided under Optional Extended Reporting Period under Section VI of this policy, if purchased. Your knowledge of a "Claim" shall be deemed to have occurred when an individual acting in a capacity as legal counsel or risk manager, or a principal, partner, director, or executive officer first learned of the "Claim".

B. No costs, charges or related "Claim Expenses" shall be incurred without our written consent, which shall not be unreasonably withheld.

The "Insured" shall do nothing to prejudice our rights under this policy nor shall the "Insured" admit liability or settle any "Claim" without our written consent. If we recommend a reasonable settlement of a "Claim", the "Insured" shall have the opportunity to concur, such concurrence not to be unreasonably withheld. If we recommend a reasonable settlement of a "Claim":

1. for an amount within the Self Insured Retention and an "Insured" refuses to concur with such reasonable settlement, then we shall not be liable for any "Damages" or "Claims Expenses" in excess of the Self Insured Retention; or

2. for a total amount in excess of the balance of the Self Insured Retention and the "Insured" refuses to concur with such reasonable settlement acceptable to the claimant, then our liability for "Damages" and "Claim Expenses" shall be limited to that portion of the recommended settlement and the costs, charges and expenses incurred as of the date of an "Insured's" refusal, which exceed the Self Insured Retention and fall within the Limit of Liability.

C. The "Insured" shall assist and cooperate with us in the investigation, settlement and defense of all "Claims" made against the "Insured" and upon our request shall authorize the release of records and other information, secure and give evidence, attend hearings and trials and obtain the location of and cooperation of witnesses.

D. In the event that an "Insured" is entitled by law to select independent counsel to defend an "Insured" at our expense, the attorney's fees and all other litigation expenses we must pay to that counsel are limited to the rates we actually pay to counsel we retain in the ordinary course of business in the defense of similar "Claims" in the community where the "Claim" arose or is being defended.

Additionally, we may exercise the right to require that such counsel have certain minimum qualifications with respect to their legal competency including experience in defending "Claims" similar to the one pending against an "Insured" and to require such counsel to have errors and omissions insurance coverage. The "Insured" agrees that such counsel will respond to our request for information regarding the "Claim" in a timely manner. Furthermore, an "Insured" may at anytime, by its signed consent, waive its right to select independent counsel.

2. NOTICE OF CIRCUMSTANCE

If during the "Policy Period", the "Insured" becomes aware of an actual or alleged negligent act, error or omission which may be expected to give rise to a "Professional Liability Claim" or "Claim" under the policy, and the "Insured" provides written notice to us, prior to the expiration of the policy period and containing particulars sufficient to identify the "Insured" and reasonably obtainable information with respect to:

A. the time, place and explanation of the actual or alleged negligent act, error or omission including how the "Insured" first became aware of the actual or alleged negligent act, error or omission;

B. the name and addresses of any injured parties and available witnesses and the "Damages" which have or may result from such actual or alleged negligent act, error or omission;

C. any and all investigative or engineering reports, data or information about the actual or alleged negligent act, error or omission, or "Damages"; and

D. copies of any relevant contracts between the "Insured" and its client for "Professional Services".

then any "Claim", for which coverage is provided by this policy, that may be made against the "Insured" shall be deemed for the purposes of this insurance to have been made on the date on which the notice was given to us. In such event the "Insured" agrees to cooperate fully with us and do all things reasonably necessary to allow us to investigate such notice of circumstance and mitigate to the fullest extent possible the resultant "Damages", if any. At our sole discretion, we may elect to investigate any circumstance which is reported to us. Any costs associated with the investigation of a circumstance prior to a "Claim" being made will not be considered "Claim Expenses". These costs shall not be applied toward reducing the applicable Self Insured Retention and are in addition to the Limit of Liability and shall be borne by us.

B. PROTECTIVE INDEMNITY CLAIM PROVISION

1. NOTICE OF PROTECTIVE INDEMNITY CLAIM

A. As a condition precedent to Coverage Part B of this policy, you shall provide us with notice in writing of a "Protective Indemnity Claim" at the same time that you make such "Protective Indemnity Claim" against a "Design Professional".

B. We have the right but not the duty to participate in the investigation or settlement of a "Protective Indemnity Claim" covered under Coverage Part B of this policy. Whether or not we choose to participate in the settlement of a "Protective Indemnity Claim," the "Insured" shall make every effort, within reason, to obtain from the "Design Professional(s)" party to such settlement an assignment of any rights said "Design Professional(s)" has against any other "Design Professional(s)" to pursue claims that are related to or arising from the negligent act(s), error(s) or omission(s) included in the "Professional Indemnity Claim" and settlement.

C. You shall not enter negotiations or settlement of a "Protective Indemnity Claim" with the "Design Professional" or its representative involving any part of the Limit of Liability of this policy without our knowledge and consent to such negotiation and settlement. However, we may, in writing, and at our election, waive our participation and consent to such negotiation and settlement.

D. If we elect to participate in the negotiation and settlement of a "Protective Indemnity Claim", you shall fully cooperate with our requests for information. Your duty to cooperate with us is a condition precedent to coverage under this policy and your failure to cooperate shall relieve us of our obligations and liability under this policy.

2. NOTICE OF CIRCUMSTANCE

Circumstance reporting is not afforded under this coverage part.

C. REPORTING PROVISIONS

All notices of "Claims" or circumstances, and "Protective Indemnity Claims" are to be submitted to the following address:

Construction Professional Liability Claims Manager
Steadfast Insurance Company (or name of insurance company used)
P.O. Box 968041
Schaumburg, IL 60196
Fax number: (866) 255-2962

New matters may also be reported via email at:
USZ_Zurich_Construction_Professional_Claims@zurichna.com

VI. EXTENDED REPORTING PERIOD

A. AUTOMATIC EXTENDED REPORTING PERIOD

If we or you terminate or non-renew this insurance for any reason, other than nonpayment of premium or your failure to comply with any term or condition, or your fraud or material misrepresentation, you shall be entitled to a period of sixty (60) days from the date of policy termination to report "Professional Liability Claims" or "Claims" which are made against you prior to such termination date. This Automatic Extended Reporting Period may not be canceled by us and does not require the payment of an additional premium. This Automatic Extended Reporting Period shall be included within the Optional Extended Reporting Period if such is purchased.

B. OPTIONAL EXTENDED REPORTING PERIOD

If we or you terminate or non-renew this insurance for any reason, other than nonpayment of premium or your failure to comply with any term or condition, or your fraud or material misrepresentation, upon the payment of an additional premium, you shall have the option to:

a) extend the period by which a "Professional Liability Claim" or "Claim" can be made against you and reported to us; and

b) extend the period by which a "Protective Indemnity Claim" can be brought by you against a "Design Professional" and reported to us.

Selection of the Optional Reporting Period will include the extension of both a) and b) noted above.

"Professional Liability Claims" or "Claims" must be made and reported within the "Policy Period" or the Optional Extended Reporting Period, provided that the negligent act, error or omission giving rise to the "Professional Liability Claims" or "Claims", occurred on or after the Retroactive Date, if any and before the end of the "Policy Period".

"Protective Indemnity Claims" first made by you against a "Design Professional" and reported in writing to us during the "Policy Period" or the Optional Extended Reporting Period; provided that the negligent act, error or omission arises out of "Professional Services" performed for you by the "Design Professional" and has occurred on or after the Retroactive Date, if any and before the end of the "Policy Period".

The premium for the Optional Extended Reporting Period shall be determined by charging (1) 100% of the annual premium for twelve (12) months, (2) 150% for twenty-four (24) months, or (3) 200% for thirty-six (36) months. The purchase of an Optional Extended Reporting Period shall be endorsed herein.

Your right to purchase the Optional Extended Reporting Period must be exercised by notice in writing not later than thirty (30) days after the cancellation or termination date of this policy. Effective notice must indicate the total Optional Extended Reporting Period desired and must include payment of premium for such period. If such notice and the premium are not mailed to us within thirty (30) days, then you shall not at a later date be entitled to purchase an Optional Extended Reporting Period.

At the commencement of any Optional Extended Reporting Period, the entire premium shall be deemed fully earned, and in the event you terminate the Optional Extended Reporting Period before its term for any reason, we shall not be obligated to return to you any portion of the premium.

The fact that the period during which "Professional Liability Claims", "Claims", and "Protective Indemnity Claims" can be reported to us is extended by virtue of the Optional Extended Reporting Period shall not in any way increase the Limit of Liability of this policy.

VII. CONDITIONS

A. ACTION AGAINST US

1. As to Coverage A and any coverage parts otherwise defined by endorsement to this policy, no action shall lie against us unless, as a condition precedent thereto, there shall have been full compliance with all of the terms and conditions of this policy, and both your liability and the amount of your obligations to pay has been finally determined either by judgment against you after an actual trial or by your written agreement with the claimant or the claimant's legal representative with our prior approval.

   Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join us as a party to any action against you to determine your liability, nor shall we be impleaded by you or your legal representative.

2. As to Coverage B, no legal action may be brought against us until there has been full compliance with all the terms and conditions of this policy and both the "Design Professional's" liability and the amount of the "Design Professional's" obligations to pay have been finally determined either by judgment against the "Design Professional" after an actual trial, adjudication or arbitration or by your written agreement with the "Design Professional" with our prior approval.

   No person or organization has a right under this policy to bring us into any action to determine our liability or the "Design Professional's" liability.

B. ASSIGNMENT

Assignment of interest under this policy shall not bind us without our express written consent.

C. AUDIT AND INSPECTION

We shall be permitted upon reasonable prior notice to audit the "Insured's" final books and records at any time during the "Policy Period" and within three years after the final termination of this policy, as far as they relate to the subject matter of this policy. We shall also be permitted upon reasonable prior notice to inspect, sample and monitor on a continuing basis the "Insured's" operations. Neither our right to make inspections, sample and monitor nor the actual undertaking thereof nor any report thereon shall constitute an undertaking, on behalf of us or others, to determine or warrant that operations are safe, healthful or conform to acceptable engineering practice or are in compliance with any law, rule or regulation.

D. BANKRUPTCY

The "Named Insured's" bankruptcy or insolvency shall not relieve us of our obligations under this policy. Your bankruptcy, insolvency, inability to pay, failure to pay, or refusal to pay the Self Insured Retention will not increase our obligations under this policy. In the event there is insurance, whether or not applicable to a "Professional Liability Claim" or "Protective Indemnity Claim" within a Self Insured Retention, you will continue to be responsible for the full amount of the applicable Self Insured Retention before limits of insurance under this policy apply. In no case will we be required to pay the Self Insured Retention or any portion thereof. Our obligations will attach only when the entire amount of the applicable Self Insured Retention has been paid and then only in excess of the Self Insured Retention and not in excess of the Limits of Insurance adjusted for any reduction in the aggregate limit of our liability.

E. CANCELLATION

1. The policy may only be canceled by us for any of the following reasons:

   a. Non-payment of premium;

   b. A material misrepresentation or concealment of facts; or

   c. A material breach of any provision of the policy.

If this policy is canceled by us, notice of cancellation will be sent in writing to the "Named Insured", at the address indicated on the Declarations. We will provide such written notice at least thirty (30) days prior to the date such cancellation is to take effect.

The effective date and hour of cancellation will be stated in such notice. Cancellation by us also cancels the Extended Reporting Period. The "Policy Period", the Automatic Extended Reporting Period and the Optional Extended Reporting Period will end on that date. If we cancel for the reason specified in 1a, there shall be no return premium. If we cancel for reasons stated in 1b. or 1c., the earned premium shall be computed pro-rata of the policy term premium. Payment of any return premium shall not be a condition of cancellation.

2. You may cancel this policy by surrendering to us, or by mailing to us, written notice requesting cancellation and stating when thereafter such cancellation shall take effect. If canceled by you, we shall retain the customary short rate proportion of the premium.

3. It is agreed that this policy will automatically terminate upon your acquisition by another entity or your merger into another entity, such that the "Named Insured" is not the surviving entity, or your consolidation with another entity, or the acquisition of substantially all of your assets by another entity.

F. CHANGES

The terms and conditions of this policy may only be altered by an endorsement issued by us.

G. CHOICE OF LAW AND JURISDICTION

In the event an "Insured" and we dispute the meaning, interpretation or operation of any term, condition, definition or provision of this policy resulting in litigation, arbitration or other form of dispute resolution, the "Insured" agrees with us that the law of the State of New York shall apply without giving effect to any conflicts or choice of law principles. In the event an "Insured" and we agree to resolve any dispute by arbitration, any such arbitration shall be in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

H. DESIGN PROFESSIONAL INSURANCE

You shall require that each Design Professional with whom you have a written contract initially evidence professional liability insurance.

I. LIMITATION OF LIABILITY

As respects Coverage Part B, the Insured shall not, without our express written authorization, accept any limitation of liability clause in a contract between the "Insured" and a "Design Professional" other than to limit the Design Professional's liability to the amount of the insurance specified by contract.

J. OTHER INSURANCE

Where other insurance is available to the "Insured" in addition to the "Design Professional's Insurance" for "Damages" or "Losses" covered under this policy, our obligation to the "Insured" is as follows:

1. This insurance shall apply as excess over any other applicable insurance be it primary or excess.

2. Where this insurance is excess over any other valid and collectible insurance, we will pay only our share of the amount of "Damages" or "Losses" if any, that exceeds the total amount that all such other insurance would pay for the "Damages" or "Losses" in the absence of this insurance.

3. If other policies of insurance have been issued to the "Design Professional" which provide similar coverage for a "Claim" under this policy, in whole or in part, this policy shall apply in excess of those policies and this policy shall not contribute with such policies.

This provision shall not apply if other insurance is purchased by you specifically as excess of this insurance.

K. REPRESENTATIONS

By acceptance of this policy, you agree that the statements in the application and its attachments are your agreements and representations, that this policy is issued in reliance upon the truth of such representations, and that this policy, its Declarations and endorsements embody all agreements existing between you and us relating to this insurance.

L. SEVERABILITY

Except with respect to the Limit of Liability, and any rights or duties specifically assigned to you, this insurance applies:

1. as if each "Named Insured" were the only "Named Insured", and
2 separately to each "Insured" against whom a "Professional Liability Claim" is made.

Misrepresentation, concealment, breach of condition or violation of any duty under this policy by one "Insured" shall not prejudice the interest or coverage of another "Insured" under this policy.

M. SOLE AGENT

If there is more than one "Insured" named in this policy, the first "Named Insured" shall act on behalf of all "Insureds" for all purposes, including but not limited to the payment or return of premium, payment of any self insured retention, receipt and acceptance of any endorsement issued to form a part of this policy, complying with all applicable claims provisions, giving and receiving notice of cancellation or nonrenewal, and the exercise of the rights provided in the Extended Reporting Period or Subrogation clause.

N. SUBROGATION AND TRANSFER OF RIGHTS OF RECOVERY

If we make any payment under this policy, we shall be subrogated to all your rights against any person or organization, including the right to participate with the "Insured" in the exercise of all the "Insured's" rights of recovery. You shall execute and deliver instruments and papers to us and do whatever else is necessary to secure such rights. With respect to a "Protective Indemnity Claim," this includes a written transfer to us of any assignment(s) of rights obtained under section V. CLAIM PROVISIONS, B. PROTECTIVE INDEMNITY CLAIM PROVISIONS, paragraph 1.B. if the "Insured" has elected not to pursue same in furtherance of its "Protective Indemnity Claim". An "Insured" shall do nothing to prejudice such rights as described in this paragraph.

We shall not exercise any such rights against any persons, firms or corporations included in the definition of an "Insured" or against your clients if, prior to a "Professional Liability Claim," a waiver of subrogation was so required and accepted under a specific contractual undertaking by you.

Any recovery obtained through subrogation, after expenses incurred in such subrogation are deducted by the party bearing the expense, reimbursement will be made in the following order:

1. First, to any interest who has paid any amount in excess of the Limit of Liability provided under this policy;
2. next, to us; and
3. then to any interest as are entitled to claim the remainder, if any.

O. POLICY TERRITORY

Coverage under this policy shall extend anywhere in the world, to the extent permitted by law.

Endorsement # 01

Modified Retroactive Dates

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium already charged, it is hereby understood and agreed that Item 5 of the Declarations page is amended to read as follows:

Coverage Part A:	01/26/1983
Coverage Part B:	11/30/2011
Coverage Part C:	01/14/2003
Coverage Part C Microbial Events:	01/14/2003
Coverage Part D Mitigation:	11/30/2011
Rectification Coverage:	11/30/2011

Endorsement # 02

Additional Named Insured(s)

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium charged, it is agreed that Item 1. of the DECLARATIONS is amended to include the following:

Ameresco Limited
ESP Response Limited
Ameresco/Pacific Energy JV
Ameresco ARS LLC

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Endorsement # 03

Ninety (90) Day Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium charged, it is hereby understood and agreed that Section VII. CONDITIONS, Item E. CANCELLATION is deleted in its entirety and replaced as follows:

1. The policy may only be canceled by us for any of the following reasons:

   a. Non-payment of premium;

   b. A material misrepresentation or concealment of facts;

   c. A material breach of any provision of the policy.

   If this policy is canceled by us, notice of cancellation will be sent in writing to the "Named Insured", at the address indicated on the Declarations. We will provide such written notice at least ninety (90) days (thirty (30) days for non-payment of premium) prior to the date such cancellation is to take effect.

   The effective date and hour of cancellation will be stated in such notice. Cancellation by us also cancels the Extended Reporting Period. The "Policy Period", the Automatic Extended Reporting Period and the Optional Extended Reporting Period will end on that date. If we cancel for the reason specified in 1a, there shall be no return premium. If we cancel for reasons stated in 1b or 1c, the earned premium shall be computed pro-rata of the policy term premium. Payment of any return premium shall not be a condition of cancellation.

2. You may cancel this policy by surrendering to us, or by mailing to us, written notice requesting cancellation and stating when thereafter such cancellation shall take effect. If cancelled by you, we shall retain the customary short rate proportion of the premium.

3. It is agreed that this policy will automatically terminate upon your acquisition by another entity or your merger into another entity, such that the "Named Insured" is not the surviving entity, or your consolidation with another entity, or the acquisition of substantially all of your assets by another entity.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Endorsement # 04

Punitive Damages Where Allowable By Law

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT
SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium charged, it is hereby understood and agreed that Section III EXCLUSIONS, Item J. is deleted in its entirety and replaced as follows:

J. fines or penalties and the multiple portion of multiplied damages. However, this exclusion will not apply to punitive damages where allowable by law.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Endorsement # 05

Contractor's Protective Professional Indemnity and Liability Insurance – Amendments

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

THIS ENDORSEMENT PROVIDES CLAIMS MADE COVERAGE. UNDER COVERAGE PART C, "CONTRACTOR'S POLLUTION LIABILITY CLAIMS" MUST FIRST BE MADE AGAINST THE "INSURED" DURING THE "POLICY PERIOD" AND REPORTED IN WRITING BY YOU TO US DURING THE "POLICY PERIOD" OR EXTENDED REPORTING PERIOD, IF APPLICABLE.

In consideration of the premium charged, it is hereby agreed that the insurance provided under this policy is amended as follows:

1. Section **I. INSURING AGREEMENT** is amended by adding two additional Coverage Parts as follows:

COVERAGE PART C – CONTRACTOR'S POLLUTION LIABILITY

A. COVERAGE

We will pay on behalf of an "Insured" any "Loss" an "Insured" is legally obligated to pay as a result of "Contractor's Pollution Liability Claim(s)" caused by:

1. a "Pollution Event" resulting from "Technical Activities" performed by the "Named Insured" or anyone for whom the "Named Insured" is legally responsible; or
2. a "Pollution Event" resulting from "Completed Operations" of the "Technical Activities"; or
3. a "Microbial Event" resulting from either "Technical Activities" performed by the "Named Insured" or anyone for whom the "Named Insured" is legally responsible or from "Completed Operations" of the "Technical Activities";

provided that the "Technical Activities" must commence on or after the "Retroactive Date" and before the end of the "Policy Period" and the "Contractor's Pollution Liability Claim" is the first made against the "Insured" and reported to us during the "Policy Period", the automatic extended reporting period, or the extended reporting period, if applicable.

B. DEFENSE

We shall have the right and duty to assume the adjustment, defense and settlement of any "Contractor's Pollution Liability Claim" to which this insurance applies. "Contractor's Pollution Liability Claim Expense" reduces the applicable Limits of Liability set out in the Declarations as described in LIMITS OF LIABILITY section. Our duty to adjust, defend and settle all "Contractor's Pollution Liability Claims" to which this endorsement applies, pending

and future, ends when the applicable Limits of Liability have been tendered into court or exhausted by payment of "Contractor's Pollution Liability Claim Expense(s)" or "Loss(es)".

COVERAGE PART D - MITIGATION OF LOSS COVERAGE

A. COVERAGE

We shall indemnify the "Named Insured" for the "Named Insured's" "Actual and Necessary Costs and Expenses" incurred in rectifying a "Microbial Event" or a "Pollution Event" in any part of the construction works or engineering works for any project upon which the "Named Insured" is responsible for construction, provided that:

1. The "Named Insured" reports "Actual and Necessary Costs and Expenses" for a "Microbial Event" or "Pollution Event" as soon as practicable after discovery of such "Microbial Event" or "Pollution Event" but in no event after any certificate of substantial completion has been issued;
2. The "Named Insured" proves to us that the "Actual and Necessary Cost and Expenses" arises out of the "Named Insured's" rendering of "Technical Activities" which resulted in a "Microbial Event" or a "Pollution Event" for which a third party could otherwise make a "Claim" against the "Named Insured," and
3. provided that the "Technical Activities" must commence on or after the "Retroactive Date" and before the end of the "Policy Period" and the "Actual and Necessary Costs and Expenses" are reported to us during the "Policy Period" or the automatic extended reporting period.

In the event an "Insured" either concurrently or subsequently submits a "Contractor's Pollution Liability Claim" under this policy or a subsequent renewal for the same "Pollution Event" or "Microbial Event" for which the insured is undertaking or has previously undertaken mitigation of loss efforts, then any payments under the Mitigation of Loss Coverage afforded under this coverage part shall erode the limits of liability available under Coverage Part C – Contractor's Pollution Liability.

In the event that a "Contractor's Pollution Liability Claim" arises out of the same "Pollution Event" or "Microbial Event" for which the insured is undertaking or has previously undertaken rectification efforts under the Mitigation of Loss Coverage under this coverage part, then the "Insured's" self insured retention obligation under the Contractor's Professional Liability Coverage Part shall be offset to the extent of the costs incurred by the "Insured" under their self insured retention obligations under the Mitigation of Loss Coverage afforded under this coverage part.

B. ARBITRATION

In the event that the "Named Insured" and we do not agree that "Actual and Necessary Costs and Expenses" presented by the "Named Insured" under this Coverage Part arises out of rectifying a "Microbial Event" or a "Pollution Event", the dispute, as to that sole issue only, shall be referred to the American Arbitration Association before a three member panel and pursuant to their then existing Construction Industry Rules for an opinion as to whether the breach was or was not the result of a "Microbial Event" or "Pollution Event". The panel shall be composed of one licensed attorney, one licensed design professional and one licensed contractor. The "Named Insured" and we agree to accept the opinion of a majority of the panel as final and binding upon each of us as to that issue only.

2. Section **II. DEFINITIONS** is amended as follows:

   a. Solely with respect to **COVERAGE PART C**, the following definitions shall apply:

      A. "Automobile" means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any machinery or apparatus attached thereto.

      B. "Bodily Injury" means physical injury, sickness, disease, death, mental anguish or emotional distress suffered by any person.

      C. "Claim" means "Contractor's Pollution Liability Claim".

      D. "Cleanup Costs" means the necessary expenses incurred in the investigation, removal, remediation, neutralization or immobilization of contaminated soil, surface water, groundwater, or other contamination resulting from a "Pollution Event" or a "Microbial Event".

      To the extent that real or personal property not owned by the "Insured(s)" is directly damaged during the investigation, removal, remediation, neutralization or immobilization of contaminated soil, surface water, groundwater, or other contamination resulting from a "Pollution Event" or a "Microbial Event", this policy will

pay the expenses necessary to repair, replace, or restore such damaged real or personal property to substantially the same condition it was in prior to being so damaged provided that any such expenses shall, in no event, exceed the fair market value of such property prior to being damaged and further provided that such expenses shall not include expenses associated with improvements or betterments, including, but not limited to upgrades necessary to achieve building code compliance.

E. "Contractor's Pollution Liability Claim" or "Contractor's Pollution Liability Claims " means any demand or notice received by an "Insured" alleging liability or responsibility on the part of an "Insured" for "Losses" because of a "Pollution Event" or "Microbial Event" resulting from "Technical Activities" or "Completed Operations" of the "Technical Activities".

F. "Contractor's Pollution Liability Claim Expense(s)" means "Claim Expenses" as defined in this policy.

G. "Completed Operation(s)" coverage begins when the job is completed and includes all "Bodily Injury" and "Property Damage(s)" occurring away from the premises owned or rented by the "Insured" and arising out of "Technical Activities" that have been completed or "Technical Activities" that have not been abandoned. "Technical Activities" will be deemed completed at the earliest of the following times:

1. When all the "Technical Activities" called for in the contract have been completed; or
2. When all the "Technical Activities" to be done at one or more sites have been completed if the contract calls for "Technical Activities" at more than one site; or
3. When that part of the "Technical Activities" at any site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project. "Technical Activities" that may need service, maintenance, correction, repair or replacement, but which are otherwise complete, will be deemed complete.

H. "Hazardous Materials" means any petroleum, petroleum products, polychlorinated biphenyls, explosives, reactive materials, ignitable materials, corrosive materials and any hazardous, toxic, radioactive and infectious materials, substances, chemicals or wastes, together with any other substances designated as hazardous substances or hazardous materials by federal, state or municipal laws, statutes or ordinances, including rules, administrative or judicial orders, directives or policies.

I. "Hazardous Materials Facility" means any site, location or premises, or any part of any site, location or premises, on which "Hazardous Materials", wastes or pollutants are stored, treated, processed, recycled or disposed other than those sites at which "Technical Activities" are being performed.

J. "Insured" has the meaning stated in the policy, and solely as to Coverage Part C shall also include the following:

1. your clients but only:
   a. when required by written contract executed and effective before the "Technical Activities"; and
   b. with respect to "Technical Activities" and "Completed Operation(s)" of the "Technical Activities"; and
   c. for those amounts required by written contract not to exceed the Limits of Liability of this policy; or
2. any other person or entity endorsed on this policy as an "Insured".

K. "Loss(es)" means:

1. compensatory damages or legal obligations arising from;
   a. "Bodily Injury";
   b. "Property Damage";
2. and related "Contractor's Pollution Liability Claim Expense".

L. "Microbial Event" means any "Loss" caused directly or indirectly, by: 1. any "Fungus(i)" or "Spore(s)", or 2. any substance, vapor or gas produced by or arising out of any "Fungus(i)" or "Spore(s)". For the purpose of this definition, the following definitions are added:

1. "Fungus(i)" includes, but is not limited to: a. any form or type of mold, mushroom or mildew; b. any other fungal structure; and c. any volatile organic compounds, mycotoxins, allergenic proteins or other

substances or gases produced by or arising out of any mold, mushroom, mildew , fungal structure or "Spore(s)".

2. "Spore(s)" means any reproductive body produced by or arising out of any "Fungus(i)".

M. "Named Insured" has the meaning stated in the policy at Section **II. DEFINITIONS**, J.

N. "Natural Resource Damage" means physical injury to or destruction of, including the resulting loss of value of land, fish, wildlife, biota, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 et. seq.)), any state or local government, any foreign government, any Native American tribe or, if such resources are subject to a trust restriction on alienation, any member of a Native American tribe.

O. "Policy Period" means the period set forth in the Declaration, or any shorter period arising as a result of termination of the policy.

P. "Pollution Event" means the discharge, dispersal, release, or escape of any solid, liquid, gaseous or thermal irritant, contaminant or pollutant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste.

Q. "Property Damage" has the meaning stated in the policy, and solely as to Coverage Part C shall also include the following:

1. "Cleanup Costs"; and

2. "Natural Resource Damage".

R. "Retroactive Date" means the date set forth in the Declarations or attached Endorsement, and the earliest date a "Technical Activity" can commence for coverage to be provided under this policy.

S. "Technical Activities" means construction work and other non-professional services.

b. In addition to the definitions listed in Section **II. DEFINITIONS** of this policy and listed above for Coverage Part C and solely respects **COVERAGE PART D**, the following definitions are added to the definitions in Section **II. DEFINITIONS** of this policy:

A. "Actual and Necessary Costs and Expenses" means those sums actually incurred by the "Named Insured" which are reasonably related to the efforts needed to remedy a "Microbial Event" or "Pollution Event" covered by this coverage part, less any overhead, profit and mark-up of the "Named Insured."

B. "Mitigation of Loss Claim" means a claim based on "Actual and Necessary Costs and Expenses" incurred in rectifying a "Microbial Event" or "Pollution Event".

3. Section **III. EXCLUSIONS** is amended by adding the following which are the only exclusions to apply to this Coverage Part:

a. Solely with respect to **COVERAGE PART C – CONTRACTOR'S POLLUTION LIABILITY**, this insurance does not apply to "Contractor's Pollution Liability Claim(s)" or "Loss(es)" based upon or arising out of:

A. a "Pollution Event" or "Microbial Event" existing prior to the "Retroactive Date" of the policy;

B. any dishonest, fraudulent, or malicious act, error or omission, or those of a knowingly wrongful nature or the intentional, willful or deliberate non-compliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order, or instruction of any governmental agency or body by or at the direction of an "Insured" except that this exclusion will not apply to an "Insured" who did not commit, participate in, or have knowledge of any of the acts described;

C. a "Contractor's Pollution Liability Claim" made by an "Insured" against any other "Insured", however, this exclusion does not apply to clients of the "Named Insured" who are considered "Insureds" under this policy;

D. a "Contractor's Pollution Liability Claim" made by an entity or individual:

1. that wholly or partially owns, operates or manages an "Insured"; or

2. in which an "Insured" has an ownership interest in excess of 20%; or

3. that is controlled, operated or managed by an "Insured"; or

4. in which an "Insured" is an officer or director;

E. any obligation of an "Insured" which could have been brought in whole or in part under a workers compensation, disability benefits or unemployment compensation law or any similar law;

F. conduct by an individual, corporation, partnership or joint venture of which an "Insured" is a partner, director, officer, member, participant or employee, that is not designated in the Declarations or by Endorsement as a "Named Insured" however, this exclusion shall not apply to the "Named Insured" for "Contractor's Pollution Liability Claim(s)" alleging liability of the "Named Insured" arising out of the "Named Insured's" participation in the joint venture. Such liability is limited exclusively to the "Loss" arising out of the "Named Insured's" performance of "Technical Activities";

G. liability of others assumed by an "Insured" under any contract or agreement, however, this exclusion shall not apply to:

1. such written contracts or agreements, in effect prior to the performance of the "Technical Activities" between the "Named Insured " and its client provided that the liability for the "Loss(es)" arises from a "Pollution Event" or "Microbial Event" resulting from "Technical Activities" or "Completed Operation(s)" of the "Technical Activities" performed by the "Named Insured" or any other person, entity or organization for whom the "Named Insured" is legally responsible and the liability does not arise due to the sole negligence of the client; or

2. liability for the "Loss(es)" would have attached to an "Insured" by operation of law in the absence of such contract or agreement;

H. any project that is insured under a project specific insurance policy, provided, however, that this exclusion shall not apply where your liability is found to be in excess of the limit of liability available under such project specific insurance policy which has been specifically included for excess coverage by endorsement to this policy;

I. goods or products designed, manufactured, sold, handled, distributed, or supplied by an "Insured" or by others trading under its name or under license from an "Insured";

J. fines, penalties, and the multiple portion of multiplied damages;

K. injury to any employee, contract employee or leased personnel of an "Insured" if such injury occurs during and in the course of said employment; or to the spouse, child, parent, brother or sister of any employee, contract employee or leased personnel of an "Insured" as a consequence of said employment; or to any obligation of an "Insured" for indemnity or contribution to another because of "Loss" arising out of such injury in the course of employment, except that this exclusion does not apply to liability assumed by the "Named Insured" under a written contract or agreement, in effect prior to the "Loss" between the "Named Insured" and its client provided that the "Loss" arises out of a "Pollution Event" or a "Microbial Event" and the "Loss" does not arise due to the sole negligence of the client;

L. any consequence, whether direct or indirect, of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, strike, riot or civil commotion;

M. the ownership, entrustment, maintenance, use, operation, loading or unloading of any "Automobile", aircraft, vessel or rolling stock beyond the boundaries of the site at which the "Technical Activities" are being conducted unless endorsed onto this policy. However, this exclusion shall not apply to a "Pollution Event" arising from the ownership, entrustment, maintenance, use, operation, loading or unloading of any "Automobile" or arising from waste or materials transported by or on behalf of the "Named Insured" via "automobile" during the course of performing "Technical Activities";

N. waste, contaminants, pollutants, or materials transported via "Automobile", aircraft, vessel, or rolling stock beyond the boundaries of the site at which the "Technical Activities" are being conducted once they have been finally delivered, disposed of or abandoned unless endorsed onto this policy;

O. any real property or personal property owned, leased, or rented by a "Named Insured";

P. any "Pollution Event(s)" or "Loss(es)" on, at, under or coming from any location to which an "Insured" arranges for, sends or has sent materials for treatment, recycling, reclamation, storage or disposal unless endorsed onto this policy;

Q. an "Insured's" operation or management of a "Hazardous Materials Facility" on behalf of, for the benefit of, or under contract with any other person, company or entity;

R. the refusal to employ, termination of employment, coercion, evaluation, reassignment, discipline, wrongful infliction of emotional distress or other employment-related torts, harassment, discrimination, wrongful deprivation of a career opportunity, breach of any oral, written or implied employment contract or quasi-employment contract, violation of any federal, state or local statute, regulation, ordinance, common law or public policy concerning employment or discrimination in employment;

b. Solely with respect to **COVERAGE PART D, MITIGATION OF LOSS COVERAGE**, in addition to the above exclusions this insurance does not apply to:

A. A. losses of or damage to property other than property which forms the subject of the contract to which the "Technical Activities" relate;

B. any actual or alleged deficiency in connection with construction means, methods, techniques, sequences or procedures;

4. Section **IV. LIMITS OF LIABILITY**, is amended as follows:

a. The following new Coverage Parts are added:

E. COVERAGE PART C

1. EACH CONTRACTOR'S POLLUTION LIABILITY CLAIM LIMIT OF LIABILITY

Our liability for each "Contractor's Pollution Liability Claim" including "Claim Expenses" and "Cleanup Costs" shall not exceed the amount set out in the Declarations as Each "Contractor's Pollution Liability Claim" Limit of Liability – Coverage Part C. We shall not be obligated to pay any "Claim Expenses" or "Cleanup Costs" or undertake or continue the defense of an "Contractor's Pollution Liability Claim" after the Each "Contractor's Pollution Liability Claim" Limit of Liability has been tendered into court or exhausted by payment of "Claim Expenses" or "Cleanup Costs".

2. SELF INSURED RETENTION

Our liability and obligation to indemnify you for "Claims Expenses" and "Cleanup Costs" under Coverage Part C for each "Contractor's Pollution Liability Claim" shall attach excess of the Self Insured Retention – Coverage Part C stated in the Declarations. The Self Insured Retention shall apply to each "Contractor's Pollution Liability Claim".

F. COVERAGE PART D

1. EACH MITIGATION OF LOSS CLAIM LIMIT OF LIABILITY

Our liability for each "Mitigation of Loss Claim" including "Actual and Necessary Costs and Expenses" or "Cleanup Costs" shall not exceed the amount set out in the Declarations as Each "Mitigation of Loss Claim" Limit of Liability – Coverage Part D. We shall not be obligated to pay any "Actual and Necessary Costs and Expenses" or "Cleanup Costs" of a "Mitigation of Loss Claim" after the Each "Mitigation of Loss Claim" Limit of Liability has been tendered into court or exhausted by payment of "Actual and Necessary Costs and Expenses" or "Cleanup Costs".

2. SELF INSURED RETENTION

Our liability and obligation to indemnify you for "Actual and Necessary Costs and Expenses" under Coverage Part D for each "Mitigation of Loss Claim" shall attach excess of the Self Insured Retention – Coverage Part D stated in the Declarations. The Self Insured Retention shall apply to each "Mitigation of Loss Claim".

b. Paragraph **C. AGGREGATE LIMIT OF LIABILITY** is deleted in its entirety and replaced with the following:

C. Subject to Sections A, B, E, and F, our total liability for all "Damages", "Losses", Professional Liability Claim Expenses", "Claim Expenses", "Cleanup Costs", and "Actual and Necessary Costs and Expenses" under Coverage Parts A, B, C, and D combined shall not exceed the amount set forth in the Declarations as the Aggregate Limit of Liability – Coverage Parts A, B, C, and D. We shall not be obligated to pay any "Damages", "Losses", Professional Liability Claim Expenses", "Claim Expenses", "Cleanup Costs", and "Actual and Necessary Costs and Expenses" after the Aggregate Limit of Liability has been tendered into

court or exhausted by payments for "Damages", "Losses", Professional Liability Claim Expenses", "Claim Expenses", "Cleanup Costs", and "Actual and Necessary Costs and Expenses

5. Section **VII. CONDITIONS**, Item **A., ACTION AGAINST US**, is amended by adding the following new subparagraph:

   4. As to Coverage C and D, no action shall lie against us unless, as a condition precedent thereto, there shall have been full compliance with all of the terms and conditions of this policy, and both your liability and the amount of your obligations to pay has been finally determined either by judgment against you after an actual trial or by your written agreement with the claimant or the claimant's legal representative with our approval or in the case of Coverage D only, we have approved mitigation of loss measures taken by an "Insured".

      Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join us as a party to any action against you to determine your liability, nor shall we be impleaded by you or your legal representative.

All other provisions of this policy remain unchanged.

Endorsement # 06

Aggregate Self-Insured Retention

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Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium charged, it is hereby understood and agreed that Item 4. of the Declarations Page is amended by adding the following:

An aggregate self-insured retention of $1,000,000 shall apply.

Once the aggregate self-insured retention amount shown above has been met, then a maintenance self-insured retention of $25,000 shall apply to subsequent claims.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

Endorsement # 07

Amendment To Waiver Of Subrogation Clients and Others Where Required By Contract

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

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FRAMINGHAM, MA 01701-2090

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ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium charged, it is hereby understood and agreed that Section **VII. CONDITIONS**, paragraph N. is deleted and replaced by the following:

N. SUBROGATION AND TRANSFER OF RIGHTS OF RECOVERY

If we make any payment under this policy, we shall be subrogated to all your rights against any person or organization, including the right to participate with the "Insured" in the exercise of all the "Insured's" rights of recovery. You shall execute and deliver instruments and papers to us and do whatever else is necessary to secure such rights. With respect to a "Protective Indemnity Claim", this includes a written transfer to us of any assignment(s) of rights obtained under Section **V. CLAIM PROVISIONS**, **B. PROTECTIVE INDEMNITY CLAIM PROVISIONS**, paragraph 1.B. if the "Insured" has elected not to pursue same in furtherance of its "Protective Indemnity Claim". An "Insured" shall do nothing to prejudice such rights as described in this paragraph.

We shall not exercise any such rights against any persons, firms, or corporations included in the definition of an "Insured" or against any entity other than a "Design Professional" if, prior to a "Claim", a waiver of subrogation was so required and accepted under a specific contractual undertaking by you.

Any recovery obtained through subrogation, after expenses incurred in such subrogation are deducted by the party bearing the expense, reimbursement will be made in the following order:

1. First, to any interest who has paid any amount in excess of the Limit of Liability provided under this policy;
2. next, to us; and
3. then to any interest as are entitled to claim the remainder, if any.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

Endorsement # 08

Modified Products Exclusion

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Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

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111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium charged, it is hereby understood and agreed that Section **III. EXCLUSIONS**, Item I., is deleted in its entirety and replaced with the following;

I. the design or manufacture of any goods or products which are sold or supplied by the "Insured", the "Design Professional", or by others under license from the "Insured" or the "Design Professional" which are intended for multiple sale or mass distribution, including, but not limited to, computer or software programs;

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

Endorsement # 09

Reduced Self-Insured Retention and Indemnity Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

If the "Insured" is required by contract to evidence a self-insured retention in an amount less than what is shown in Item 4 of the declarations page of this policy, then the "Insured" has the right to sign such contract and issue a certificate of insurance or other document showing a lesser self-insured retention, but only when required by contract.

It is hereby understood and agreed that if a claim is based on a contract requiring a lower self-insured retention than is shown in Item 4 of the declarations page of this policy, then the self-insured retention on this policy shall be amended to be the lesser amount; provided, however, the Insured agrees to indemnify the Company for the difference between the lesser self-insured retention amount required in the contract or on the certificate of insurance or other related document and the self-insured retention amount specified in Item 4 of the declarations page of this policy.

The Insured also agrees to reimburse the Company for all costs, expenses, and attorneys fees which may be incurred by the Company in enforcing this indemnity agreement.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

Endorsement # 10

Rectification Indemnity Coverage

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Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

It is agreed that the following COVERAGE PART is added to the Policy, and that Sections II. DEFINITIONS, III. EXCLUSIONS, IV. LIMITS OF LIABILITY, V. CLAIM PROVISIONS, VI. EXTENDED REPORTING PERIOD, and VII. CONDITIONS shall also apply to coverage provided under this Endorsement.

COVERAGE PART – RECTIFICATION INDEMNITY COVERAGE

I. INSURING AGREEMENT

A. COVERAGE

We shall indemnify the "Named Insured" for the "Named Insured's" "Actual and Necessary Costs and Expenses" incurred in rectifying a "Design Defect" in any part of the construction works or engineering works for any project upon which the "Named Insured" is responsible for both design and construction, provided that:

1. The "Named Insured" reports "Actual and Necessary Costs and Expenses" for a "Design Defect" as soon as practicable after discovery of such "Design Defect" but in no event after any certificate of substantial completion has been issued;
2. The "Named Insured" demonstrates to us that the "Actual and Necessary Cost and Expenses" arise out of the "Named Insured's" rendering of "Professional Services" which resulted in a "Design Defect" for which a third party could otherwise make a "Claim" against the "Named Insured".

If we make any payment under this Rectification Indemnity Coverage, we shall be subrogated to all your rights against any person or organization, including the right to participate with the "Insured" in the exercise of all the "Insured's" rights of recovery. In the event an "Insured" either concurrently or subsequently files a "Protective Indemnity Claim" under this policy or a subsequent renewal for the same "Design Defect" for which the insured is undertaking or has previously undertaken rectification efforts, then any proceeds the "Insured" may receive from the "Design Professional's Insurance" shall be used to reimburse us for any payments under the Rectification Indemnity Coverage afforded under this coverage part. If the proceeds received from the "Design Professional's Insurance" are less than the amount paid by us under this Rectification Indemnity Coverage, then difference between the amount paid by us under this Rectification Indemnity Coverage and the proceeds received from the "Design Professional's Insurance" shall erode the limits of liability available under the Contractor's Protective Liability Coverage Part.

In the event that a "Professional Liability Claim" arises out of the same "Design Defect" for which the insured is undertaking or has previously undertaken rectification efforts under the Rectification Indemnity Coverage under this coverage part, then the "Insured's" self insured retention obligation under the Contractor's Professional Liability Coverage Part shall be offset to the extent of the costs incurred by the "Insured" under their self insured retention obligations under the Rectification Indemnity Coverage afforded under this coverage part. Any

payments made under this Rectification Indemnity Coverage part shall erode the limits of liability available under the Contractor's Professional Liability Coverage Part.

B. ARBITRATION

In the event that the "Named Insured" and we do not agree that "Actual and Necessary Costs and Expenses" presented by the "Named Insured" under this Coverage Part arises out of rectifying a "Design Defect," we mutually agree, the dispute, as to that sole issue only, shall be referred to the American Arbitration Association before a three member panel and pursuant to their then existing Construction Industry Rules for an opinion as to whether the breach was or was not the result of a "Design Defect". The panel shall be composed of one licensed attorney, one licensed "Design Professional" and one licensed contractor. The "Named Insured" and we agree to accept the opinion of a majority of the panel as final and binding upon each of us as to that issue only.

II. DEFINITIONS

In addition to Section II. DEFINITIONS of this policy, and solely as respects the coverage provided under Rectification Indemnity Coverage, the following Definitions shall apply:

A. "Actual and Necessary Costs and Expenses" means those sums actually incurred by the "Named Insured" which are reasonably related to the efforts needed to remedy a "Design Defect" covered by this endorsement, less any overhead, profit and mark-up of the "Named Insured".

B. "Design Defect" means an error, omission or negligent act in the preparation of engineering or architectural designs, plans, drawings, specifications, calculations, surveys and studies and shall not include any actual or alleged negligence in the review of shop drawings and submittals, issuance of change orders, observation of construction or review of the contractor's requests for payment.

C. "Temporary Works" means formwork, structures, or mechanical plant designed and constructed for use as construction aids for a specific project.

III. EXCLUSIONS

In addition to Section III. EXCLUSIONS of this policy, and solely as respects the coverage provided under this Rectification Indemnity Coverage Endorsement, this insurance does not apply to:

A. the failure of any "Temporary Works" to perform their intended function;

B. loss of or damage to property other than property which forms the subject of the contract to which the "Professional Service" relates;

C. any cost estimate being exceeded.

IV. REPORTING OF ACTUAL AND NECESSARY COSTS AND EXPENSES

Solely with respect to the coverage provided by this endorsement, the "Named Insured" must report the "Actual and Necessary Costs and Expenses" for a "Design Defect" to us during the policy period or any applicable Automatic Extended Reporting Period or Optional Extended Reporting Period.

V. SUB-LIMIT OF LIABILITY/SELF INSURED RETENTION/RETROACTIVE DATE

The following Sub-Limit of Liability and Self Insured Retention shall apply to RECTIFICATION INDEMNITY COVERAGE:

Sub-Limit of Liability	$6,000,000	Each Claim
	$6,000,000	Total for All Claims
Self Insured Retention	$500,000	Each Claim

This Sub-Limit shall be included within the Aggregate Limit of Liability stated in the Declarations and not in addition to said limit.

A retroactive date of 11/30/2011 shall apply to coverage provided under this endorsement.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 11

Non-Owned Disposal Site – Offsite and Onsite Coverage

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the payment of premium and the Self Insured Retention by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy and associated endorsements, that the coverage provided by this Endorsement shall apply to the NON-OWNED DISPOSAL SITE(S) set forth below and the following amendments shall apply with respect to coverage provided under this endorsement only:

I. NON OWNED DISPOSAL SITE(S)

1. Any location that has accepted "Waste" generated by "Technical Activities" performed by the "Named Insured" or anyone for whom the "Named Insured" is legally responsible or "Completed Operations" of the "Technical Activities" and is licensed and/or certified by the respective controlling local, state and federal agency(s) and/or authorities to accept this "Waste"; or

2. Any location that has accepted the "Waste" generated by "Technical Activities" performed by the "Named Insured" or anyone for whom the "Named Insured" is legally responsible or "Completed Operations" of the "Technical Activities" and for which the "Named Insured" has by appropriate due diligence determined is licensed and/or certified by the respective controlling local, state and federal agency(s) and/or authorities to accept this "Waste" provided that the "Named Insured" retains such documentation confirming its due diligence about the location within its control and possession and presents such documentation to us at the time of a "Claim"; or

3. Any location that has accepted "Waste" generated by "Technical Activities" performed by the "Named Insured" or anyone for whom the "Named Insured" is legally responsible or "Completed Operations" of the "Technical Activities" from a "Carrier" that the "Named Insured" or anyone for whom the "Named Insured" is legally responsible has by appropriate due diligence determined is licensed and/or certified by the respective controlling local, state and federal agency(s) and/or authorities to accept, "Transport" and dispose of the "Waste" provided that the "Named Insured" retains such documentation confirming its due diligence about the "Carrier" within its control and possession and presents such documentation to us at the time of a "Claim".

II. The Limits of Liability for Coverage Part C on the policy Declarations shall be amended to add the following Non Owned Disposal Site (NODS) Sublimit of Liability:

$10,000,000 NODS Each Claim Sublimit of Liability

$10,000,000 NODS Aggregate Sublimit of Liability

III. The NODS Each Claim Sublimit of Liability shown in this endorsement shall be a sublimit of the Each Claim Limit of Liability for Coverage Part C shown in the Declarations. The NODS Each Claim Sublimit of Liability shall not be in addition to the Each Claim Limit of Liability for Coverage Part C shown in the Declarations but shall erode the Each Claim Limit of Liability. The NODS Aggregate Sublimit of Liability shall be the most we shall pay for all "Claims" provided coverage under the terms of this endorsement. The NODS Aggregate Sublimit of Liability is a sublimit of the Aggregate Limits of Liability for all coverage parts as shown in the Declarations. The NODS Aggregate Sublimit of Liability shall not be in additions to the Aggregate Limits of Liability for all coverage parts as shown in the Declarations but shall erode the Aggregate Limits of Liability for all coverage parts. When the NODS Each Claims Sublimit of Liability or NODS Aggregate Sublimit of Liability is exhausted by any combinations of payment for "Claims" or "Losses" covered under this endorsement, or the Aggregate Limit of Liability for all coverage parts is exhausted, our obligations under this endorsement shall end.

IV. As an exception to Exclusions N. and P. in Section III. EXCLUSIONS of the Contractor's Pollution Liability endorsement, the location(s) defined in Section I. Non-Owned Locations above are covered under that endorsement.

V. A Retroactive Date of 01/14/2003 is the earliest date that a "Technical Activity" can commence for coverage to be provided under this endorsement.

VI. Section III. EXCLUSIONS of the Contractor's Pollution Liability endorsement is amended to add the following exclusions applicable to coverage provided under this endorsement only:

Your Locations

Any location that is owned or operated in whole or in part by an "Insured" or an employee of an "Insured" or any subsidiary or affiliated company of an "Insured."

Closure Post Closure

The implementation of any "Closure Plan" or "Post Closure Plan".

NPL / CERCLIS Location

Any location that appears on the proposed or final Federal National Priorities List ("NPL") and/or any local or state equivalent, and any amendments; and/or any location that appears on the CERCLA information system ("CERCLIS") as defined by the Code of Federal Regulations, 40 CFR Part 300.5 (revised as of July 1, 2000) or any local or state equivalent, and any amendments. However, this exclusion shall not apply to locations where the waste was treated, stored or disposed prior to the location's appearance on the above lists.

VII. Section II. DEFINITIONS of the Contractor's Pollution Liability endorsement shall be amended by adding the following for purposes of this endorsement only:

"Closure Plan" or "Post Closure Plan" means the written documents or actions required by the Code of Federal Regulations (CFR), Title 40, Protection of Environment, including any amendments, or by similar state laws and regulations, which require the partial or final closure or post closure of a unit, facility or location.

"Carrier" means any person or entity pursuant to written contract that "Transports" the "Insured's" "Waste" by "automobile," aircraft, watercraft or rolling stock.

"Waste" means oil, petroleum, and materials to be disposed of, recycled, reconditioned or reclaimed.

"Transport" means the movement of "Waste" in the physical possession of the "carrier".

VIII. Section VII. CONDITIONS, Item J Other Insurance of the policy shall be deleted and replaced by the following:

J. OTHER INSURANCE

When other insurance is available to the "Insured" for "Claim" or "Loss" covered under the terms and conditions of this policy and this endorsement, our obligation to you shall be as follows:

1. The coverage provided by this policy and this endorsement shall apply as excess insurance over any other valid and collectible insurance, be it primary or excess. This excess insurance shall operate as primary insurance as a result of the receivership, insolvency, or inability to pay of any insurer with respect to both the duty to indemnify and the duty to defend. However, this does not apply to the "Insured" while acting as self insured for any coverage.

2. Where this policy and this endorsement is excess insurance, we will pay only our share of the amount of "Loss" including "Claim Expense," if any, that exceeds the total amount of all such valid and collectible insurance.

The "Insured" shall promptly upon our request provide us with copies of all policies potentially applicable against the liability covered by this endorsement.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 12

Notification to Others of Cancellation

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Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium already charged, we agree with you, subject to all terms, exclusions, and conditions of the policy that:

A. If we cancel this policy by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least thirty (30) days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of notice.

SCHEDULE	
Name and Address of Other Person(s) / Organization(s):	**Number of Days Notice:**
Union Bank, N.A., as Administrative Agent Union Bank, N.A., as Collateral Agent c/o Commercial Loan Operations 1980 Saturn St. Monterey Park, CA 91754 Attention: Maria Suncin	30
PG&E Corporation One Market Spear Tower San Francisco, CA 94105 USA	30
MidAmerican Energy Company Attn: Insurance Services P.O. Box 657 Des Moines IA 50306-0657 USA	30
Hoosier Energy Rural Electric Cooperative, Inc. 2501 S. Cooperative Way Bloomington, IN 47403	30
The City of Santa Clara- Office of City Clerk Attn: Street Department 1500 Warburton Avenue Santa Clara, CA 95050	30

South Jersey Industries, Inc. c/o Insurance Department One South Jersey Plaza, Route 54 Folsom, NJ 08037	30
The Arizona Board of Regents & State of Arizona on behalf of Arizona State University P.O. Box 875512 Tempe AZ 85287-5512	30

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 13

Notification to Others of Cancellation, Nonrenewal or Reduction of Insurance

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium already charged, we agree with you, subject to all terms, exclusions, and conditions of the policy that:

A. If we cancel or non-renew this policy by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation or non-renewal:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least thirty (30) days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this policy by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least ten (10) days prior to the effective date of such cancellation.

C. If coverage afforded by this policy is reduced or restricted, except for any reduction of Limits of Liability due to payment of claims, we will mail or deliver notice of such reduction or restriction:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least ten (10) days prior to the effective date of the reduction or restriction, or the longer number of days notice if indicated in the Schedule below.

D. If notice as described in Paragraphs **A.**, **B.**, or **C.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE	
Name and Address of Other Person(s) / Organization(s):	**Number of Days Notice:**
Dormitory Authority - State of New York Risk Management Department 515 Broadway Albany, NY 12207 Contract #'s 127486 and 90202	30
MidAmerican Energy Company Attn: Insurance Services P.O. Box 657 Des Moines IA 50306-0657 USA	30
City of Dallas, Water Utilities Project Number: 132180 c/o CertFocus PO Box 140528 Kansas City, MO 64114	30

Chicago Transit Authority- Dept of Risk Management
567 West Lake Street
Chicago, IL 60661-1465

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Endorsement # 14

Coverage Part C – Primary and Non-Contributory When Required by Written Contract

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium charged, it is hereby understood and agreed that Section **VII. CONDITIONS**, Item **J. OTHER INSURANCE**, is amended by adding the following:

4. Solely as respects Coverage Part C, Contractor's Pollution Liability, and only when required by written contract, this insurance shall apply as primary/non-contributory.

All other terms and conditions remain unchanged.

Endorsement # 15

Choice of Counsel – Coverage Parts A and C

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium charged, it is hereby understood and agreed that the following changes to the policy are made:

SECTION I. INSURING AGREEMENT – COVERAGE PART A – CONTRACTOR'S PROFESSIONAL LIABILITY COVERAGE, ITEM B. DEFENSE IS DELETED IN ITS ENTIRETY AND REPLACED AS FOLLOWS:

B. DEFENSE

We have the right and duty to defend with counsel of our choice, any "Professional Liability Claim" seeking "Damages" to which Coverage Part A of this insurance applies. However, the "Insured" shall, subject to our consent which shall not be unreasonably withheld, have the right and the duty to designate legal counsel for the investigation, defense or settlement of a "Claim". "Professional Liability Claim Expenses" reduce the applicable Limit of Liability identified in the Declarations and as described in Section IV.A.2 SELF INSURED RETENTION. Our duty to defend all "Claims" or pay any "Claim" amounts or "Professional Liability Claim Expenses" to which this insurance applies shall end when the applicable Limit of Liability has been exhausted by the payment of "Professional Liability Claim Expenses" or "Damages".

SECTION I. INSURING AGREEMENT – COVERAGE PART C – CONTRACTOR'S POLLUTION LIABILITY COVERAGE, ITEM B. DEFENSE IS DELETED IN ITS ENTIRETY AND REPLACED AS FOLLOWS:

B. DEFENSE

We shall have the right and duty to assume the adjustment, defense and settlement of any "Contractor's Pollution Liability Claim" to which the insurance applies. However, the "Insured" shall, subject to our consent which shall not be unreasonably withheld, have the right and the duty to designate legal counsel for the investigation, defense or settlement of a "Claim". "Contractor's Pollution Liability Claim Expense" reduces the applicable Limits of Liability set out in the Declarations as described in LIMITS OF LIABILITY section. Our duty to adjust, defend and settle all "Contractor's Pollution Liability Claims" to which this endorsement applies, pending and future, ends when the applicable Limits of Liability have been tendered into court or exhausted by payment of "Contractor's Pollution Liability Claim Expense(s)" or "Loss(es)".

All other terms and conditions remain unchanged.

Amendment to Definition O.

ZURICH

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	90060000	--------	--------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

WILLIAM GALLAGHER ASSOC. INSURANCE BROKERS, INC.
470 ATLANTIC AVENUE
BOSTON, MA 02110-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium charged, it is hereby understood and agreed that Section II. DEFINITIONS, O. "Professional Services" is deleted in its entirety and replaced with the following: O. "Professional Services" for purposes of Coverage Part A means those services that the "Insured", a "Design Professional", or an entity providing services under contract to a "Design Professional", are qualified to perform for others in their capacity as an architect, engineer, landscape architect, land surveyor or planner, construction manager, a LEED accredited professional, interior designer/space planner, technical or scientific consultant, energy management consultant or as specifically described by endorsement to this policy. "Professional Services" includes "Technology Services" to the extent provided in conjunction with the aforementioned capacities.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Amendment to Definition of Loss – Coverage Part C

ZURICH

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6892743-06	11/30/2016	11/30/2017	11/30/2016	90080000	--------	--------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

WILLIAM GALLAGHER ASSOC. INSURANCE BROKERS, INC.
470 ATLANTIC AVENUE
BOSTON, MA 02110-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium charged, it is hereby understood and agreed that Section II, DEFINITIONS, K. "Loss(es) of the endorsement providing Coverage Part C - Contractor's Pollution Liability coverage is deleted in its entirety and replaced as follows:

K. "Losses" means:

1. Compensatory damages or legal obligations arising from: a. "Bodily Injury" including costs for medical monitoring but only when such medical monitoring is a direct result of physical injury; or b. "Property Damage" including diminution in property value and stigma damage to property, but only when such diminution in value or stigma damage is a direct result of physical injury to such property;

2. and related "Contractor's Pollution Liability Claim Expense".

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Amended Definition - "Microbial Event"

ZURICH

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	90060000	--------	--------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

WILLIAM GALLAGHER ASSOC. INSURANCE BROKERS, INC.
470 ATLANTIC AVENUE
BOSTON, MA 02110-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium paid, Section II. DEFINITIONS, Definition K. "Microbial Event" of the endorsement providing Coverage Part C - Contractor's Pollution Liability coverage is deleted in its entirety and replaced as follows:

K. "Microbial Event" means any "Loss" caused directly or indirectly, by: 1. any "Fungus (i)", "Spore(s)", or bacteria, or 2. any substance, vapor or gas produced by or arising out of any "Fungus (i)", "Spore(s)", or bacteria. For the purpose of this definition, the following definitions are added:

1. "Fungus(i)" includes, but is not limited to: a. any form or type of mold, mushroom or mildew; b. any other fungal structure; and c. any volatile organic compounds, mycotoxins, allergenic proteins or other substances or gases produced by or arising out of any mold, mushroom, mildew, fungal structure or "Spore(s)".

2. "Spore(s)" means any reproductive body produced by or arising out of any "Fungus (i)".

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

ZURICH

Amendment of Definition J Coverage Part C- Contractor's Pollution Liability

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	90060000	--------	--------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

WILLIAM GALLAGHER ASSOC. INSURANCE BROKERS, INC.
470 ATLANTIC AVENUE
BOSTON, MA 02110-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

Solely as respects the endorsement adding Coverage Part C, Definition J. is deleted and replaced by the following:

J. "Insured" has the meaning stated in the policy and solely as to Coverage Part C shall also include the following:

1. Your clients or any other person or entity but only:

   a. when required by written contract, agreement or permit executed and effective before the "Technical Activities"; and

   b. with respect to "Technical Activities" and "Completed Operation(s)" of the "Technical Activities"; and

   c. for those amounts required by written contract, agreement or permit not to exceed the Limits of Liability of this policy; or

2. Any other person or entity endorsed on this policy as an "Insured".

All other terms and conditions remain unchanged.

Endorsement # 20

Nuclear Energy Liability Exclusion - Broad Form

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
EOC 6692743-06	11/30/2016	11/30/2017	11/30/2016	18615000	----------	----------

Named Insured and Mailing Address:

AMERESCO, INC.
111 SPEEN STREET
SUITE 410
FRAMINGHAM, MA 01701-2090

Producer:

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
470 ATLANTIC AVE
BOSTON, MA 02210-2208

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided by the following:

Contractor's Protective Professional Indemnity and Liability Insurance Policy

In consideration of the premium charged, it is agreed that this policy does not apply:

A. Under any liability coverage, to "bodily injury" or "property damage";

1. With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by the Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or

2. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (i) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (ii) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, with any person or organization.

B. Under any medical payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any liability coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material" if:

1. The "nuclear material" (i) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (ii) has been discharged or dispersed there from;

2. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or

3. The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility" but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such a "nuclear facility" and any property thereat.

D. As used in this endorsement:

"Hazardous properties" include radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "special nuclear material" or "by-product material";

"Source material", "special nuclear material" and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used of exposed to radiation in a "nuclear reactor";

"Waste" means any waste material (1) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (2) resulting from the operation by any person or organization of any "nuclear facility" included under paragraphs (1) and (2) of the definition of "nuclear facility".

"Nuclear facility" means:

1. Any "nuclear reactor";
2. Any equipment or device designed or used for (i) separating the isotopes of uranium or plutonium, (ii) processing or utilizing "spent fuel" or (iii) handling, processing or packaging "waste";
3. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
4. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste"; and includes the site on which any of the foregoing is located, all operations conducted on such site and premises used for such operations;

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

"Property damage" includes all forms of radioactive contamination of property.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

Endorsement # 21

Sanctions Exclusion Endorsement

ZURICH®

Policyholder: AMERESCO, INC.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The following exclusion is added to the policy to which it is attached and supersedes any existing sanctions language in the policy, whether included in an Exclusion Section or otherwise:

SANCTIONS EXCLUSION

Notwithstanding any other terms under this policy, we shall not provide coverage nor will we make any payments or provide any service or benefit to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such cover, payment, service, benefit, or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

The term policy may be comprised of common policy terms and conditions, the declarations, notices, schedule, coverage parts, insuring agreement, application, enrollment form, and endorsements or riders, if any, for each coverage provided. Policy may also be referred to as contract or agreement.

We may be referred to as insurer, underwriter, we, us, and our, or as otherwise defined in the policy, and shall mean the company providing the coverage.

Insured may be referred to as policyholder, named insured, covered person, additional insured or claimant, or as otherwise defined in the policy, and shall mean the party, person or entity having defined rights under the policy.

These definitions may be found in various parts of the policy and any applicable riders or endorsements.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

POLICYHOLDER NOTICE

Thank you for purchasing insurance from a member company of American International Group, Inc. (AIG). The AIG member companies generally pay compensation to brokers and independent agents, and may have paid compensation in connection with your policy. You can review and obtain information about the nature and range of compensation paid by AIG member companies to brokers and independent agents in the United States by visiting our website at www.aig.com/producer-compensation or by calling 1-800-706-3102.

FORMS SCHEDULE

Named Insured: AMERESCO, INC.

Policy Number: BE 013791009
Effective 12:01 AM: November 30, 2016

End't. No.	Form Name	Form Number/ Edition Date	
	EXCESS LIAB DEC NAT UNION OF PA	60226	(11/09)
	EXCESS LIAB POL FORM	60225	(10/04)
	SCHEDULE OF UNDERLYING	UNDSCH	(05/99)
	MA EXEMPT COMM. POLICYHLDR DISC. NOTICE	86777	(10/04)
	POLICYHOLDER DISC - NOTICE OF TERRORISM INS COVG	96556	(01/15)
1	ACT OF TERRORISM SIR	81302	(04/06)
2	ADVICE OF CANCELLATION TO ENTITIES (LIMITED TO EMA	107414	(12/10)
3	AMENDMENT OF CONDITIONS SECTION ENDT (CONDITION C.	105854	(07/10)
4	ANTI-STACKING END - XS	100550	(10/08)
5	CHANGES IN FOLLOWED POLICY ENDT.	86383	(08/04)
6	CONTINUING OR PROGRESSIVE BI PD PI END	100551	(10/08)
7	CRISISRESPONS AND EXCESS CASUALTY CRISISFUND	100552	(10/08)
8	EXT. INSULATION AND FINISH SYST. EXCL.ENDT.	87276	(01/05)
9	EMPLOYER'S LIABILITY EXCLUSION ENDORSEMENT (LIMITE	89600	(07/10)
10	INDIANA AMENDATORY ENDT (DEF. OF POLLUTANTS)	115924	(10/13)
11	LEAD EXCL	61718	(12/94)
12	MINIMUM RETAINED LIMIT AMENDATORY ENDORSEMENT	91586	(07/10)
13	NO FAULT, UNINSURED & UNDERINSURED MOTORIST EXCL	81537	(02/03)
14	NOTICE OF OCCURRENCE	62223	(03/95)
15	NOTIFICATION OF ACCIDENT OR OCCURRENCES ENDT	90693	(07/10)
16	POLLUTION AMENDATORY ENDORSEMENT	119590	(07/15)
17	UNINSURED/UNDERINSURED MOTORISTS COVERAGE ENDORSEM	82609	(11/09)
18	AMENDMENT TO CANCELLATION CONDITION ENDORSEMENT	MNSCPT	(12/16)
19	ELECTRONIC DATA LIMITATION ENDORSEMENT	MNSCPT	(12/16)
20	EXCESS WRAP-UP LIMITATION ENDORSEMENT	MNSCPT	(12/16)
21	NON-PYRAMIDING OF LIMITS/TIE IN ENDORSEMENT	MNSCPT	(12/16)
22	TOTAL TERRORISM EXCLUSION ENDORSEMENT	MNSCPT	(12/16)
23	VIOLATION OF COMMUNICATION OR INFORMATION LAW EXCL	MNSCPT	(12/16)

AIG

EXCESS LIABILITY DECLARATIONS

NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

A CAPITAL STOCK COMPANY

HOME OFFICE: 2595 INTERSTATE DRIVE, SUITE 103, HARRISBURG, PA 17110
ADMINISTRATIVE/MAILING ADDRESS: 175 WATER STREET, NEW YORK, NY 10038

POLICY NUMBER: BE 013791009 **RENEWAL OF:** 008766219

PRODUCER NAME: ARTHUR J GALLAGHER RISK MNGT SERV INC

ADDRESS: 470 ATLANTIC AVE
BOSTON, MA 02210

ITEM 1. **NAMED INSURED:** AMERESCO, INC.

ADDRESS: 111 SPEEN ST STE 410
FRAMINGHAM, MA 01701-2090

ITEM 2. **POLICY PERIOD:** **FROM:** November 30, 2016 **TO:** November 30, 2017
AT 12:01 A.M. STANDARD TIME AT THE ADDRESS OF THE NAMED INSURED SHOWN ABOVE.

ITEM 3. **LIMITS OF INSURANCE:**

The Limits of Insurance, subject to all the terms of this policy, are:

$25,000,000	Each Occurrence
$25,000,000	Annual Aggregate (as defined in the First Underlying Insurance Policy)

ITEM 4. **SCHEDULE OF UNDERLYING INSURANCE:**

First Underlying Insurance Policy Insurer, Policy No. and Term	Applicable Limits
	Each Occurrence Annual Aggregate (where applicable)

Other Underlying Insurance	Applicable Limits
	Each Occurrence Annual Aggregate (where applicable)

ITEM 5. **POLICY PREMIUM:** $265,600.00

ITEM 6. **ENDORSEMENTS ATTACHED:** **SEE ATTACHED SCHEDULE**

COUNTERSIGNED _____ **BY** _____
DATE **AUTHORIZED REPRESENTATIVE**

60226 (11/09)
AH2694

EXCESS LIABILITY POLICY FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured as shown in Item 1 of the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

In consideration of the payment of the premium and in reliance upon the statements in the Declarations, we agree with you to provide coverage as follows:

INSURING AGREEMENTS

I. Coverage

A. We will pay on your behalf the Ultimate Net Loss in excess of the Underlying Insurance as shown in Item 4 of the Declarations, but only up to an amount not exceeding our Limits of Insurance as shown in Item 3 of the Declarations. Except for the terms, definitions, conditions and exclusions of this policy, the coverage provided by this policy shall follow the terms, definitions, conditions and exclusions of the First Underlying Insurance Policy as shown in Item 4 of the Declarations.

B. The Limits of Insurance shown in Item 3 of the Declarations state the most we will pay regardless of the number of Insureds, claims made or suits brought or persons or organizations making claims or bringing suits.

C. Maintenance of Underlying Insurance

The limits of insurance of the Underlying Insurance shown in Item 4 of the Declarations shall be maintained in full effect during the period of this policy except for any reduction or exhaustion of aggregate limits contained therein solely by the payment for damages for accidents or occurrences, whichever is applicable, that take place during each annual period of this policy and that are insured by this policy.

If you fail to comply with this requirement, we will only be liable to the same extent that we would had you fully complied with this requirement.

II. Definitions

A. Ultimate Net Loss

The term "Ultimate Net Loss" means the amount payable in settlement of the liability of the Insured after making deductions for all recoveries and for other valid and collectible insurance, excepting however the Underlying Insurance shown in Item 4 of the Declarations.

B. Each Annual Period

The term "Each Annual Period" means each consecutive period of one year commencing from the inception date of this policy.

C. Pollutants

The term "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste material. Waste material includes materials which are intended to be or have been recycled, reconditioned or reclaimed.

D. Hostile Fire

The term "hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

III. Conditions

A. Cancellation

1. You may cancel this policy. You must mail or deliver advance written notice to us stating when the cancellation is to take effect.

2. We may cancel this policy. If we cancel because of non-payment of premium, we must mail or deliver to you not less than ten (10) days advance written notice stating when the cancellation is to take effect. If we cancel for any other reason, we must mail or deliver to you not less than thirty (30) days advance written notice stating when the cancellation is to take effect. Mailing that notice to you at your mailing address shown in Item 1 of the Declarations will be sufficient to prove notice.

3. The policy period will end on the day and hour stated in the cancellation notice.

4. If we cancel, earned premium will be calculated pro rata based on the time this policy was in force.

5. If you cancel, earned premium will be more than pro rata; it will be based on the time this policy was in force and increased by our short rate cancellation table and procedure.

6. Premium adjustment may be made at the time of cancellation or as soon as practicable thereafter but the cancellation will be effective even if we have not made or offered any refund due you. Our check or our representative's check, mailed or delivered, shall be sufficient tender of any refund due you.

7. The first Named Insured in Item 1 of the Declarations shall act on behalf of all other Insureds with respect to the giving and receiving of notice of cancellation and the receipt of any refund that may become payable under this policy.

8. Any of these provisions that conflict with a law that controls the cancellation of the insurance in this policy is changed by this statement to comply with that law.

B. Changes

You must promptly notify us of any coverage or limit changes made after the inception date of this policy to the First Underlying Insurance Policy as shown in Item 4 of the Declarations.

C. Defense

We will not be obligated to assume charge of the investigation, settlement or defense of any claim made, suit brought or proceeding instituted against the Insured. We will, however, have the right and shall be given the opportunity to participate in the defense and trial of any claims, suits or proceedings relative to any accident or occurrence which, in our opinion, may create liability on our part under the terms of this policy. If we exercise such right, we will do so at our own expense.

D. Notification of Accidents or Occurrences

You must see to it that we are notified as soon as practicable of any accident or occurrence which may result in any claim or suit under this policy.

E. Premium

The first Named Insured shown in Item 1 of the Declarations shall be responsible for payment of all premiums when due.

At the beginning of the policy period, you must pay us the Policy Premium shown in Item 5 of the Declarations.

If this policy is cancelled, we will compute the earned premium for the time this policy was in force. If the earned premium is less than the Policy Premium, we will return the difference to you.

F. Bankruptcy or Insolvency

Your bankruptcy, insolvency or inability to pay or the bankruptcy, insolvency or inability to pay of any of your underlying insurers will not relieve us from the payment of any claim covered by this policy.

But under no circumstances will such bankruptcy, insolvency or inability to pay require us to drop down and replace the Underlying Insurance or assume any obligation within the Underlying Insurance area.

IV. Exclusions

This insurance shall not apply to:

A. 1. Ultimate Net Loss arising out of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust; or

2. Any obligation of the Insured to indemnify any party because of damages arising out of such Ultimate Net Loss as a result of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust; or

3. Any obligation to defend any suit or claim against the Insured seeking damages, if such suit or claim arises from Ultimate Net Loss as a result of the manufacture of, mining of, use of, sale of, installation of, removal of, distribution of or exposure to asbestos, asbestos products, asbestos fibers or asbestos dust.

B. 1. Ultimate Net Loss arising out of the actual or threatened discharge, dispersal, seepage, migration, release or escape of pollutants anywhere in the world;

2. Any loss, cost or expense arising out of any governmental direction or request that we, the Insured or any other person or organization test for, monitor, clean-up, remove, contain, treat, detoxify, neutralize or assess the effects of pollutants; or

3. Any loss, cost, or expense, including but not limited to costs of investigation or attorney's fees, incurred by a governmental unit or any other person or organization to test for, monitor, clean-up, remove, contain, treat, detoxify or neutralize pollutants.

This exclusion B. shall not apply to Ultimate Net Loss arising out of:

1. Heat, smoke or fumes from a hostile fire;

2. The upset, overturn or collision of a motor vehicle; or

3. The Products-Completed Operations Hazard.

C. Ultimate Net Loss:

1. a. with respect to which the Insured is also an Insured under a nuclear energy liability policy issued by Nuclear Energy Liability-Property Insurance Assoc., Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an Insured under any such policy but for its termination upon exhaustion of its limit of liability; or

b. resulting from the hazardous properties of nuclear material and with respect to which (1) any person or any organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, (2) the Insured is, or had this policy not been available would be, entitled to indemnity from the United States of America or any agency thereof, under any agreement entered into by the United States of America or any agency thereof, with any person or organization.

2. Ultimate Net Loss resulting from the hazardous properties of nuclear material, if:

a. the nuclear material (1) is at any nuclear facility owned by the Insured or operated by the Insured or on the Insured's behalf, or (2) has been discharged or dispensed therefrom;

b. the nuclear material is contained in spent fuel or waste at any time possessed, handled, used, processed, stored, transported or disposed of by the Insured or on the Insured's behalf; or

c. the Ultimate Net Loss arises out of the furnishing by the Insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any nuclear facility, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion c. applies only to Property Damage to such nuclear facility and any property thereat.

3. As used in this exclusion:

a. "hazardous properties" includes radioactive, toxic or explosive properties;

b. "nuclear material" means source material, special nuclear material or by-product material;

c. "source material", "special nuclear material" and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or any law amendatory thereof;

d. "spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a nuclear reactor;

e. "waste" means any waste material (1) containing by-product material and (2) resulting from the operation by any person or organization of a nuclear facility included within the definition of nuclear facility below;

f. "nuclear facility" means:

(1) any nuclear reactor,

(2) any equipment or device designed or used for (i) separating the isotopes of uranium or plutonium, (ii) processing or utilizing spent fuel, or (iii) handling, processing or packaging wastes,

(3) any equipment or device used for the processing, fabricating, or alloying of special nuclear material if at any time the total amount of such material in the Insured's custody at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235,

(4) any structure, basin, excavation, premises or place prepared or used for storage or disposal of waste, and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

g. "nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

h. Ultimate Net Loss includes all forms of radioactive contamination of property.

IN WITNESS WHEREOF, the Insurer has caused this Policy to be signed by its President, Secretary and Authorized Representative.

SECRETARY

PRESIDENT

This Policy shall not be valid unless signed below at the time of issuance by an authorized representative of the insurer.

Authorized Representative

SCHEDULE OF UNDERLYING INSURANCE

Issued to: AMERESCO, INC.

Policy Number: BE 013791009

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

TYPE OF POLICY OR COVERAGE	INSURER, POLICY NO. AND POLICY PERIOD	LIMITS
GENERAL LIABILITY (AMERESCO, INC.)	Zurich American Insurance Company GLO-5852388-04 11/30/16 11/30/17	$2,000,000 EACH OCCURRENCE $4,000,000 GENERAL AGGREGATE $4,000,000 PRODUCTS & COMPLETED OPS. AGGREGATE $4,000,000 DESIGNATED LOCATION(S) GENERAL AGGREGATE $4,000,000 DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE Defense Expenses are in addition to the limit
GENERAL LIABILITY (AMERESCO SOLAR HOLDINGS)	Zurich American Insurance Company GLO-0111954-02 11/30/16 11/30/17	$2,000,000 EACH OCCURRENCE $4,000,000 GENERAL AGGREGATE $4,000,000 PRODUCTS & COMPLETED OPS. AGGREGATE $4,000,000 DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE $4,000,000 DESIGNATED LOCATION(S) GENERAL AGGREGATE Defense Expenses are in addition to the limit
EMPLOYEE BENEFITS LIABILITY (AMERESCO, INC.)	Zurich American Insurance Company GLO-5852388-04 11/30/16 11/30/17	$1,000,000 EACH ACT, ERROR OR OMISSION $1,000,000 AGGREGATE LIMIT Defense Expenses are in addition to the limit
AUTO LIABILITY (AMERESCO, INC.)	Zurich American Insurance Company BAP-5852387-04	$1,000,000 COMBINED SINGLE LIMIT

SCHEDULE OF UNDERLYING INSURANCE

Issued to: AMERESCO, INC.

Policy Number: BE 013791009

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

TYPE OF POLICY OR COVERAGE	INSURER, POLICY NO. AND POLICY PERIOD	LIMITS
	11/30/16 11/30/17	Defense Expenses are in addition to the limit
AUTO LIABILITY (AMERESCO SOLAR HOLDINGS)	Zurich American Insurance Company BAP-0111953-02 11/30/16 11/30/17	$1,000,000 COMBINED SINGLE LIMIT Defense Expenses are in addition to the limit
AUTO LIABILITY (AMERESCO/PACIFIC ENERGY JV) (HIRED & NON-OWNED)	Zurich American Insurance Company BAP-5761829-03 11/30/16 11/30/17	$1,000,000 COMBINED SINGLE LIMIT Defense Expenses are in addition to the limit
EMPLOYERS LIABILITY (AMERESCO, INC.) (ALL OTHER STATES)	Zurich American Insurance Company WC-5953945-03 11/30/16 11/30/17	$1,000,000 BODILY INJURY BY ACCIDENT $1,000,000 BODILY INJURY BY DISEASE(EACH EMPLOYEE) $1,000,000 BODILY INJURY BY DISEASE(POLICY LIMITS) Defense Expenses are in addition to the limit
EMPLOYERS LIABILITY (AMERESCO, INC.) (NY AND MA)	Zurich American Insurance Company WC-5953945-03 11/30/16 11/30/17	STATUTORY BODILY INJURY BY ACCIDENT STATUTORY BODILY INJURY BY DISEASE(EACH EMPLOYEE) STATUTORY BODILY INJURY BY DISEASE(POLICY LIMITS) Defense Expenses are in addition to the limit

SCHEDULE OF UNDERLYING INSURANCE

Issued to: AMERESCO, INC.

Policy Number: BE 013791009

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

TYPE OF POLICY OR COVERAGE	INSURER, POLICY NO. AND POLICY PERIOD	LIMITS
EMPLOYERS LIABILITY (AMERESCO SOLAR HOLDINGS) (MA)	Zurich American Insurance Company WC-0111955-02 11/30/16 11/30/17	STATUTORY BODILY INJURY BY ACCIDENT STATUTORY BODILY INJURY BY DISEASE(EACH EMPLOYEE) STATUTORY BODILY INJURY BY DISEASE(POLICY LIMITS) Defense Expenses are in addition to the limit
EMPLOYERS LIABILITY (AMERESCO/PACIFIC ENERGY JV) (HI)	Zurich American Insurance Company WC-5761830-04 11/30/16 11/30/17	$1,000,000 BODILY INJURY BY ACCIDENT $1,000,000 BODILY INJURY BY DISEASE(EACH EMPLOYEE) $1,000,000 BODILY INJURY BY DISEASE(POLICY LIMITS) Defense Expenses are in addition to the limit
FOREIGN GENERAL LIABILITY (AMERESCO, INC.)	ACE American Insurance Company PHFD38558225 003 11/30/16 11/30/17	$4,000,000 EACH OCCURRENCE $8,000,000 GENERAL AGGREGATE $4,000,000 PRODUCTS & COMPLETED OPS. AGGREGATE Defense Expenses are in addition to the limit
FOREIGN EMPLOYEE BENEFITS LIABILITY	ACE American Insurance Company PHFD38558225 003 11/30/16 11/30/17	$1,000,000 EACH CLAIM $1,000,000 ANNUAL AGGREGATE Defense Expenses are in addition to the limit
FOREIGN AUTOMOBILE LIABILITY	ACE American Insurance Company PHFD38558225 003	$1,000,000 COMBINED SINGLE LIMIT

SCHEDULE OF UNDERLYING INSURANCE

Issued to: AMERESCO, INC.

Policy Number: BE 013791009

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

TYPE OF POLICY OR COVERAGE	INSURER, POLICY NO. AND POLICY PERIOD	LIMITS
	11/30/16 11/30/17	Defense Expenses are in addition to the limit
FOREIGN EMPLOYERS LIABILITY	ACE American Insurance Company PHFD38558225 003 11/30/16 11/30/17	$1,000,000 BODILY INJURY BY ACCIDENT $1,000,000 BODILY INJURY BY DISEASE(EACH EMPLOYEE) $1,000,000 BODILY INJURY BY DISEASE (POLICY LIMITS) Defense Expenses are in addition to the limit

AUTHORIZED REPRESENTATIVE

MASSACHUSETTS
EXEMPT COMMERCIAL POLICYHOLDER DISCLOSURE NOTICE

The policy applied for is not subject to all of the provisions of the insurance law that apply to other commercial lines products and may contain significant differences from a policy that is subject to all provisions of insurance law.

Please refer to the attached quote slip for a list of applicable terms, conditions, limitations, exclusions, and endorsements.

I hereby acknowledge that I have read the above disclosure notice and have received a copy of the same.

Date: _____ Insured's Signature: _____

POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM INSURANCE COVERAGE
(COVERAGE INCLUDED)

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury-in consultation with the Secretary of Homeland Security, and the Attorney General of the United States-to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a $100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds $100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed $100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is $2,630.00, and does not include any charges for the portion of losses covered by the United States government under the Act.

96556 (1/15)
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ENDORSEMENT No. 1

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

Excess Liability Policy Form

Act of Terrorism Self-Insured Retention Endorsement

Solely with respect to any **Act of Terrorism**, this policy is amended as follows:

ITEM 3. OF THE DECLARATIONS, LIMITS OF INSURANCE is amended to include the following Self Insured Retention:

ACT OF TERRORISM SELF-INSURED RETENTION - 2,000,000 each occurrence (As respects all liability covered under this policy arising out of any Act of Terrorism.) The Act of Terrorism Self-Insured Retention will not be reduced or exhausted by Defense Expenses.

ITEM 5. OF THE DECLARATIONS, POLICY PREMIUM is amended to include the following:

Act of Terrorism Premium $2,630

Section I. Coverage, is amended to include the following additional provisions:

The Act of Terrorism Self-Insured Retention applies whether or not there is any available Scheduled Underlying Insurance or Other Insurance providing coverage to the Insured. If there is Scheduled Underlying Insurance or Other Insurance providing coverage to the Insured, amounts received through such Scheduled Underlying Insurance or Other Insurance for payment of the Loss may be applied to reduce or exhaust the Act of Terrorism Self-Insured Retention. However, in no event will amounts received through such Scheduled Underlying Insurance or Other Insurance for the payment of Defense Expenses reduce the Act of Terrorism Self-Insured Retention.

Section II. Definitions is amended to include the following additional definitions:

The term "Act of Terrorism" means:

1. any act which is verified or recognized by the United States Government as an act of terrorism, including a certified "act of terrorism" defined by Section 102. Definitions., of the Terrorism Risk Insurance Act of 2002 and any revisions, amendments, or extensions thereto; or

2. the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in connection with any organization, government, power, authority or military force, when the effect is to intimidate, coerce or harm a government, the civilian population or any segment thereof, or to disrupt any segment of the economy.

The term "Defense Expenses" means any payment allocated to a specific loss, claim or suit for its investigation, settlement or defense, including but not limited to:

1. Attorney's fees and all other investigation, loss adjustment and litigation expenses;
2. Premiums on bonds to release attachments;
3. Premiums on appeal bonds required by law to appeal any claim or suit;
4. Costs taxed against the Named Insured in any claim or suit;
5. Pre-judgment interest awarded against the Named Insured; and
6. Interest that accrues after entry of judgment.

The term "Loss" means those sums actually paid as judgments or settlements.

All other terms and conditions of this policy remain unchanged.

Authorized Representative
or Countersignature (in States Where Applicable)

ENDORSEMENT No. 2

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADVICE OF CANCELLATION TO ENTITIES OTHER THAN THE NAMED INSURED LIMITED TO E-MAIL NOTIFICATION

This policy is amended as follows:

In the event that the **Insurer** cancels this policy for any reason other than non payment of premium, and

1. The cancellation effective date is prior to this policy's expiration date;

2. The **First Named Insured** is under an existing contractual obligation to notify a certificate holder when this policy is canceled (hereinafter, the "Certificate Holder(s)"); and has provided to the **Insurer**, either directly or through its broker of record, the email address of the contact at such entity,

and the **Insurer** received this information after the **First Named Insured** receives notice of cancellation of this policy and prior to this policy's cancellation effective date, via an electronic spreadsheet that is acceptable to the **Insurer**,

the **Insurer** will provide advice of cancellation (the "Advice") via e-mail to such Certificate Holders.

Proof of the **Insurer** emailing the Advice, using the information provided by the **First Named Insured**, will serve as proof that the **Insurer** has fully satisfied its obligations under this endorsement.

This endorsement does not affect, in any way, coverage provided under this policy or the cancellation of this policy or the effective date thereof, nor shall this endorsement invest any rights in any entity not insured under this policy.

The following Definitions apply to this endorsement:

1. **First Named Insured** means the Named Insured shown on the Declarations Page of this policy.
2. **Insurer** means the insurance company shown in the header on the Declarations Page of this policy.

All other terms, conditions and exclusions shall remain the same.

AUTHORIZED REPRESENTATIVE

ENDORSEMENT No. 3

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

Amendment of Conditions Section
(Amendment of Condition C. Defense)

This policy is amended as follows:

Section III. Conditions, Paragraph **C.** Defense is deleted in its entirety and replaced by the following:

C. Defense:

a. We will have the duty to assume charge of the settlement or defense of any claim made, suit brought, or proceeding instituted against the Insured that seeks payment for Ultimate Net Loss when, and only when all Underlying Insurance Policies, shown in the **DECLARATIONS** have been exhausted solely by the payments for damages for accidents or occurrences, whichever is applicable, covered by this policy, that take place during each annual period of this policy.

b. Prior to exhaustion of the First Underlying Insurance Policy(ies),we will not be obligated to assume charge of the investigation, settlement or defense of any claim made, suit brought or proceeding instituted against the Insured. We will, however, have the right and shall be given the opportunity to participate in the defense and trial of any claims, suits or proceedings relative to any accident or occurrence which, in our opinion, may create liability on our part under the terms of this policy. If we exercise such right, we will do so at our own expense.

All other terms and conditions of this policy remain unchanged.

Authorized Representative

ENDORSEMENT No. 4

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

Anti-Stacking Endorsement

This policy is amended as follows:

Section III. Conditions is amended to include the following additional condition:

Anti-Stacking

If this insurance and any other insurance, provided by us or any other of our affiliated companies will apply to the same claim, suit or occurrence, the maximum limit of insurance under all insurance available will not exceed the highest applicable limit of insurance available under any one policy. However, this condition will not apply if the insurance is specifically written to be excess of this policy.

All other terms and conditions of this policy remain unchanged.

Authorized Representative

100550 (10/08)
AH2873

ENDORSEMENT No. 5

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

Excess Liability Policy Form

Changes In Followed Policy Endorsement

The policy is amended as follows:

Section III. Conditions, Paragraph B. is deleted in its entirety and replaced by the following:

Changes

You must promptly notify us in writing of any coverage or limit changes made after the inception date of this policy to the First Underlying Insurance Policy as shown in Item 4 of the Declarations. Subject to the terms, definitions, conditions and exclusions of this policy, the coverage provided by this policy shall follow such changes on the effective date of the changes in the First Underlying Insurance Policy, but only if:

1. We agree to amend this policy by endorsement to reflect such changes; and

2. You agree to and pay any additional premium relating to such changes when due.

All other terms and conditions of this policy remain unchanged.

Authorized Representative
or Countersignature (in States Where Applicable)

86383 (8/04)
AH1389

ENDORSEMENT No. 6

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

Continuing or Progressive Bodily Injury, Property Damage or Personal Injury Endorsement

The policy is amended as follows:

Section I. Coverage is amended to include the following additional provisions:

In the event of continuing or progressive bodily injury, property damage or personal injury over any length of time, we will have no duty to defend or investigate any occurrence, offense, claim or suit unless:

1. Such bodily injury, property damage or personal injury first commenced during the policy period; and

2. The applicable limits of insurance of the Underlying Insurance shown in Item 4 of the Declarations and the limits of insurance of any other underlying insurance providing coverage to you have been exhausted by payment of claims to which this policy applies.

Section II. Definitions is amended to include the following:

Occurrence

The term "Occurrence", under this policy, shall mean the definition given to that term, or the equivalent thereof, in the First Underlying Insurance Policy shown in Item 4 of the Declarations.

However, in the event of:

1. Continuing or progressive bodily injury or property damage over any length of time, such bodily injury or property damage shall be deemed to be one Occurrence and shall be deemed to occur only when such bodily injury or property damage first commenced.

2. Continuing or progressive personal injury over any length of time, such personal injury shall be deemed to be one Occurrence or offense and shall be deemed to occur or be committed only when such personal injury first commenced.

Section IV. Exclusions is amended to include the following additional exclusion:

This insurance shall not apply to:

Bodily injury, property damage or personal injury which is continuing or progressive and which first commenced prior to the inception date of this policy. This exclusion shall apply whether or not your legal obligation to pay damages for bodily injury, property damage or personal injury was established before the inception date of this policy.

Section III. Conditions is amended to include the following additional conditions:

Obligations of Other Insurers

Nothing herein shall be interpreted to relieve any other insurer from obligations under policies issued to you, which provide coverage for all or part of any continuing or progressive bodily injury, property damage or personal injury.

Defects and Deficiencies in Buildings and Real Property

With respect to any alleged defects or deficiencies in any building or real property, this endorsement applies separately to each alleged defect or deficiency.

All other terms, definitions, conditions, and exclusions of this policy remain unchanged.

Authorized Representative or
Countersignature (Where Applicable)

ENDORSEMENT No. 7

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

CrisisResponse® and Excess Casualty CrisisFund® and Schedule A - Approved Crisis Management Firms
(Advancement of CrisisResponse Costs during a Crisis Management Event and Crisis Communications Management Insurance)

Additional Declarations

Item 1. CrisisResponse Limit of Insurance:	**$250,000**	**Each Crisis Management Event And Aggregate**
Item 2. Crisis Management Limit of Insurance:	**$50,000**	**Each Crisis Management Event And Aggregate**
Item 3. Premium:	**N/A**	

This policy is amended to provide for Advancement of **CrisisResponse Costs** during a **Crisis Management Event** and Crisis Communications Management Insurance pursuant to the terms, definitions, conditions and exclusions set forth below:

I. INSURING AGREEMENTS-CrisisResponse® and Excess Casualty CrisisFund®

The following insuring agreements section is added to this policy for the purpose of the coverage provided by this endorsement:

A. **Advancement of CrisisResponse Costs during a Crisis Management Event**

We will advance on behalf of the **Named Insured CrisisResponse Costs** that may be associated with damages covered by this policy arising from a **Crisis Management Event** first commencing during the **Policy Period**, up to the amount of the **CrisisResponse Limit of Insurance.**

We will advance **CrisisResponse Costs** that may be associated with damages covered by this policy directly to third parties.

B. **Crisis Communications Management Insurance**

We will pay on behalf of the **Named Insured Crisis Management Loss** arising from a **Crisis Management Event** first commencing during the **Policy Period**, up to the amount of the **Crisis Management Limit of Insurance.**

C. A **Crisis Management Event** shall first commence at the time during the **Policy Period** when a **Key Executive** first becomes aware of an **Occurrence** that gives rise to a **Crisis Management Event** and shall end at the earliest of the time when we determine that a crisis no longer exists or when the **CrisisResponse Limit of Insurance** and/or the **Crisis Management Limit of Insurance**, whichever applies, has been exhausted.

D. There shall be no **Self-Insured Retention** applicable to **CrisisResponse Costs** or **CrisisResponse Management Loss**. We shall pay such **CrisisResponse Costs** or **CrisisResponse Management Loss** from first dollar, subject to other terms and conditions of this endorsement.

II. LIMITS OF INSURANCE

The following provisions are added to **Section I. Coverage** for the purpose of the coverage provided by this endorsement:

A. The **CrisisResponse Limit of Insurance** is the most we will pay for all **CrisisResponse Costs** under this policy, regardless of the number of **Crisis Management Events** first commencing during the **Policy Period**. The **CrisisResponse Limit of Insurance** shall be in addition to the Limits of Insurance shown in Item 3 of the Declarations of this policy.

B. The **Crisis Management Limit of Insurance** is the most we will pay for all **Crisis Management Loss** under this policy, regardless of the number of **Crisis Management Events** first commencing during the **Policy Period**. This **Crisis Management Limit of Insurance** shall be in addition to the Limits of Insurance shown in Item 3 of the Declarations of this policy.

C. We will have no obligation to advance **CrisisResponse Costs** or to pay **Crisis Management Loss** from the earliest of the time when we determine that a **Crisis Management Event** has ended or when the **CrisisResponse Limit of Insurance** and/or the **Crisis Management Limit of Insurance**, whichever applies, has been exhausted.

III. DEFINITIONS

The following definitions are added to **Section II. Definitions** for the purpose of the coverage provided by this endorsement:

A. **Crisis Management Event** means an **Occurrence** that in the good faith opinion of a **Key Executive** of the **Named Insured**, in the absence of **Crisis Management Services**, has reasonably been associated with or may be associated with:

1. damages covered by this policy that are in excess of the Underlying Insurance applicable to such damages; and

2. significant adverse regional or national news media coverage.

Crisis Management Event shall include, without limitation, man-made disasters such as explosions, major crashes, multiple deaths, burns, dismemberment, traumatic brain injury, permanent paralysis, or contamination of food, drink or pharmaceuticals.

B. **Crisis Management Firm** means any public relations firm or crisis management firm approved by us that is hired by the **Named Insured** to perform **Crisis Management Services** in connection with a **Crisis Management Event**. Attached to and forming a part of this endorsement is a Schedule of firms that have been pre-approved by us and may be hired by the **Named Insured** without further approval by us.

C. **Crisis Management Limit of Insurance** means the Crisis Management of Limit of Insurance shown in Item 2 of the Additional Declarations of this endorsement.

D. **Crisis Management Loss** means the following amounts incurred during a **Crisis Management Event**:

1. Amounts for the reasonable and necessary fees and expenses incurred by a **Crisis Management Firm** in the performance of **Crisis Management Services** for the **Named Insured** solely arising from a covered **Crisis Management Event**; and

2. Amounts for reasonable and necessary printing, advertising, mailing of materials, or travel by directors, officers, employees or agents of the **Named Insured** or a **Crisis Management Firm** incurred at the direction of a **Crisis Management Firm**, solely arising from a covered **Crisis Management Event**.

E. **Crisis Management Services** means those services performed by a **Crisis Management Firm** in advising the **Named Insured** on minimizing potential harm to the **Named Insured** from a covered **Crisis Management Event** by maintaining and restoring public confidence in the **Named Insured.**

F. **CrisisResponse Costs** means the following reasonable and necessary expenses incurred during a **Crisis Management Event** directly caused by a **Crisis Management Event**, provided that such expenses have been pre-approved by us and may be associated with damages that would be covered by this policy:

1. Medical expenses;
2. Funeral expenses;
3. Psychological counseling;
4. Travel expenses;
5. Temporary living expenses;
6. Expenses to secure the scene of a **Crisis Management Event**; and
7. Any other expenses pre-approved by the Company.

CrisisResponse Costs will not include defense costs or **Crisis Management Loss.**

G. **CrisisResponse Limit of Insurance** means the **CrisisResponse Limit of Insurance** shown in Item 1 of the Additional Declarations of this endorsement.

H. **Key Executive** means the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, President, General Counsel or general partner (if the **Named Insured** is a partnership) of the **Named Insured** or sole proprietor (if the **Named Insured** is a sole proprietorship). A **Key Executive** also means any other person designated as such and scheduled by written endorsement.

IV. EXCLUSIONS

The following exclusions are added to **Section IV. Exclusions** for the purpose of the coverage provided by this endorsement:

This insurance will not apply to any **CrisisResponse Costs** or **Crisis Management Loss** in connection with a **Crisis Management Event**:

A. arising out of, based upon or attributable to the acts alleged, or to the same or related acts alleged or contained, in any crisis or **Claim** that has been reported, or in any circumstances where notice has been given, under any policy of which this policy is a renewal or replacement or which it may succeed in time;

B. arising out of, based upon or attributable to any pending or prior crisis, **Claim** or **Suit** as of the inception date of this policy.

V. CONDITIONS

The following conditions are added to **Section III. Conditions** for the purpose of the coverage provided by this endorsement:

A. You must report any **Crisis Management Event** to us within twenty-four (24) hours of the time that a Key Executive first becomes aware of an **Occurrence** that gives rise to a **Crisis Management Event** to be eligible for the advancement of **CrisisResponse Costs** and the payment of **Crisis Management Loss.**

Notice of a **Crisis Management Event** may be given by calling 1-877-AIG-3100. If notice is given by telephone, written notice shall be given as soon as practicable thereafter. Written notice should include:

1. how, when and where the **Crisis Management Event** is taking or took place;

2. the names and addresses of any injured persons and any witnesses; and

3. the nature and location of any injury or damage arising out of the **Crisis Management Event.**

Written notice should be mailed, emailed or delivered to:

AIG Domestic Claims, Inc.
Excess Casualty Claims Department
Segmentation Unit
175 Water Street, 22nd Floor
New York, NY 10038
Fax: (866) 743-4376
Email: excessfnol@aig.com

B. There shall be no requirement that you obtain prior written approval from us before incurring any **Crisis Management Loss**, provided that the **Crisis Management Firm** selected by you to perform the **Crisis Management Services** has been approved by us. If you choose to retain a firm that does not appear in the Schedule attached to and forming a part of this endorsement, you must obtain our consent, which shall remain in our sole discretion, prior to retaining the services of such firm.

C. Any payments for **Crisis Management Loss** or advancement of **CrisisResponse Costs** that we make under this endorsement:

1. will not be deemed to be a determination of **Insured's** liability with respect to any **Claim** or **Suit** that results from a **Crisis Management Event**; and

2. will not create any duty to defend any **Suit** or to investigate any **Claim** arising from a **Crisis Management Event**, nor any coverage obligations under this policy.

D. If the Crisis Communications Management Insurance provided by this endorsement and any other insurance issued to the **Named Insured** by us or any of our affiliated companies shall apply to the same crisis or **Claim**, the maximum limit of insurance under all insurance available will not exceed the highest applicable limit of insurance available under any one policy or endorsement. This condition does not apply to any other insurance issued by us or any of our affiliated companies specifically to apply as excess insurance over this endorsement.

E. In the event of a dispute between the **Named Insured** and us as to whether a **Crisis Management Event** has occurred, the **Named Insured** may, at its own cost, retain the services of an approved **Crisis Management Firm** and/or advance **CrisisResponse Costs**. Provided, however, if the **Named Insured** elects to retain an approved **Crisis Management Firm** or to advance **CrisisResponse Costs**, we shall have no obligation to reimburse under this endorsement the **Named Insured** for such costs or expenses. The right to reimbursement shall be arbitrated pursuant to the rules of the American Arbitration Association in New York, New York or in the state indicated in Item 1 of the Declarations of this policy as the **Named Insured's** principal place of business.

All other terms and conditions of this policy remain unchanged.

Authorized Representative

Schedule A

Approved Crisis Management Firms

The following firms are approved **Crisis Mangement Firms:**

FIRM ADDRESS	CONTACT INFORMATION	EMERGENCY TELEPHONE	SERVICES OFFERED
The Abernathy MacGregor Group			
501 Madison Avenue New York, NY 10022	James T. MacGregor (212) 371-5999 Office (646) 236-3271 Cell (212) 752-0723 Fax (212) 343-0818 Home jtm@abmac.com Rhonda Barnat (212) 371-5999 Office (917) 912-6378 Cell (212) 752-0723 Fax (646) 478-8740 Home rb@abmac.com	(917) 449-9964	Public Relations and Crisis Management
611 West Sixth Street, Suite 1880 Los Angeles, CA 90017	Ian D. Campbell (213) 630-6550 Office (213) 489-3443 Cell (213) 489-3443 Fax (818) 957-5650 Home (818) 541-0954 Home Fax idc@abmac.com	(818) 750-4392 (917) 940-3476	
Bright Light Marketing Group (Hawaii Only)			
1001 Bishop Street, Suite 900 Honolulu, Hawaii 96813-3429	Charlene Lo Chan (808) 275-3007 Direct (808) 524-6441 Office (808) 781-7733 Cell (808) 524-8115 Fax charlene@brightlightmarketing.com		Public Relations and Crisis Management
Edelman Public Relations Worldwide			
200 East Randolph Street, 63rd Floor Chicago, IL 60601	Bill Keegan (312) 240-2624 Direct (312) 240-3000 Office (312) 927-8424 Cell (312) 240-2900 Fax bill.keegan@edelman.com		International Public Relations and Crisis Management
1500 Broadway, 26th Floor New York, NY	Chris Deri (212) 704-4526 Office (212) 391-6389 Fax (917) 783-6771 Cell chris.deri@edelman.com		

Edward Howard and Company			
1100 Superior Avenue, Suite 1600 Cleveland, OH 44114-2518	Wayne Hill (216) 781-2400 Office (216) 408-1211 Cell whill@edwardhoward.com		Public Relations and Crisis Management

Fleishman-Hilliard, Inc.			
John Hancock Center 875 N. Michigan Avenue, Suite 3300 Chicago, IL 60611-1901	David Saltz (312) 751-3530 Direct (312) 751-8878 Office (312) 203-2114 Cell (312) 751-8191 Fax david.saltz@fleishman.com		Public Relations and Crisis Management
1615 L Street NW, Suite 1000 Washington, D.C. 20036-5610	Benjamin (Ben) Kincannon (617) 692-0501 Office (508) 314-4154 Cell (617) 267-5905 Fax ben.kincannon@fleishman.com		

Hill and Knowlton, Inc.			
909 Third Avenue New York, NY 10022	Christopher R. Gidez (212) 885-0480 Direct (212) 885-0300 Office (914) 319-6582 Cell (212) 885-0524 Fax chris.gidez@hillandknowlton.com	(888) 264-5193	Public Relations and Crisis Management
	Richard (Dick) C. Hyde (212) 885-0372 Direct (212) 885-0300 Office (917) 816-2208 Cell (212) 855-0570 Fax dhyde@hillandknowlton.com		
55 Metcalfe Street, Suite 1100 Ottawa, Canada K1P 6L5	Jo-Anne Polak (613) 786-9954 Direct (613) 238-4371 Office (613) 761-2684 Cell (613) 238-8642 Fax jpolak@hillandknowlton.com		

Lexicon Communications Corp.			
520 Bellmore Way Pasadena, CA 91103	Steven B. Fink (626) 683-9333 Direct (626) 683-9200 Ext. 225 Office (626) 253-1519 Cell (626) 449-7659 Fax sfink@lexiconcorp.com	(626) 683-9333	Public Relations and Crisis Management
	Daryn Teague (661) 297-5292 Direct (805) 358-3058 Cell		

Robinson Lerer & Montgomery			
1345 Avenue of the Americas, 4th Floor New York, NY 10105	Michael Gross (646) 805-2003 Direct (646) 805-2000 Office (917) 853-0620 Cell (646) 557-0002 Fax (718) 788-5281 Home mgross@rlmnet.com Patrick S. Gallagher (646) 805-2007 Direct (646) 805-2000 Office (917) 328-9333 Cell (646) 805-2829 Fax (914) 232-4256 Home pgallagher@rlmnet.com	(646) 805-2000	Public Relations and Crisis Management

Sard Verbinnen & Co.			
630 Third Avenue, 9th Floor New York, NY 10017	George Sard (212) 687-8080 Office (212 687-8344 Fax gsard@sardverb.com Paul Verbinnen (212) 687-8080 Office (212) 687-8344 Fax pv@sardverb.com	(917) 750-4392	Public Relations and Crisis Management
190 S. LaSalle Street, Suite 1600 Chicago, IL 60603	Brad Wilks (312) 895-4740 Direct (312) 895-4700 Office (312) 895-4747 Fax bwilks@sardverb.com		
275 Battery Street, Suite 480 San Francisco, CA 94111	Paul Kranhold (415) 618-8750 Office (415) 568-9580 Fax pkranhold@sardverb.com		

Sitrick and Company, Inc.			
655 Third Avenue, 22nd Floor New York, NY 10017	Jeffrey S. Lloyd (212) 660-6393 Direct (212) 573-6100 Office (310) 963-2850 Cell (212) 573-6165 Fax jeff_lloyd@sitrick.com	(310) 358-1011	Public Relations and Crisis Management
1840 Century Park East, Suite 800 Los Angeles, CA 90067	Michael S. Sitrick (310) 788-2850 Direct (310) 788-2855 Fax mike_sitrick@sitrick.com		

The Torrenzano Group		
The Lincoln Building 60 East 42nd Street, Suite 2112 New York, NY 10165-2112	Richard Torrenzano (212) 681-1700 Ext. 111 Direct (212) 681-6961 Fax richard@torrenzano.com Edward A. Orgon (212) 681-1700 Ext. 102 Direct (917) 539-4000 Cell (212) 681-6961 Fax ed@torrenzano.com	Public Relation and Crisis Management

Zeno Group		
The Foundry Building 10555 Thomas Jefferson Street NW Washington, D.C. 20007	Phillip Armstrong (202) 965-7801 Direct (202) 669-9926 Cell phil.armstrong@zenogroup.com	Public Relations and Crisis Management

THE FOLLOWING NON-PUBLIC RELATIONS FIRMS ARE APPROVED CRISIS RESPONSE FIRMS:

FIRM ADDRESS	CONTACT INFORMATION	EMERGENCY TELEPHONE	SERVICES OFFERED
Coventry Health Care, Inc.			
3200 Highland Avenue Downers Grove, IL 60515	Nicole Bennet-Denson (212) 283-7183 Fax (646) 284-8835 Cell nxbennettden@cvty.com Anthony Nastasi (914) 874-4727 Cell (845) 265-5086 Fax atnastasi@cvty.com	(800) 552-5378 Crisis Response (888) 736-3272 Case Management	Psychological Counseling, Medical Case Management, Medical Cost Projection and Containment.
D.A.R., Inc.			
4 Iris Drive Scarborough, Maine 04074	David W. Hunt (207) 415-0735 Direct (207) 883-0493 Home (207) 883-2436 Fax dhunt12348@aol.com		Crisis Management, Global Investigative Services, Access to Local, State and Federal Police Authorities, National & International Intelligence Agencies, Crisis Management Training, Threat and Vulnerability Assessment.

GAB Robbins North America, Inc.		
560 Peoples Plaza, Suite 215 Newark, Delaware 19702	Gail Oliver (302) 838-1684 Direct (302) 521-4985 Cell (302) 838-1685 Fax oliverg@gabrobbins.com	Claims Investigative Services, Appraisal Services, Emergency Claims Services and Loss Call Center Operations.

Marsh, Inc. (Reputational Risk & Crisis Management Group) (Formerly Kroll Associates)		
1166 Avenue of the Americas New York, NY 10036	Ilene Merdinger (212) 345-1690 Direct (914) 924-1040 Cell (212) 948-8638 Fax ilene.merdinger@marsh.com Larry Walsh (212) 345-2765 Direct (917) 841-8839 Cell (212) 948-8638 Fax larry.walsh@marsh.com	Crisis Management and Investigative Services
1255 23rd Street NW Washington, D.C. 20037	Robert Wilkerson (202) 263-7920 Direct (202) 256-4931 Cell (202) 263-7900 Fax robert.wilkerson@marsh.com	

ENDORSEMENT No. 8

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

Exterior Insulation and Finish System (EIFS) Exclusion Endorsement

This policy is amended as follows:

Section IV. Exclusions is amended to include the following additional exclusion:

This insurance shall not apply to:

Ultimate Net Loss arising in whole or in part out of the design, manufacture, construction, fabrication, preparation, installation, application, maintenance or repair, including remodeling, service, correction, or replacement of an Exterior Insulation and Finish System (EIFS), synthetic stucco, or any similar product or any part thereof, including the application or use of paints, conditioners, primers, accessories, flashings, coatings, caulkings or sealants in connection with such a product.

All other terms and conditions of this policy remain unchanged.

Authorized Representative
or Countersignature (in States Where Applicable)

87276 (1/05)
AH1447

ENDORSEMENT No. 9

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

Employers' Liability Exclusion Endorsement
(Limited Applicability)

This policy is amended as follows:

Section IV. Exclusions is amended to include the following additional exclusion:

This insurance shall not apply to:

Any liability arising out of bodily injury to an employee in the course of employment, where the obligation of any underlying insurer or self-insurance mechanism providing employer's liability coverage for the Insured is by law unlimited.

All other terms and conditions of this policy remain unchanged.

Authorized Representative

ENDORSEMENT No. 10

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no.: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

INDIANA AMENDATORY ENDORSEMENT
(Definition of Pollutants)

When a claim or **Suit** is brought against an **Insured** in the state of Indiana and/or Indiana law applies, this policy is amended as follows:

The definition of **Pollutants** in this policy or in any endorsement to this policy is deleted in its entirety and replaced with the following:

> **Pollutants** means any solid, liquid, gaseous, bacterial, fungal, electromagnetic, thermal or other substance that can be toxic or hazardous, cause irritation to animals or persons and/or cause contamination to property and the environment including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste. Specific examples identified as pollutants include, but are not limited to, diesel, kerosene, and other fuel oils, gasoline, butane, propane, natural gas, and other fuels, brake fluid, transmission fluid, and other hydraulic fluids, ethylene glycol, methyltertbutylether (MTBE), methanol, ethanol, isopropyl alcohol, and propylene glycol, and other fuel and antifreeze additives, grease, tar, petroleum distillates, and other petroleum products and petroleum hydrocarbons, carbon monoxide, and other exhaust gases, stoddard solvent, mineral spirits, and other solvents, chromium compounds, emulsions/emulsifiers, naphtha tetrachloroethylene (PCE), perchloroethylene (PERC), trichloroethylene (TCE), methylene chloroform, and other dry cleaning chemicals, methyl isobytyl ketone, methyl ethal ketone, n-butyl acetate, 2-butoxyethanol, hexylene glycol, peroxides, freon, polychlorinated biphenyl (PCB), CFC113, chlorofluorocarbons, chlorinated hydrocarbons, adhesives, pesticides, insecticides, barium, 1,2-Dichloroethylene, ethylene dichloride, dichloromethane, methylene chloride, ethylbenzene, lead, Mercury, Selenium, sulfate, xylene, silica, sewage, and industrial waste materials, and all substances, constituents, derivatives or degradative byproducts, or additives specifically listed, identified, or described by one or more of the following references:
>
> i. Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Priority List Hazardous Substances (1997 and all subsequent editions);
>
> ii. Agency for Toxic Substances And Disease Registry ToxFAQs™;
>
> iii. Clean Air Act's List of 188 Air Toxics And Diesel Particulate Matter;
>
> iv. U.S. Environmental Protection Agency EMCI Chemical References Complete Index;
>
> v. U.S. Environmental Protection Agency Persistent, Bioaccumulative, and Toxic Chemicals List;
>
> vi. Indiana Department of Environmental Management, Remediation Closure Guide, March 22, 2012 edition, Table A-6 Screening Level Summary Table - 2012; and
>
> vii. Indiana Department of Environmental Management, Risk Integrated System of Closure Technical Guide, Default Closure Tables, January 31, 2006 Appendix 1 (Revised May 1, 2009)

Substances identified as examples above or by the referenced lists also include materials or substances to be discarded, recycled, reconditioned or reclaimed.

This definition of **Pollutants** applies whether or not such solid, liquid, gaseous, bacterial,fungal, electromagnetic or thermal irritant or contaminant or substance is your product or products used by you or for you, and/or is an integral part of or incidental to your business, operations, premises, site or locations or has any function in your business, operations, premises, site or locations.

For the purpose of this endorsement, **Suit**, **Insured** and **Pollutants** shall have the applicable meaning, in accordance with the terms of this policy, whether or not such term is in quotation marks or bolded.

All other terms, definitions, conditions, and exclusions of this policy remain unchanged.

Authorized Representative or
Countersignature (Where Applicable)

ENDORSEMENT No. 11

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no.: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

LEAD EXCLUSION

This insurance does not apply to **Bodily Injury, Property Damage, Personal Injury, Advertising Injury** or any other loss, cost or expense arising out of the presence, ingestion, inhalation or absorption of or exposure to lead in any form or products containing lead.

All other terms and conditions of this policy remain unchanged.

AUTHORIZED REPRESENTATIVE

61718 (12/94)
AH0261

ENDORSEMENT No. 12

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no.: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

Minimum Retained Limit Amendatory Endorsement

This policy is amended as follows:

Section I. Coverage, Paragraph **B.** is amended to include the following additional provision:

> The applicable amounts shown on the schedule of underlying insurance or Declarations shall constitute the minimum retained limit for this policy. Under no circumstance will this policy apply until the applicable minimum retained limit is properly exhausted. Any sublimit of insurance or lower underlying limit which is part of any underlying policy but is not depicted on the schedule of underlying insurance or **DECLARATIONS** shall not alter our minimum retained limit.

All other terms and conditions of this policy remain unchanged.

Authorized Representative

ENDORSEMENT No. 13

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

No Fault, Uninsured Motorist and Underinsured Motorist Exclusion Endorsement

This policy is amended as follows:

Section IV. Exclusions is amended to include the following additional exclusion:

This insurance shall not apply to:

Ultimate Net Loss arising out of any obligation of the Insured under any "No Fault," "Uninsured Motorist" or "Underinsured Motorist" law.

All other terms and conditions of this policy remain unchanged.

Authorized Representative

81537 (02/03)
AH5282

ENDORSEMENT No. 14

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no.: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

NOTICE OF OCCURRENCE ENDORSEMENT

Your failure to give first report of a claim to us shall not invalidate coverage under this policy if the loss was inadvertently reported to another Insurer. However, you shall report any such **Occurrence** to us within a reasonable time once you become aware of such error.

All other terms, conditions and exclusions remain the same.

AUTHORIZED REPRESENTATIVE

62223 (3/95)
AH0274

ENDORSEMENT No. 15

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no.: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY

Notification of Accidents or Occurrences Endorsement

This policy is amended as follows:

Section III. Conditions, Paragraph **D.** Notification of Accidents or Occurrences is deleted in its entirety and replaced by the following:

D. Notification of Accidents or Occurrences

You must see to it that we are notified as soon as practicable of any accident or occurrence which may result in any claim or suit under this policy. Notice should be sent to:

AIG Claims, Inc.
175 Water Street, 22nd Floor
New York, NY 10038
Email: excessfnol@AIG.com
Fax to computer: 866-743-4376

All other terms and conditions of this policy remain unchanged.

Authorized Representative

ENDORSEMENT # 16

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

Pollution Amendatory Endorsement

This policy is amended as follows:

Section IV. Exclusions, Paragraph B. is deleted in its entirety.

Section II. Definitions, Paragraphs C. and D., are deleted in their entirety.

All other terms, definitions, conditions, and exclusions of this policy remain unchanged.

Authorized Representative

119590 (07/15)
AH3345

ENDORSEMENT No. 17

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

Uninsured/Underinsured Motorists Coverage Endorsement

THIS ENDORSEMENT APPLIES TO A COVERED AUTO REGISTERED OR PRINCIPALLY GARAGED IN THE FOLLOWING STATE(S) (where indicated by an "X")

The Declarations ITEM 3. LIMITS OF INSURANCE is amended to include the following additional provisions:

Applicable Uninsured/Underinsured Each Occurrence Limit(s)

	VERMONT	**$ Bodily Injury and Property Damage Combined Single Limit**

And, if Uninsured/Underinsured Motorist Coverage has been selected under this policy:

Applicable Uninsured/Underinsured Each Occurrence Limit(s)

	FLORIDA	**$ Bodily Injury**
	WEST VIRGINIA	**$ Bodily Injury and Property Damage Combined Single Limit**

And, if Uninsured/Underinsured Motorist Coverage has not been rejected under this policy:

Applicable Uninsured/Underinsured Each Occurrence Limit(s)

	LOUISIANA	**$ Bodily Injury Limit**
X	**NEW HAMPSHIRE**	$25,000,000 **Bodily Injury Limit**
	WISCONSIN	**$ Bodily Injury and Property Damage Combined Single Limit**

Uninsured/Underinsured Motorists Retained Limit $1,000,000

COVERAGE

Section I. Coverage is amended to include the following additional provisions:

1. We will pay on your behalf the Ultimate Net Loss in excess of the Uninsured/Underinsured Motorists Retained Limit the Insured is legally entitled to recover as compensatory damages from the owner or operator of:

   a. An Uninsured Motor Vehicle as defined in Definition 8.a., 8.b. and 8.c. of this endorsement because of Bodily Injury sustained by the Insured, or Property Damage and caused by an Occurrence, and

   b. An Uninsured Motor Vehicle as defined in Definition of 8.d. of this endorsement because of Bodily Injury sustained by any Insured, or Property Damage.

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The owner's or operator's liability for these damages must result from the ownership, maintenance or use of the Uninsured Motor Vehicle.

2. We will pay under this coverage only if a., b., or c. below applies:

   a. The limits of any applicable liability bonds or policies of the Uninsured Motor Vehicle have been exhausted by judgments or payments **(Not applicable where the Uninsured/Underinsured Motorists laws of Louisiana apply)**;

   b. The submission of claims exceeds the limits of liability under any applicable Bodily Injury bonds or policies **(Applicable only where the Uninsured/Underinsured Motorist laws of Louisiana apply)**; or

   c. A tentative settlement has been made between an Insured and the insurer of the vehicle described in paragraph b. of the definition of Uninsured Motor Vehicle of this endorsement and we:

      1) Have been given prompt written notice of such settlement; and

      2) Advance payment to the Insured in an amount equal to the tentative settlement within 90 days **(30 days where the Uninsured/Underinsured Motorist laws of Florida apply; 60 days where the Uninsured/Underinsured Motorist laws of West Virginia apply; as soon as practicable where the Uninsured/Underinsured Motorist laws of Louisiana apply)** after receipt of notification.

3. Any judgment for damages arising out of a Suit brought without our written consent is not binding upon us **(Not applicable where the Uninsured/Underinsured laws of Louisiana apply)**.

LIMITS OF INSURANCE

Solely for the purpose of Uninsured/Underinsured Motorist Coverage provided by this endorsement, **Section I. Coverage**, Paragraph B. is amended to include the following additional provisions:

1. Regardless of the number of covered Autos, Insureds, premiums paid, claims made or vehicles involved in the Occurrence, the most we will pay for all damages resulting from any one Occurrence are the Limits of Insurance shown in Item 3. of the Declarations (as amended in this endorsement).

2. With respect to coverage provided under Paragraph 8.b. of the definition of Uninsured Motor Vehicle, the Limit of Insurance shall be reduced by all sums paid for Bodily Injury or Property Damage by or on behalf of anyone who is legally responsible.

3. Retained Limit

   We will be liable only for that portion of damages in excess of the Uninsured/Underinsured Motorists Retained Limit and then up to an amount not exceeding the Uninsured/Underinsured Motorists Each Occurrence Limit as stated in the Declarations (as amended in this endorsement), subject to the provisions stated in 1. and 2. above.

   The Uninsured/Underinsured Motorists Retained Limit shall not be reduced or exhausted by Defense Expenses.

   Where the Uninsured/Underinsured laws of the state of West Virginia apply, this Uninsured/Underinsured Motorists Retained Limit applies excess of the statutory minimum amount of Uninsured Motorists Coverage provided by an underlying insurer.

EXCLUSIONS

Solely for the purpose of Uninsured/Underinsured Motorist Coverage provided by this endorsement, **Section IV. Exclusions**, is amended to include the following additional exclusions:

This insurance shall not apply to:

1. Any obligation of the Insured under a "No Fault" law.

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2. Any claim settled without our consent. However, this exclusion does not apply to a settlement made with the insurer of a vehicle which is an Uninsured Motor Vehicle.

3. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.

4. Any Insured using a vehicle without the expressed or implied permission of the owner or lessee.

5. Bodily Injury or Property Damage sustained by:

   a. An individual Named Insured while Occupying or when struck by any vehicle owned by that Named Insured that is not a covered Auto for Uninsured Motorists Coverage under this endorsement;

   b. Any Family Member while Occupying or when struck by any vehicle owned by that Family Member that is not a covered Auto for Uninsured Motorists Coverage under this endorsement; or

   c. Any Family Member while Occupying or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage under any other policy.

6. Punitive or exemplary damages.

7. Property Damage to an Auto or to property contained in an Auto owned by the Named Insured which is not a covered Auto.

8. Property Damage for which the Insured has been or is entitled to be compensated by other property or physical damage insurance.

DEFINITIONS

Solely for the purpose of Uninsured/Underinsured Motorist Coverage provided by this endorsement, **Section II. Definitions** is amended to include the following additional definitions:

1. Bodily Injury

   The term "Bodily Injury" means bodily injury, sickness, disability or disease. Bodily Injury shall also mean mental injury, mental anguish, humiliation, shock or death if directly resulting from bodily injury, sickness, disability or disease.

2. Defense Expenses

   The term "Defense Expenses" means a payment allocated to a specific loss, claim or Suit for its investigation, settlement or defense, including but not limited to:

   a. Attorneys' fees and all other investigation, loss adjustment and litigation expenses;

   b. Premiums on bonds to release attachments;

   c. Premiums on appeal bonds required by law to appeal any claim or Suit;

   d. Costs taxed against the Insured in any claim or Suit;

   e. Pre-judgment interest awarded against the Insured; and

   f. Interest that accrues after entry of judgment.

3. Family Member

   The term "Family Member" means a person related to an individual Named Insured by blood, marriage **(Including civil union where the Uninsured/Underinsured Motorists laws of New Hampshire and Vermont apply)** or adoption who is a resident of such Named Insured's household, including a ward or foster child.

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4. Insured

The term "Insured" means:

If the Named Insured is designated in the Declarations as:

a. An individual, then only the following are Insureds:

1) The Named Insured and any Family Members.

2) Anyone else occupying a covered Auto or a temporary substitute for a covered Auto. The covered Auto must be out of service because of its breakdown, repair, servicing, loss or destruction.

3) Anyone for damages he or she is entitled to recover because of Bodily Injury sustained by another Insured.

b. A partnership, limited liability company, corporation or any other form of organization, then the following are Insureds:

1) Anyone occupying a covered Auto or a temporary substitute for a covered Auto. The covered Auto must be out of service because of its breakdown, repair, servicing, loss or destruction;

2) Anyone for damages he or she is entitled to recover because of Bodily Injury sustained by another Insured.

5. Occupying and/or Occupied

The term "Occupying and/or Occupied" means in, upon, getting in, on, out or off.

6. Occurrence

The term "Occurrence" means as respects Bodily Injury or Property Damage, an accident, including continuous or repeated exposure to substantially the same general harmful conditions. All such exposure to substantially the same general harmful conditions will be deemed to arise out of one Occurrence.

7. Property Damage

The term "Property Damage" means:

Physical Injury or destruction of:

a. A covered Auto; or

b. Property contained in the covered Auto.

8. Uninsured Motor Vehicle

The term "Uninsured Motor Vehicle" means a land motor vehicle or trailer:

a. For which no liability bond or policy at the time of an Occurrence provides at least the amounts required by the applicable law where a covered Auto is principally garaged;

b. Which is an Underinsured Motor Vehicle. An Underinsured Motor Vehicle means a land motor vehicle or trailer for which the sum of all liability bonds or policies applicable at the time of an Occurrence provides at least the amounts required by the applicable law where a covered Auto is principally garaged but their limits are less than the Limit of Insurance of this coverage **(Not Applicable where the Uninsured/Underinsured Motorists laws of West Virginia apply)**;

c. For which an insuring or bonding company denies coverage or is or becomes insolvent; or

d. That is a hit-and-run vehicle and neither the operator nor owner can be identified. The vehicle must either:

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1) Hit an Insured, a covered Auto or a vehicle an Insured is Occupying; or

2) Cause Bodily Injury to an Insured without hitting an Insured, a covered Auto or a vehicle an Insured is Occupying.

The facts of the Occurrence or intentional act must be proved by independent corroborative evidence, other than the testimony of the Insured making a claim under this or similar coverage, unless such testimony is supported by additional evidence **(Not applicable where the Uninsured/Underinsured Motorists laws of Vermont apply)**

The facts of the Occurrence or intentional act must be supported by sworn statements from the Insured, reporting to the police, and proof of claim by the preponderance of the evidence **(Applicable only where the Uninsured/Underinsured Motorists laws of Vermont apply).**

However, Uninsured Motor Vehicle does not include any vehicle:

a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law. **However, where the Uninsured/Underinsured laws of the state of Florida apply, Uninsured Motor vehicle includes any vehicle owned or operated by a self-insurer under any applicable motor vehicle law;**

b. Designed for use mainly off public roads while not on public roads;

c. Owned by or furnished or available for the Named Insured's regular use or that of any Family Member, if the Named Insured is an individual; or

d. Owned by any governmental unit or agency, unless the owner or operator of the Uninsured Motor Vehicle has:

1) An immunity under applicable tort liability law; or

2) A diplomatic immunity.

9. Underinsured Motor Vehicle

The term "Underinsured Motor Vehicle" means a land motor vehicle or trailer to which a liability bond or policy applies at the time of the Occurrence but the amount paid for Bodily Injury or Property Damage to an Insured under that bond or policy is not enough to pay the full amount the Insured is legally entitled to recover as damages.

However Underinsured Motor Vehicle does not include any vehicle or trailer:

a. Owned or operated by a self-insurer under any applicable motor vehicle law;

b. Owned by a governmental unit or agency; or

c. Designed for use mainly off public roads while not on public roads.

(Definition 9. above only applicable where the Uninsured/Underinsured Motorists laws of West Virginia apply)

10. Uninsured/Underinsured Motorists Retained Limit

The term "Uninsured/Underinsured Motorists Retained Limit" means the Auto liability limit as provided by a policy listed in the Schedule of Underlying Insurance.

CONDITIONS

Solely for the purpose of Uninsured/Underinsured Motorist Coverage provided by this endorsement, Condition D. Notification of Accidents or Occurrences under **Section III. Conditions** is amended to include the following

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additional provisions:

Specifically as respects to any Occurrence which may result in a Uninsured/Underinsured Motorist claim for coverage under this policy:

a. You must promptly notify the police if a hit-and-run driver is involved, and

b. You must promptly send us copies of the legal papers if a Suit is brought.

c. A person seeking Uninsured/Underinsured Motorists Coverage must also promptly notify us in writing of a tentative settlement between the Insured and the insurer of the vehicle described in Paragraph 8.b. of the definition of Uninsured Motor Vehicle and allow us 90 days **(30 days where the Uninsured/ Underinsured Motorist laws of Florida apply; 60 days where the Uninsured/Underinsured Motorist laws of West Virginia apply; as soon as practicable where the Uninsured/Underinsured Motorist laws of Louisiana apply)** to advance payment to that Insured in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such vehicle described in Paragraph 8.b. of the definition of Uninsured Motor Vehicle.

Solely for the purpose of Uninsured/Underinsured Motorist Coverage provided by this endorsement, **Section III. Conditions** is amended to include the following additional conditions:

Other Insurance

Any insurance we provide under this endorsement will be excess to the total limits of any other insurance paid or available for payment to an Insured, except other applicable Uninsured/Underinsured Motorist Coverage written to be excess of this policy.

If there is other applicable Uninsured/Underinsured Motorist Coverage under any other policy issued to the Named Insured by us, the maximum recovery for damages may equal but not exceed the highest applicable limit of insurance under any one policy.

If there is other applicable excess Uninsured/Underinsured Motorist Coverage available under more than one policy, then the following priorities of coverage apply:

1. A policy covering as excess, umbrella, or similar insurance, a motor vehicle Occupied by the injured person or a policy covering, as excess, umbrella, or similar insurance, a pedestrian as a Named Insured.

2. A policy covering as excess, umbrella, or similar insurance, a motor vehicle Occupied by the injured person or a policy covering, as excess, umbrella, or similar insurance, a pedestrian as an Insured other than as a Named Insured.

3. A policy not covering a motor vehicle Occupied by the injured person but covering, as excess, umbrella, or similar insurance, the injured person as a Named Insured.

4. A policy not covering a motor vehicle Occupied by the injured person but covering, as excess, umbrella, or similar insurance, the injured person as an Insured other than as a Named Insured.

We will pay only our share of the loss that must be paid under insurance providing umbrella or excess coverage. Our share is the proportion that our limit of liability bears to the total of all applicable limits of all the policies applicable on the same level of priority.

Transfer of Your Rights and Duties

If we make any payment and the Insured recovers from another party, the Insured shall hold the proceeds in trust for us and pay us back the amount we have paid.

However, where the Uninsured/Underinsured laws of the state of Louisiana apply, if we make any payment under this policy and the person to or for whom payment is made has a right to recover damages from another, we shall be subrogated to that right. However, our right to recover is subordinate to the right of the

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Insured to be fully compensated.

Our rights do not apply under this provision with respect to Uninsured/Underinsured Motorists Coverage if we:

a. Have been given prompt written notice of a tentative settlement between an Insured and the insurer of a vehicle described in Paragraph 8.b. of the definition of Uninsured Motor Vehicle; and

b. Fail to advance payment to the Insured in an amount equal to the tentative settlement within 90 days **(30 days where the Uninsured/Underinsured Motorist laws of Florida apply; 60 days where the Uninsured/Underinsured Motorist laws of Louisiana apply; as soon as practicable where the Uninsured/Underinsured Motorist laws of Louisiana apply)** after receipt of notification.

If we advance payment to the Insured in an amount equal to the tentative settlement within 90 days **(30 days where the Uninsured/Underinsured Motorist laws of Florida apply; 60 days where the Uninsured/Underinsured Motorist laws of West Virginia apply; as soon as practicable where the Uninsured/Underinsured Motorist laws of Louisiana apply)** after receipt of notification:

a. That payment will be separate from any amount the Insured is entitled to recover under the provisions of Uninsured/Underinsured Motorists Coverage; and

b. We also have a right to recover the advanced payment.

Arbitration (Not applicable where the Uninsured/Underinsured laws of West Virginia or Louisiana apply)

1. If we and an Insured disagree whether the Insured is legally entitled to recover damages from the owner or driver of an Uninsured Motor Vehicle or do not agree as to the amount of damages that are recoverable by that Insured, then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Both parties must agree to the arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

2. Unless both parties agree otherwise, arbitration will take place in the county in which the Insured lives. Local rules of law as to arbitration procedures and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

Conformance to "Uninsured Motorist" and/or "Underinsured Motorist" Law

To the extent any term of this policy conflicts with any applicable Uninsured/Underinsured law, the term shall be deemed amended so as to conform to minimum requirements of that law. However, under no such circumstance shall any term be amended to be broader than the minimum requirements of that law.

All other terms and conditions of this policy remain unchanged.

Authorized Representative

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ENDORSEMENT NO. 18

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no.: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM®

Amendment to Cancellation Condition Endorsement

(Amendment of Condition A. 2 - Limited Applicability)

Solely with respect to the Dormitory Authority State of New York, This policy is amended as follows:

Section III. CONDITIONS, Paragraph A., 2. is deleted in its entirety and replaced by the following:
2. We may cancel this policy. If we cancel because of non-payment of premium, we must mail or deliver to the above named at the address shown below, not less than ten (10) days advance written notice stating when the cancellation is to take effect. If we cancel for any other reason, we must mail or deliver to the above named at the address shown below, not less than thirty (30) days advance written notice stating when the cancellation is to take effect.

Dormitory Authority State of New York
Attention: Procurement Unit

515 Broadway

Albany, NY 12207

Section III. CONDITIONS, Paragraph A., 2. is deleted in its entirety and replaced by the following:
2. We may cancel this policy. If we cancel because of non-payment of premium, we must mail or deliver to the above named at the address shown below, not less than ten (10) days advance written notice stating when the cancellation is to take effect. If we cancel for any other reason, we must mail or deliver to the above named at the address shown below, not less than thirty (30) days advance written notice stating when the cancellation is to take effect.

Dormitory Authority State of New York
Attention: Procurement Unit

515 Broadway

Albany, NY 12207

All other terms, conditions and exclusions of the policy remain unchanged.

Authorized Representative
or countersignature (where required by law)

ENDORSEMENT NO. 19

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no.: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

ELECTRONIC DATA LIMITATION ENDORSEMENT
(Sublimit of Insurance)

This policy is amended as follows:

Section IV. Exclusions is amended to include the following additional exclusion:

This insurance does not apply to Ultimate Net Loss for any liability arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, if insurance for electronic data liability is provided by the First Underlying Insurance:

1. This exclusion shall not apply; and

2. Coverage under this policy for such liability will follow the terms, definitions, conditions and exclusions of First Underlying Insurance, subject to the Policy Period, Limits of Insurance as amended herein, premium and all other terms, definitions, conditions and exclusions of this policy. Provided, however, that coverage provided by this policy will be no broader than the coverage provided by First Underlying Insurance.

The **DECLARATIONS ITEM 3. LIMITS OF INSURANCE**, is amended to include the following additional provision:

Amount	Sub-limit of Insurance
$5,000,000	Electronic Data Liability

Section I. Coverage, paragraph **B.** is amended to include the following additional provision:
The Electronic Data Liability Sub-limit of Insurance shown in ITEM 3. of the DECLARATIONS (as amended above) is the most we will pay for all damages under this policy with respect to Insured's Electronic Data Liability. This sub-limit is part of and not in addition to the Each Occurrence, General Aggregate or Products Completed Operations Hazard Limits shown on the Declarations.

All other terms, conditions and exclusions of the policy remain unchanged.

Authorized Representative
or countersignature (where required by law)

ENDORSEMENT NO. 20

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no.: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

Excess Wrap-Up Limitation Endorsement

This policy is amended as follows:

Section I. Coverage is amended to include the following additional provisions:

The coverage otherwise provided under the terms and conditions of this policy will apply to the Named Insured's liability arising out of wrap up projects, subject to the following terms and conditions:

1. Coverage for Ultimate Net Loss arising out of wrap up projects applies only to the liability of the Named Insured and does not apply to any other wrap-up participants; and

2. All other valid and collectible insurance apply on a primary basis regardless of whether it was purchased specifically to insure the wrap up. However, this provision shall not apply to insurance which expressly lists this policy as underlying insurance; and

3. Coverage under this endorsement for the Named Insured's liability arising out of wrap-ups will follow the terms, definitions, conditions and exclusions of First Underlying Insurance Policy, subject to the Policy Period, Limits of Insurance, premium and all other terms, definitions, conditions, and exclusions of this policy. Provided, however, that coverage provided by this endorsement will not be broader than the coverage provided by First Underlying Insurance Policy.

4. If this insurance, any Wrap-Up insurance coverage or any Other Insurance provided by us or any of our affiliated companies will apply to the same claim, Suit or Occurrence, the maximum limit of insurance under all applicable policies of insurance combined will not exceed $50,000,000.

All other terms, conditions and exclusions of the policy remain unchanged.

Authorized Representative
or countersignature (where required by law)

ENDORSEMENT NO. 21

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no.: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

Non-Pyramiding of Limits/Tie in Endorsement

This policy is amended as follows:

In consideration of the premium charged, it is hereby understood and agreed that the maximum combined Limits of Insurance of this policy and Policy Number 019452243 (hereinafter "Other Policy") issued by AIG Insurance Company of Canada shall not exceed:

$25,000,000 Each Occurrence

$25,000,000 General Aggregate Limit (where applicable)

Additionally, the Limits of Insurance for loss and all amounts payable under this policy shall be reduced by loss and all amounts payable under the Other Policy because the Limits of Insurance under such other Other Policy are now part of and not in addition to the Limits of Insurance of this policy as set forth in the Declarations of this policy.

Nothing in this endorsement shall be construed to increase either: 1) the Limits of Insurance set forth in the Declarations of such Other Policy which shall remain the maximum liability of the respective insurer for all claims under such other Other Policy, or 2) the Insurer's Limits of Insurance under this policy as set forth in the Declarations of this policy which shall remain the maximum liability of the Insurer for all Loss in the aggregate under this policy.

All other terms, conditions and exclusions of the policy remain unchanged.

Authorized Representative
or countersignature (where required by law)

ENDORSEMENT NO. 22

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no.: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

Excess Liability Policy Form

Total Terrorism Exclusion Endorsement
(Applicable To Specified Countries)

This policy is amended as follows:

Section IV. Exclusions is amended to include the following additional exclusion:

Terrorism

This insurance does not apply to **Loss**, injury, damage, claim or **Suit**, arising directly or indirectly as a result of or in connection with **Terrorism** that occurs in the following countries:

Afghanistan, Algeria, Iraq, Mali, Pakistan, Philippines, Somalia, Syria, Yemen, and Brazil.

It is understood that to the extent any coverage may otherwise be provided for these above listed countries under this policy or any of its endorsements, the provisions of this exclusion will supersede.

Section II. Definitions is a amended to include the following additional definition:

Terrorism means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in any connection with any organization, government, power, authority or military force, when the when the effect is to:

1. intimidate, coerce or harm:
   a. a government; or
   b. the civilian population of a country, state or community; or
2. disrupt the economy of a country, state or community.

All other terms, conditions and exclusions of the policy remain unchanged.

Authorized Representative
or countersignature (where required by law)

ENDORSEMENT NO. 23

This endorsement, effective 12:01 AM: November 30, 2016

Forms a part of policy no.: BE 013791009

Issued to: AMERESCO, INC.

By: NATIONAL UNION FIRE INSURANCE COMPANY OF PITTSBURGH, PA.

EXCESS LIABILITY POLICY FORM

Violation of Communication or Information Law Exclusion Endorsement

This policy is amended as follows:

Section IV. Exclusions is amended to include the following additional exclusion:

This insurance shall not apply to:

Ultimate Net Loss arising out of any act that violates any statute, ordinance or regulation of any federal, state or local government, including any amendment of or addition to such laws, which addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

It is understood that to the extent any coverage may otherwise be available under this policy or any of its endorsements, the provisions of this exclusion will supercede.

All other terms, conditions and exclusions of the policy remain unchanged.

Authorized Representative
or countersignature (where required by law)

Insured Name:
Policy Number:
Effective Date:

THIS DISCLOSURE IS ATTACHED TO AND MADE PART OF YOUR POLICY.

DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT

SCHEDULE*

Premium attributable to risk of loss from certified acts of terrorism for lines of insurance subject to TRIA:	
General Liability	$2,868.00

*Any information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. Disclosure of Premium

In accordance with the federal Terrorism Risk Insurance Act ("TRIA"), as amended, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to the risk of loss from terrorist acts certified under that Act for lines subject to TRIA. That portion of premium attributable is shown in the Schedule above. The premium shown in the Schedule above is subject to adjustment upon premium audit, if applicable.

B. Disclosure of Federal Participation in Payment of Terrorism Losses

The United States Government may pay a share of insured losses resulting from an act of terrorism. The federal share will decrease by 5% from 85% to 80% over a five year period while the insurer share increases by the same amount during the same period. The schedule below illustrates the decrease in the federal share:

January1, 2015 – December 31, 2015 federal share: 85%

January1, 2016 – December 31, 2016 federal share: 84%

January1, 2017 – December 31, 2017 federal share: 83%

January1, 2018 – December 31, 2018 federal share: 82%

January1, 2019 – December 31, 2019 federal share: 81%

January1, 2020 – December 31, 2020 federal share: 80%

C. Disclosure of $100 Billion Cap on All Insurer and Federal Obligations

If aggregate insured losses attributable to terrorist acts certified under TRIA exceed $100 billion in a calendar year (January 1 through December 31) and an insurer has met its deductible under the program, that insurer shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

D. Availability

As required by TRIA, we have made available to you for lines subject to TRIA coverage for losses resulting from acts of terrorism certified under TRIA with terms, amounts and limitations that do not differ materially from those for losses arising from events other than acts of terrorism.

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E. Definition of Act of Terrorism under TRIA

TRIA defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed $5,000,000.

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SANCTIONS EXCLUSION ENDORSEMENT

ZURICH®

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

The following exclusion is added to the policy to which it is attached and supersedes any existing sanctions language in the policy, whether included in an Exclusion Section or otherwise:

SANCTIONS EXCLUSION

Notwithstanding any other terms under this policy, we shall not provide coverage nor will we make any payments or provide any service or benefit to any insured, beneficiary, or third party who may have any rights under this policy to the extent that such cover, payment, service, benefit, or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

The term policy may be comprised of common policy terms and conditions, the declarations, notices, schedule, coverage parts, insuring agreement, application, enrollment form, and endorsements or riders, if any, for each coverage provided. Policy may also be referred to as contract or agreement.

We may be referred to as insurer, underwriter, we, us, and our, or as otherwise defined in the policy, and shall mean the company providing the coverage.

Insured may be referred to as policyholder, named insured, covered person, additional insured or claimant, or as otherwise defined in the policy, and shall mean the party, person or entity having defined rights under the policy.

These definitions may be found in various parts of the policy and any applicable riders or endorsements.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED

ZURICH

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Insureds Name	Policy Number	Effective Date	Endorsement Number

THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies your insurance:

A. Cap on Losses From Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with provisions of the federal Terrorism Risk Insurance Act ("TRIA"), to be an act of terrorism. The Terrorism Risk Insurance Act provides that the Secretary of Treasury shall certify an act of terrorism:

1. To be an act of terrorism;
2. To be a violent act or an act that is dangerous to human life, property or infrastructure;
3. To have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of Title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. To have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

No act may be certified as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or if losses resulting from the act, in the aggregate for insurance subject to TRIA, do not exceed $5,000,000.

If aggregate insured losses attributable to one or more "certified acts of terrorism" exceed $100 billion in a calendar year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds $100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of Treasury.

B. Application of Other Exclusions

The terms and limitations of a terrorism exclusion or any other exclusion, or the inapplicability or omission of a terrorism exclusion or any other exclusion, do not serve to create coverage which would otherwise be excluded, limited or restricted under this policy.

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Disclosure Statement

ZURICH®

It is our pleasure to present the enclosed policy to you
for presentation to your customer.

INSTRUCTION TO AGENT OR BROKER:

WE REQUIRE THAT YOU TRANSMIT THE ATTACHED/ENCLOSED DISCLOSURE STATEMENT TO THE CUSTOMER WITH THE POLICY.

Once again, thank you for your interest, and we look forward to meeting your needs and those of your customers.

Disclosure Statement

NOTICE OF DISCLOSURE FOR AGENT & BROKER COMPENSATION

If you want to learn more about the compensation Zurich pays agents and brokers visit:

http://www.zurichnaproducercompensation.com

or call the following toll-free number: (866) 903-1192.

This Notice is provided on behalf of Zurich American Insurance Company

and its underwriting subsidiaries.

ZURICH

COMMERCIAL INSURANCE

COMMON POLICY DECLARATIONS

Policy Number GLO 5852388-04

Renewal of Number GLO 5852388-03

Named Insured and Mailing Address

AMERESCO, INC.
(SEE NAMED INSURED ENDT)
111 SPEEN ST
FRAMINGHAM MA 01701-2000

Producer and Mailing Address

ARTHUR J. GALLAGHER RISK MGMT
470 ATLANTIC AVE
BOSTON MA 02210-2208

Producer Code 18615-000

Policy Period: Coverage begins 11-30-2016 at 12:01 A.M.; Coverage ends 11-30-2017 at 12:01 A.M.

The name insured is ☐ Individual ☐ Partnership ☒ Corporation
☐ Other:

This insurance is provided by one or more of the stock insurance companies which are members of the Zurich-American Insurance Group. The company that provides coverage is designated on each Coverage Part Common Declarations. The company or companies providing this insurance may be referred to in this policy as "The Company", we, us, or our. The address of the companies of the Zurich-American Insurance Group are provided on the next page.

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE(S):

GENERAL LIABILITY COVERAGE issued by ZURICH AMERICAN INSURANCE COMPANY	PREMIUM	$ 289,175.00
KY-INSURANCE PREMIUM SURCHARGE		$ 127.04
KY-MUNICIPAL TAX		$ 526.00
NJ-PLIGA SURCHARGE		$ 42.00
VA-BIRTH-RELATED NEURO INJURY COMP FUND		$ 17.65
WA-REGULATORY SURCHARGE		$ 8.82

THIS PREMIUM MAY BE SUBJECT TO AUDIT.
This premium does not include Taxes and Surcharges.

TOTAL $ 289,175.00
SEE INSTALLMENT SCHEDULE

Taxes and Surcharges

TOTAL $ 721.51
SEE INSTALLMENT SCHEDULE

The Form(s) and Endorsement(s) made a part of this policy at the time of issue are listed on the **SCHEDULE of FORMS and ENDORSEMENTS.**

Countersigned this day of

Authorized Representative

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE PART FORM(S), FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

Policy Number
GLO 5852388-04

KENTUCKY MUNICIPAL TAX SCHEDULE
ZURICH AMERICAN INSURANCE COMPANY

Named Insured AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

TAX JURISDICTION	TAX AMOUNT
Frankfort	$ 526.00

The amount displayed includes tax and collection fees.

Policy Number
GLO 5852388-04

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

COMMON POLICY FORMS AND ENDORSEMENTS

U-GU-630-D CW	01-15	DISCLOSURE OF INFO RELATING TO TRIA
U-GU-1191-A CW	03-15	SANCTIONS EXCLUSION ENDORSEMENT
U-GU-767-B CW	01-15	CAP ON LOSS FROM CERTIFIED ACTS OF TERR
U-GU-D-310-A	01-93	COMMON POLICY DECLARATIONS
ZITAXFORM	12-08	KENTUCKY MUNICIPAL TAX SCHEDULE
U-GU-619-A CW	10-02	SCHEDULE OF FORMS AND ENDORSEMENTS
U-GU-319-F	01-09	IMPORTANT NOTICE - IN WITNESS CLAUSE
U-GU-621-A CW	10-02	SCHEDULE OF NAMED INSURED(S)
U-GU-406-A	07-94	INSTALLMENT PREMIUM SCHEDULE
U-GU-618-A CW	10-02	SCHEDULE OF LOCATIONS
U-GU-1016-A CW	06-10	KNOWLEDGE BY POSITION OR DEPARTMENT
IL 00 17	11-98	COMMON POLICY CONDITIONS
IL 00 21	09-08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDT
IL 02 77	03-12	LOUISIANA CHANGES-CANC & NONRENL
IL 00 03	09-08	CALCULATION OF PREMIUM
U-GU-D-639-A CW	07-07	COMBINED AGGREGATE DEDUCTIBLE SCHEDULE

GENERAL LIABILITY FORMS AND ENDORSEMENTS

U-GL-1446-A CW	05-10	NOTIFICATION TO OTHERS OF CANCELLATION
U-GL-1517-B CW	04-13	RECORD OR DISTRB OF MATRL OR INFO EXCL
U-GL-1518-A CW	04-13	BROADENED NAMED INSURED
U-GL-851-B CW	06-04	EMPLOYEE BENEFITS LIAB (OCCURRENCE) COV
U-GL-915-C CW	08-04	FELLOW EMPLOYEE COVERAGE ENDORSEMENT
U-GL-917-B CW	12-01	INCIDENTAL MEDICAL MALPRACTICE COV ENDT
U-GL-917-C CW	08-04	INCIDENTAL MEDICAL MALPRACTICE COV ENDT
U-GL-923-B CW	06-04	SILICA OR SILICA MIXED DUST EXCLUSION
U-GL-925-B CW	12-01	WAIVER OF SUBROGATION (BLANKET) ENDT.
U-GL-D-1120-A CW	04-06	ABUSIVE ACT LIAB COVERAGE FORM DEC
U-GL-D-851-B CW	09-04	EMPLOYEE BENEFITS LIAB (OCCURRENCE) COV
U-GL-D-1115-B CW	09-04	COMMERCIAL GL COVERAGE PART DECLARATIONS
U-GL-1113-A CW	10-02	COMM GENERAL LIABILITY COVERAGE SCHEDULE
CG 00 01	04-13	COMMERCIAL GENERAL LIABILITY COV FORM
U-GL-1058-B CW	03-09	LIMITED COVERAGE/SPECIFIED WRAP-UP
U-GL-1016-B CW	05-04	LEAD LIABILITY EXCLUSION
U-GL-1060-E CW	04-13	CONTRACTORS LIABILITY ENDORSEMENT
UGL1171ACW	07-03	FUNGI OR BACTERIA EXCLUSION
U-GL-1175-F CW	04-13	ADDL INSD-AUTO-OWNERS LESSEES CONTRACTR
U-GL-1275-A CW	04-06	ABUSIVE ACT LIABILITY COVERAGE FORM
U-GL-1294-A CW	10-06	LIMITED OPERATIONS-CONSOLIDATED WRAP-UP
U-GL-1298-C CW	08-08	EARLIER NOTICE OF CANCEL OR NON-RENEWAL
U-GL-1326-B MA	09-08	DEDUCTIBLE
U-GL-1336-C CW	10-07	COMBINED AGGREGATE DEDUCTIBLE
U-GL-1342-A CW	10-07	LEAD LIABILITY EXCLUSION
U-GL-1178ACW	07-03	ASBESTOS EXCLUSION ENDORSEMENT
U-GL-872-B CW	04-09	PREMIUM & REPORTS AGREEMENT-COMP RATED
CG 01 13	12-04	TX CHANGES-EXPERIENCE RATING MOD
CG 01 79	07-10	VIRGINIA CHANGES
CG 02 20	03-12	FL CHANGES - CANCELLATION & NONRENEWAL
CG 33 89	05-13	KY CHGS-YOUR RIGHT TO CLAIM INFORMATION
U-GL-852-A CW	07-96	EMPL BENEFITS LIAB (OCCURRENCE) DED ENDT
CG 02 24	10-93	EARLIER NOTICE OF CANC PROVIDED BY US
CG 04 37	04-13	ELECTRONIC DATA LIABILITY ENDORSEMENT

Policy Number
GLO 5852388-04

SCHEDULE OF FORMS AND ENDORSEMENTS

Zurich American Insurance Company

Named Insured AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

CG 21 06	05-14	EXCL-ACC/DISCL OF CONFI OR PERSONAL INFO
CG 21 08	05-14	EXCL-ACC/DISCL OF CONFI OR PERSONAL INFO
CG 21 47	12-07	EMPLOYMENT-RELATED PRACTICES EXCLUSION
CG 21 49	09-99	TOTAL POLLUTION EXCL ENDT
CG 21 55	09-99	TOTAL POLLUTION EXCL. WITH HOSTILE FIRE
CG 21 86	12-04	EXCL-EXTERIOR INSULATION & FINISH SYSTEM
CG 22 34	04-13	EXCL-CONSTRUCTION MANAGEMENT ERR & OMISS
CG 22 43	04-13	EXCL-ENGINEERS, ARCH OR SURV (PROF LIAB)
CG 22 50	04-13	EXCL-FAILURE TO SUPPLY
CG 22 79	07-98	EXCL-CONTRACTORS-PROF LIAB
CG 24 17	10-01	CONTRACTUAL LIABILITY - RAILROADS
CG 25 03	05-09	DESIGNATED CONSTRUCTION PROJECTS GENERAL
CG 25 04	05-09	DESIGNATED LOCATIONS GENERAL AGGREGATE
CG 26 97	03-06	ALASKA WAR LIABILITY EXCLUSION

Important Notice – In Witness Clause

ZURICH®

In return for the payment of premium, and subject to the terms of this policy, coverage is provided as stated in this policy.

IN WITNESS WHEREOF, this Company has executed and attested these presents and, where required by law, has caused this policy to be countersigned by its duly Authorized Representative(s).

President

Corporate Secretary

QUESTIONS ABOUT YOUR INSURANCE? Your agent or broker is best equipped to provide information about your insurance. Should you require additional information or assistance in resolving a complaint, call or write to the following (please have your policy or claim number ready):

Zurich in North America
Customer Inquiry Center
1299 Zurich Way
Schaumburg, Illinois 60196-1056
1-800-382-2150 (Business Hours: 8am - 4pm [CT])
Email: info.source@zurichna.com

Policy Number
GLO 5852388-04

SCHEDULE OF NAMED INSURED(S)

ZURICH AMERICAN INSURANCE COMPANY

Named Insured AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

NAMED INSURED

AMERESCO, INC.
AMERESCO MCCARTY ENERGY LLC
AMERESCO NORTHAMPTON LLC
CITIZENS CONSERVATION SERVICES, INC.
SC TIRE PROCESSING LLC
SOLUTIONS HOLDINGS, LLC
HEC/TOBYHANNA ENERGY PROJECT, INC.
HEC/CJTS ENERGY CENTER LLC
AMERESCO COMMERCIAL SOLUTIONS A DIVISION OF AMERESCO, INC.
SELDERA LLC
AMERESCO SOLAR LLC
CHURCH STREET SOLAR LLC
IVORY STREET SOLAR LLC
MA SOLAR HIGHWAY LLC
MONTEVUE LANE SOLAR LLC
ENERGY SOLUTIONS & SECURITY, LLC
ARLINGTON MUNICIPAL SOLAR PROJECTS 2015 LLC
WEST NEWBURY MAIN ST. SOLAR LLC
AMERESCOSOLUTIONS, INC.
AMERESCO ENERTECH, INC.
SIERRA ENERGY COMPANY D/B/A AMERESCO E.THREE
E.THREE CUSTOM ENERGY SOLUTIONS, LLC
AMERESCO PLANERGY HOUSING, INC.
AMERESCO FEDERAL SOLUTIONS, INC.
AMERESCO ALTERNATE FUELS LLC
AMERESCO SELECT, INC.
ERI/HEC EFA-MED, LLC
AMERESCO QUANTUM, INC.
APPLIED ENERGY GROUP, INC.
AMERESCO SOUTHWEST, INC.
AMERESCO SOLAR - PRODUCTS LLC
AMERESCO SOLAR - SOLUTIONS LLC
AMERESCO SOLAR - TECHNOLOGIES LLC
AMERESCO CHICOPEE ENERGY LLC
AMERESCO JANESVILLE LLC
AMERESCO LFG - I, INC. D/B/A AMERESCO GOSHEN
AMERESCO HALF MOON BAY LLC
AMERESCO SANTA CRUZ ENERGY LLC
AMERESCO JEFFERSON CITY LLC
AMERESCO KELLER CANYON LLC
AMERESCO SANTA CLARA LLC
AMERESCO BUTTE COUNTY LLC
AMERESCO CHIQUITA ENERGY LLC
AMERESCO DALLAS LLC
AMERESCO FORWARD LLC
AMERESCO JOHNSON CANYON LLC
AMERESCO SAN ANTONIO LLC
AMERESCO SAN JOAQUIN LLC
AMERESCO SOLAR BRIDGEWATER LLC
AMERESCO SOLAR CANTON LLC
AMERESCO SOLAR ENGLEWOOD LLC
AMERESCO SOLAR FALL RIVER LLC
AMERESCO SOLAR LOGAN LLC
AMERESCO SOLAR LOWELL LLC

Policy Number
GLO 5852388-04

SCHEDULE OF NAMED INSURED(S)

ZURICH AMERICAN INSURANCE COMPANY

Named Insured AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

NAMED INSURED

AMERESCO SOLAR MILTON LLC
AMERESCO SOLAR NATICK LLC
AMERESCO SOLAR WALTHAM LLC
AMERESCO SOLAR WORCESTER LLC
AMERESCO VASCO ROAD LLC
BRAINTREE SCHOOLS SOLAR PV 2015 LLC
DOWNING PARKWAY SOLAR LLC
GROTON LANDFILL SOLAR LLC
HIGHLAND STREET NATICK SOLAR LLC
LEXINGTON MUNICIPAL SOLAR LLC
AMERESCO GEORGIA LLC
AMERESCO ARS LLC
399 REVOLUTION DRIVE SOLAR LLC
515 MAIN SAUGUS LLC
AMERESCO ASSET SUSTAINABILITY GROUP LLC
AMERESCO CT LLC
AMERESCO DELAWARE ENERGY LLC
AMERESCO DMHS LLC
AMERESCO DR LLC
AMERESCO EVANSVILLE LLC
AMERESCO HAWAII LLC
AMERESCO LAKE HAVASU LLC
AMERESCO NAVY YARD PEAKER LLC
AMERESCO PALMETTO LLC
AMERESCO POTTER ROAD LLC
AMERESCO RANCHLAND LLC
AMERESCO RENEWABLE LLC
AMERESCO RENEWABLE ENERGY LLC
AMERESCO SAN JOAQUIN SOLAR LLC
AMERESCO SKUNK CREEK LLC
AMERESCO SOLAR NATCIK II LLC
AMERESCO SOLAR NEWBURYPORT LLC
AMERESCO STAFFORD LLC
AMERESCO/PACIFIC ENERGY JV
ASHLAND HIGH SCOOL SOLAR LLC
ASHLAND HOWE ST. SOLAR LLC
ASHLAND MIDDLE SCOOL SOLAR LLC
BWC ORIGINATION 8, LLC
BRIDGEPORT, CT FUEL CELL LLC
CANDLEWOOD SOLAR LLC
CLARK INSTITUTE SOLAR LLC
EASTON SCHOOLS SOLAR LLC
FALL RIVER SOLAR PHASE 2 LLC
GLENDALE ROAD SOLAR PV LLC
GROVE STREET SOLAR LLC
HAMPDEN LANDFILL SOLAR LLC
LENOX WILLOW CREEK SOLAR LLC
NECK ROAD SOLAR LLC
LOOP ROAD SOLAR PV LV
MA SOLAR HIGHWAY PHASE 1B LLC
MEADOW ROAD SOLAR LLC
MEMORIAL FOOTBALL FIELD SOLAR LLC
MN CSG 1 LLC
MN CSG 2 LLC

Policy Number
GLO 5852388-04

SCHEDULE OF NAMED INSURED(S)

ZURICH AMERICAN INSURANCE COMPANY

Named Insured AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

NAMED INSURED

MN CSG 3 LLC
MN CSG 4 LLC
MN CSG 5 LLC
MN CSG 6 LLC
MN CSG 7 LLC
MN CSG 8 LLC
MN CSG 9 LLC
MN CSG 10 LLC
MOODUS FARM SOALAR LLC
NATICK HIGH SCHOOL SOLAR LLC
NATICK SENIOR CENTER SOLAR LLC
NEWTON MUNICIPAL SOLAR LLC
NORTH PARISH ROAD SOLAR PV LLC
SOLAR FLAGSTAFF ONE LLC
NINETY-FIRST AVENUE RENEWABLE BIOGAS LLC
READINGTON SOLAR PV LLC
RUMFORD AVENUE SOALR LLC
SIMSBURY LANDFILL SOLAR LLC
SOLAR REVERE ONE LLC
SOLAR SHOW LOW ONE LLC
STOCKBRIDGE LANDFILL SOLAR PV LLC
SYMPAUG SOLAR LLC
WAYLAND MUNICIPAL SOLAR LLC
WEST COAST MPPA LLC
WESTFIELD AIRPORT ROAD SOALR LLC
WESTWOOD SCHOOLS SOLAR 1 LLC
WOODBRIDGE AVENUE SOLAR LLC

INSTALLMENT PREMIUM SCHEDULE

The total premium shown in the Declarations of this policy is made payable in installments, on the dates and in the amount shown below.

NAMED INSURED	POLICY NUMBER
AMERESCO, INC.	GLO 5852388-04

PAYMENT DUE	STANDARD PREMIUM	TAXES PREPAID	TOTAL PREMIUM
11/30/16	$ 82,942.00	$ 721.51	$ 83,663.51
12/30/16	$ 34,373.00		$ 34,373.00
01/30/17	$ 34,372.00		$ 34,372.00
02/28/17	$ 34,372.00		$ 34,372.00
03/30/17	$ 34,372.00		$ 34,372.00
04/30/17	$ 34,372.00		$ 34,372.00
05/30/17	$ 34,372.00		$ 34,372.00
TOTAL	$ 289,175.00	$ 721.51	$ 289,896.51

Failure to pay the Installment Premium by the Date Due shown shall constitute non-payment of premium for which we may cancel this policy.

Policy Number
GLO 5852388-04

SCHEDULE OF LOCATIONS

Zurich American Insurance Company

Named Insured AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
001	001	NO SPECIFIC ADDRESS MONTGOMERY, AL 36101	
002	000	NO SPECIFIC ADDRESS JUNEAU, AK 99801	
003	000	NO SPECIFIC ADDRESS LITTLE ROCK, AR 72201	
004	000	NO SPECIFIC ADDRESS PHOENIX, AZ 85001	
005	000	NO SPECIFIC ADDRESS SACRAMENTO, CA 94203	
006	000	NO SPECIFIC ADDRESS DENVER, CO 80012	
007	000	NO SPECIFIC ADDRESS HARTFORD, CT 06101	
008	000	NO SPECIFIC ADDRESS DOVER, DE 19901	
009	000	NO SPECIFIC ADDRESS WASHINGTON, DC 20001	
010	000	NO SPECIFIC ADDRESS TALLAHASSEE, FL 32301	
011	000	NO SPECIFIC ADDRESS ATLANTA, GA 30301	
012	000	NO SPECIFIC ADDRESS HONOLULU, HI 96801	
013	000	NO SPECIFIC ADDRESS SPRINGFIELD, IL 62701	

Policy Number
GLO 5852388-04

SCHEDULE OF LOCATIONS

Zurich American Insurance Company

Named Insured AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
014	000	NO SPECIFIC ADDRESS INDIANAPOLIS, IN 46201	
015	000	NO SPECIFIC ADDRESS TOPEKA, KS 66601	
016	000	NO SPECIFIC ADDRESS FRANKFORT, KY 40601	
017	000	NO SPECIFIC ADDRESS AUGUSTA, ME 04330	
018	000	NO SPECIFIC ADDRESS ANNAPOLIS, MD 21401	
019	000	NO SPECIFIC ADDRESS BOSTON, MA 02108	
020	000	NO SPECIFIC ADDRESS LANSING, MI 48901	
021	000	NO SPECIFIC ADDRESS SAINT PAUL, MN 55101	
022	000	NO SPECIFIC ADDRESS JEFFERSON CITY, MO 65101	
023	000	NO SPECIFIC ADDRESS HELENA, MT 59601	
024	000	NO SPECIFIC ADDRESS CARSON CITY, NV 89701	
025	000	NO SPECIFIC ADDRESS CONCORD, NH 03301	
026	000	NO SPECIFIC ADDRESS TRENTON, NJ 08601	

Policy Number
GLO 5852388-04

SCHEDULE OF LOCATIONS

Zurich American Insurance Company

Named Insured AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
027	000	NO SPECIFIC ADDRESS NEW YORK, NY 10001	
028	000	NO SPECIFIC ADDRESS RALEIGH, NC 27601	
029	000	NO SPECIFIC ADDRESS OKLAHOMA CITY, OK 73101	
030	000	NO SPECIFIC ADDRESS HARRISBURG, PA 17101	
031	000	NO SPECIFIC ADDRESS COLUMBIA, SC 29201	
032	000	NO SPECIFIC ADDRESS NASHVILLE, TN 37201	
033	000	NO SPECIFIC ADDRESS AUSTIN, TX 73301	
034	000	NO SPECIFIC ADDRESS SALT LAKE CITY, UT 84101	
035	000	NO SPECIFIC ADDRESS RICHMOND, VA 23173	
036	000	NO SPECIFIC ADDRESS MADISON, WI 53701	
037	001	NO FIXED ADDRESS BATON ROUGE, LA 70801	
038	001	NO FIXED ADDRESS OREGON CITY, OR 97045	
039	001	NO SPECIIC ADDRESS JACKSON, MS 39201	

Policy Number
GLO 5852388-04

SCHEDULE OF LOCATIONS

Zurich American Insurance Company

Named Insured AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
040	001	NO SPECIFIC ADDRESS AGUA FRIA, NM 87501	
041	001	NO SPECIFIC ADDRESS BERLIN, VT 05602	
042	001	NO SPECIFIC LOCATION OMAHA, NE 68101	
043	001	NO SPECIFIC ADDRESS DES MOINES, IA 50301	
044	001	NO SPECIFIC ADDRESS DAYTON, OH 45401	
045	001	NO SPECIFIC ADDRESS PROVIDENCE, RI 02901	
046	001	NO SPECIFIC LOCATION SEATTLE, WA 98101	
047	001	NO SPECIFIC ADDRESS BOISE, ID 83701	

Knowledge by Position or Department

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Business Auto Coverage Part
Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part
Railroad Protective Liability Coverage Part

SCHEDULE

Position or Department:	SAFETY MANAGER

The following Condition is added:

Knowledge By Your Employee

1. Knowledge of an "accident", "occurrence", offense, "injury", claim, "suit" or loss by your employee will not in and of itself be considered your knowledge of the "accident", "occurrence", offense, "injury", claim, "suit" or loss unless an employee who:
   a. Holds a position; or
   b. Is a member of a department;

   shown in the Schedule of this endorsement receives such knowledge.
2. This endorsement does not apply unless the Schedule of this endorsement indicates at least one Position or Department.

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
   a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
   b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. Inspections And Surveys

1. We have the right to:
   a. Make inspections and surveys at any time;
   b. Give you reports on the conditions we find; and
   c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
   a. Are safe or healthful; or
   b. Comply with laws, regulations, codes or standards.
3. Paragraphs **1.** and **2.** of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph **2.** of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

(1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

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"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

(a) Any "nuclear reactor";

(b) Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

(c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

(d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOUISIANA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
STANDARD PROPERTY POLICY

A. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following, which applies unless Paragraph **B.** of this endorsement applies:

2. Notice Of Cancellation

a. Cancellation Of Policies In Effect For Fewer Than 60 Days Which Are Not Renewals

If this policy has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we may cancel this policy for any reason, subject to the following:

(1) Cancellation for nonpayment of premium:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 10 days before the effective date of cancellation.

(2) Cancellation for any other reason:

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least 60 days before the effective date of cancellation.

b. Cancellation Of Renewal Policies And New Policies In Effect For 60 Days Or More

If this policy has been in effect for 60 days or more, or is a renewal of a policy we issued, we may cancel only for one or more of the following reasons:

(1) Nonpayment of premium;

(2) Fraud or material misrepresentation made by you or with your knowledge with the intent to deceive in obtaining the policy, continuing the policy, or in presenting a claim under the policy;

(3) Activities or omissions by you which change or increase any hazard insured against;

(4) Change in the risk which increases the risk of loss after we issued or renewed this policy, including an increase in exposure due to regulation, legislation, or court decision;

(5) Determination by the Commissioner of Insurance that the continuation of this policy would jeopardize our solvency or would place us in violation of the insurance laws of this or any other state;

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(6) The insured's violation or breach of any policy terms or conditions; or

(7) Any other reasons that are approved by the Commissioner of Insurance.

We will mail or deliver written notice of cancellation under Paragraph **A.2.b.** to the first Named Insured at least:

(a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(b) 30 days before the effective date of cancellation if we cancel for a reason described in Paragraphs **A.2.b.(2)** through **(7)** above.

B. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following, which applies with respect to premium payments due on new and renewal policies, including installment payments:

2. Notice Of Cancellation

a. If your premium payment check or other negotiable instrument is returned to us or our agent or a premium finance company because it is uncollectible for any reason, we may cancel the policy subject to Paragraphs **B.2.b.** and **B.2.c.**

b. We may cancel the policy effective from the date the premium payment was due, by sending you written notice by certified mail, or by delivering such notice to you within 10 days of the date that we receive notice of the returned check or negotiable instrument.

c. The cancellation notice will also advise you that the policy will be reinstated effective from the date the premium payment was due, if you present to us a cashier's check or money order for the full amount of the returned check or other negotiable instrument within 10 days of the date that the cancellation notice was mailed.

C. With respect to the Coverage Parts and Policies to which this endorsement applies, except the Equipment Breakdown Coverage Part, Paragraph **5.** of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **C.5.a., C.5.b., C.5.c., C.5.d., C.5.e.** and **C.5.f.** The cancellation will be effective even if we have not made or offered a refund.

a. If we cancel, the refund will be pro rata.

b. If the first Named Insured cancels, the refund will not be less than 90% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.

c. We will send the refund to the first Named Insured unless Paragraph **C.5.d.** or **C.5.e.** applies.

d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.

e. With respect to any cancellation of the Commercial Auto Coverage Part, we will send the return premium, if any, to the premium finance company if the premium was financed by such company.

f. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

D. With respect to the Equipment Breakdown Coverage Part, Paragraph **5.** of the **Cancellation** Common Policy Condition is replaced by the following:

5. Premium Refund

If this policy is cancelled, we will return any premium refund due, subject to Paragraphs **D.5.a., D.5.b., D.5.c., D.5.d.** and **D.5.e.** The cancellation will be effective even if we have not made or offered a refund.

a. If we cancel, the refund will be pro rata.

b. If the first Named Insured cancels, the refund will not be less than 75% of the pro rata unearned premium, rounded to the next higher whole dollar. The refund will be returned within 30 days after the effective date of cancellation.

c. We will send the refund to the first Named Insured unless Paragraph **D.5.d.** applies.

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d. If we cancel based on Paragraph **B.2.** of this endorsement, we will return the premium due, if any, within 10 days after the expiration of the 10-day period referred to in **B.2.c.** If the policy was financed by a premium finance company, or if payment was advanced by the insurance agent, we will send the return premium directly to such payor.

e. When return premium payment is sent to the premium finance company or the agent of the insured, we will provide notice to you, at the time of cancellation, that a return of unearned premium may be generated by the cancellation.

E. The **Premiums** Common Policy Condition is replaced by the following:

Premiums

1. The first Named Insured shown in the Declarations is responsible for the payment of all premiums.

2. We will pay return premiums, if any, to the first Named Insured, unless another person or entity is entitled to be the payee in accordance with Paragraph **C.** or **D.** of this endorsement.

F. Paragraph **f.** of the **Mortgageholders** Condition in the Commercial Property Coverage Part, Standard Property Policy and the Capital Assets Program (Output Policy) Coverage Part, and Paragraph **4.f.** of the **Mortgageholders** Condition in the Farm Coverage Part are replaced by the following:

If we cancel a policy that has been in effect for fewer than 60 days and is not a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

(1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or

(2) 60 days before the effective date of cancellation, if we cancel for any other reason.

If we cancel a policy that has been in effect for 60 days or more, or is a renewal of a policy we issued, we will give written notice to the mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least:

(1) 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or

(2) 30 days before the effective date of cancellation, if we cancel for any other reason.

G. The following is added and supersedes any other provision to the contrary:

Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at least 60 days before its expiration date, or its anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

2. We need not mail or deliver this notice if:

a. We or another company within our insurance group have offered to issue a renewal policy; or

b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.

3. Any notice of nonrenewal will be mailed or delivered to the first Named Insured, mortgageholder, pledgee or other known person shown in the policy to have an insurable interest in any loss, at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

4. Such notice to the insured shall include the insured's loss run information for the period the policy has been in force within, but not to exceed, the last three years of coverage.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.

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Combined Aggregate Deductible Schedule

ZURICH

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.
GLO 5852388-04	11-30-2016	11-30-2017

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement provides supplementary information to be used with the following:

Business Auto Coverage Form
Commercial General Liability Coverage Part
Employee Benefits Liability Coverage Part
Garage Coverage Form
Liquor Liability Coverage Part
Motor Carrier Coverage Form
Stop Gap – Employers Liability Coverage Part
Truckers Coverage Form
Workers Compensation and Employers Liability Policy

The Combined Aggregate Deductible is adjustable and determined as the sum of the rate(s) multiplied by the final audited Exposure(s).	Estimated Exposure	Rate	Per	Of (Exposure Basis)
		1.853		

The Deductible Amounts for the policies listed here will be combined with this policy for the application of the Combined Aggregate Deductible Amount.

Policy Number(s):

Combined Aggregate Deductible Amount	1,675,000
Minimum Combined Aggregate Deductible Amount	

ZURICH®

Notice to Indiana Policyholders
Regarding Filing Complaints with the Department of Insurance

Questions regarding your policy or coverage should be directed to:

Customer Inquiry Center
Zurich North America
1299 Zurich Way
Schaumburg, IL 60196
800-382-2150

If you (a) need the assistance of the governmental agency that regulates insurance; or (b) have a complaint you have been unable to resolve with your insurer you may contact the Department of Insurance by mail, telephone or email:

State of Indiana Department of Insurance
Consumer Services Division
311 West Washington Street, Suite 300
Indianapolis, Indiana 46204

Consumer Hotline: (800) 622-4461; (317) 232-2395

Complaints can be filed electronically at www.in.gov/idoi.

Important Notice to Florida Policyholders

ZURICH®

In the event you need to contact someone about this policy, for any reason, please contact your agent. If you have additional questions, you may contact the Zurich U.S. office at the following address and telephone number:

Customer Inquiry Center
Zurich North America
1299 Zurich Way
Schaumburg, IL 60196
800-382-2150

If you have been unable to contact or obtain satisfaction from your agent or company, you may contact the Florida Office of Insurance Regulation at:

Office of Insurance Regulation
200 East Gaines Street
Tallahassee, Florida 32399
850-413-3140

ATTACH THIS NOTICE TO YOUR POLICY:
This notice is for information only and does not become a part or condition of the attached document.

ZURICH®

Important Notice
Texas Safety Consultation Services

Zurich in North America has loss control services available at no additional charge.

If you would like additional information regarding these services, please contact us or visit our website. If you would like to request services, please complete the information on this form and mail it to the address listed below.

Zurich Services Corporation
Risk Engineering
1299 Zurich Way
Schaumburg, Illinois 60196-1056
1-800-982-5964
http://www.zurichna.com/riskengineering

☐ I request additional safety and health services

Company name

Contact name

Address

City | State | Zip code

Telephone number | Policy number

Illinois Civil Union Act Policyholder Notice

ZURICH®

On June 1, 2011, Public Act 96-1513, the Religious Freedom Protection and Civil Union Act ("the Act") became effective. Under the Act, both same-sex and opposite-sex couples may enter into a civil union. A party to a civil union is entitled to the same legal obligations, responsibilities, protections, and benefits as are afforded or recognized by the law of Illinois a spouse; whether they derive from statute, administrative rule, common law, or any other source of civil or criminal law. A marriage between persons of the same sex, a civil union, or a substantially similar legal relationship other than common law marriage, legally entered into in another jurisdiction, shall be legally recognized in Illinois as a civil union.

CAUTION: FEDERAL LAW RIGHTS MAY OR MAY NOT BE AVAILABLE:

Illinois law grants parties to a civil union the same benefits, protections and responsibilities that flow from marriage under state law. However, some or all of the benefits, protections and responsibilities related to health insurance that are available to married persons under federal law may not be available to parties to a civil union. For example, the Employee Retirement Income Security Act of 1974, a federal law known as "ERISA" controls the employer/employee relationship with regard to determining eligibility for enrollment in private employer health benefit plans. Because of ERISA, Act 91 does not state requirements pertaining to a private employer's enrollment of a party to a civil union in an ERISA employee welfare benefit plan. However, governmental employers (not federal government) are required to provide health benefits to the dependents of a party to a civil union if the public employer provides health benefits to the dependents of married persons. Federal law also controls group health insurance continuation rights under "COBRA" for employers with 20 or more employees as well as the Internal Revenue Code treatment of health insurance premiums. As a result, parties to a civil union and their families may or may not have access to certain benefits under this policy, contract, certificate, rider or endorsement that derive from federal law. You are advised to seek expert advice to determine your rights.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
DORMITORY AUTHORITY - STATE OF NEW YORK	30
515 BROADWAY	
ALBANY, NY 12207-2964	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
PG&E CORPORATION	30
ONE MARKET SPEAR TOWER	
SAN FRANCISCO, CA 94105	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
UNION BANK, N.A.	30
MAIL CODE V01-492	
P.O. BOX 30115	
LOS ANGELES, CA 90030	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
ICF CONSULTING SERVICES, LLC	30
9300 LEE HIGHWAY	
FAIRFAX, VA 22031	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
CITY OF DALLAS	30
OFFICE OF RISK MANAGEMENT	
CITY HALL	
1500 MARILLA ST	
DALLAS, TX 75201	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
CITY OF RENO	30
1 EAST FIRST STREET	
PO BOX 1900	
RENO NV 89505 USA	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
CITY OF SPARKS	30
431 PRATER WAY	
SPARKS NV 89431 USA	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
5301 PROPERTIES, LLC	30
3403 LANCASTER PIKE	
WILMINGTON, DE 19805	

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
SOUTHERN CALIFORNIA EDISON COMPANY C/O INSURANCE	30
TRACKING SERVICES, INC. (ITS)	
CONTRACT #WTD221 - SGIA	
P.O. BOX 21919	
LONG BEACH, CA 90801	

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
CITY OF DALLAS, SANITATION SERVICES, PROJECT NUMBER:	30
132181, C/O CERTFOCUS	
PO BOX 140528	
KANSAS CITY, MO 64114	

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
SOUTHERN CALIFORNIA EDISON MANAGER,	30
GRID CONTRACTORS ADMINISTRATION & BILLING	
GO1, QUAD 4C, 2244	
WALNUT GROVE AVENUE	
ROSEMEAD, CA 91770	

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
KAISER FOUNDATION HOSPITALS	30
1800 HARRISON STREET, 22ND FLOOR	
OAKLAND, CA 96412	

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
MIDAMERICAN ENERGY COMPANY, ATTN: INSURANCE SERVICES	30
P.O. BOX 657	
DES MOINES, IA 50306-0657	

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
FIRSTAR DEVELOPMENT LLC, C/O TRAXLER & TONG INC.	30
PO BOX 279	
SAN ANSELMO, CA 94979	

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
KEYBANK NATIONAL ASSOCIATION	30
127 PUBLIC SQUARE	
CLEVELAND, OH 44114	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
DEFENSE LOGISTICS AGENCY ENERGY, ATTN: CHELSEY HAYES,	30
DLA CONTRACTING SPECIALIST	
8725 JOHN J. KINGMAN ROAD	
FORT BELVOIR, VA 22060-6222	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
CITY OF DALLAS, WATER UTILITIES	30
PROJECT NUMBER: 132180, C/O CERTFOCUS	
PO BOX 140528	
KANSAS CITY, MO 64114	

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
HOOSIER ENERGY RURAL ELECTRIC COOPERATIVE, INC	30
2501 S. COOPERATIVE WAY,	
BLOOMINGTON, IN 47403	

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
PARTNERS HEALTHCARE SYSTEM, C/O WILLIS WRAP UP DEPT.	30
THREE COPLEY PLACE, SUITE 300	
BOSTON, MA 02116	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
CITY OF SANTA CLARA OFFICE OF CITY CLERK,	30
ATTN: STREET DEPARTMENT	
1500 WARBURTON AVENUE	
SANTA CLARA, CA 95050	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
5301 PROPERTIES, LLC	30
3403 LANCASTER PIKE	
WILMINGTON, DE 19805	

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
SOUTH JERSEY INDUSTRIES, INC. C/O INSURANCE DEPARTMENT	30
ONE SOUTH JERSEY PLAZA, ROUTE 54	
FOLSOM, NJ 08037	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
SIGMA ENTERPRISES, INC. & COASTLINE EQUITY, INC.	30
24564 HAWTHORNE BLVD, #201	
TORRANCE, CA 90505	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
EVERSOURCE ENERGY, INSURANCE COMPLIANCE	30
PO BOX 12010-N2	
HEMET, CA 92546-8010	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
JOSEPH CITY UNIFIED SCHOOL DISTRICT NO. 2	30
8176 N. WESTOVER STREET	
JOSEPH CITY, AZ 86032	

All other terms and conditions of this policy remain unchanged.

Includes copyrighted material of Insurance Services Office, Inc., with its permission.

Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
THE ARIZONA BOARD OF REGENTS & STATE	30
OF ARIZONA ON BEHALF OF ARIZONA STATE UNIVERSITY	
P.O. BOX 875512	
TEMPE AZ, 85287-5512	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
SAN PATRICIO COUNTY, TX	30
SAN PATRICIO COUNTY COURTHOUSE	
400 W. SINTON STREET, ROOM 109	
SINTON, TX 78387	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
TOWN OF BARRINGTON, RI	30
283 COUNTY ROAD	
BARRINGTON, RI 02806	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
CHIEF, REAL ESTATE DIVISION	60
U.S. ARMY CORPS OF ENGINEERS, BALTIMORE DISTRICT	
P.O. BOX 1715	
BALTIMORE, MD 21203-1715	

All other terms and conditions of this policy remain unchanged.

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Notification to Others of Cancellation

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

A. If we cancel this Coverage Part(s) by written notice to the first Named Insured for any reason other than nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation:

1. To the name and address corresponding to each person or organization shown in the Schedule below; and
2. At least 10 days prior to the effective date of the cancellation, as advised in our notice to the first Named Insured, or the longer number of days notice if indicated in the Schedule below.

B. If we cancel this Coverage Part(s) by written notice to the first Named Insured for nonpayment of premium, we will mail or deliver a copy of such written notice of cancellation to the name and address corresponding to each person or organization shown in the Schedule below at least 10 days prior to the effective date of such cancellation.

C. If notice as described in Paragraphs **A.** or **B.** of this endorsement is mailed, proof of mailing will be sufficient proof of such notice.

SCHEDULE

Name and Address of Other Person(s) / Organization(s):	Number of Days Notice:
CHICAGO TRANSIT AUTHORITY, DEPT OF RISK MANAGEMENT	60
567 WEST LAKE STREET	
CHICAGO, IL 60661-1465	

All other terms and conditions of this policy remain unchanged.

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Recording And Distribution Of Material Or Information In Violation Of Law Exclusion

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

A. Exclusion **q. Recording And Distribution Of Material Or Information In Violation Of Law** of Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

B. Exclusion **p. Recording And Distribution Of Material Or Information In Violation Of Law** of Paragraph **2. Exclusions** of Section **I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" directly or indirectly arising out of or based upon any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or

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(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, or any other legal liability, at common law or otherwise, that addresses, prohibits, or limits the printing, dissemination, disposal, monitoring, collecting, recording, use of, sending, transmitting, communicating or distribution of material or information.

All other terms and conditions of this policy remain unchanged.

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Broadened Named Insured

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

A. The following is added to Section **II – Who Is An Insured**:

1. Any current organization of yours, other than a partnership, joint venture or limited liability company, which is not shown in the Declarations, will qualify as a Named insured if:

a. Such entity has been incorporated or organized prior to the effective date of this policy, under the laws of the United States of America (including its territories and possessions), Puerto Rico or Canada; and

b. You maintain ownership or majority interest in such organization as of the effective date of this Coverage Part.

Coverage is afforded only until the 180th day after inception of our policy or the end of the policy period, whichever is earlier, unless you notify and provide information to us before the end of this timeframe as to the nature and operations of such organization.

2. With regard to any terminated partnership or joint venture not shown in the Declarations, you are an insured as respects the "products-completed operations hazard" only, for "bodily injury" or "property damage" arising out of such terminated partnership or joint venture. The insurance provided by this provision will not inure to the benefit of any party except you.

3. To the extent only that coverage is provided in Paragraph **A.2.** above for organizations not shown in the Declarations, the last sentence under Section **II – Who Is An Insured** does not apply.

B. Paragraph **3.** of Section **II – Who Is An Insured** is replaced by the following:

3. Any organization you newly acquire or form during the policy period, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest in such organization, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

a. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

C. Solely with respect to Paragraphs **A.** and **B.** of this endorsement, the following is added to Paragraph **b. Excess Insurance** of Paragraph **4. Other Insurance** under **Section IV – Commercial General Liability Conditions** after Paragraphs **(a)(i)** through **(a)(iv)**:

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(v) That is or was purchased to insure:

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(aa) Your participation in a partnership or joint venture which terminated or ended prior to the effective date of this policy; or

(bb) An organization not shown as a Named Insured at inception of our policy, to the extent such organization is an insured as described in Paragraphs **A.** and **B.** of this endorsement.

All other terms and conditions of this policy remain unchanged.

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Employee Benefits Liability - Occurrence Coverage Form

This Coverage Form provides *occurrence* coverage. Please read the entire form carefully.

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties, and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us", and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotes have special meaning. Refer to the Definitions Section.

Section I. Coverage - Employee Benefit Liability

1. Insuring Agreement

   A. We will pay those sums that the "insured" becomes legally obligated to pay as damages because of any act, error, or omission of the "insured" in the "administration" of the "insured's" "employee benefit programs". We will have the right and duty to defend the "insured" against any suit seeking those damages. However, we will have no duty to defend the "insured" against any "suit" seeking damages for any act, error, or omission for which this insurance does not apply. We may, at our discretion, investigate any claim and settle any "suit" that may result; but:

   1. The amount we pay for damages is limited as described in Section II. - Limits of Insurance of this Coverage Part; and
   2. Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under this Employee Benefit Liability coverage.

   No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments of this Coverage Part.

   B. This insurance applies to an act, error or omission only if:

   1. The act, error, or omission takes place in the "coverage territory";
   2. The "insured" had no knowledge of and could not have reasonably foreseen any circumstances which might result in a claim or "suit"; and
   3. The act, error, or omission occurs during the policy period.

2. **Exclusions**

   This insurance does not apply to any:

   A. "Bodily injury", "property damage" or "personal and advertising injury";

   B. Any "claim" or "suit" arising out of any dishonest, fraudulent, criminal or malicious act;

   C. Any "claim" or "suit" arising out of discrimination or humiliation;

   D. Any "claim" or "suit" arising out of an insurer's or other provider's failure to perform its contract;

   E. Any "claim" or "suit" arising out of your failure to comply with any workers compensation, unemployment insurance, social security, or disability benefits law;

   F. Any "claim" or "suit" arising out of the failure of any of your "employee benefit plans" to meet obligations due to insufficient funds;

   G. Any "claim" or "suit" arising out of:

   a. Advice given to any person to participate or not participate in a plan or program included in "employee benefit programs";

   b. The appointment of, or failure to appoint, any investment manager, administrator, trustee, actuary, advisor, counsel, accountant, custodian, or consultant;

   c. Any investment activity, including the management, administration, or disposition of assets of your "employee benefit programs"; or

   d. Failure of any investment to perform as represented by any "insured".

   H. Any "claim or "suit" arising out of an "Insured's" liability as a fiduciary under:

a. The Employee Retirement Income Security Act of 1974 (PL93-406) and its amendments; or

b. The Internal Revenue Code of 1986 (including the Internal Revenue Code of 1954) and its amendments.

3. Supplementary Payments

We will pay, in addition to the applicable Limits of Insurance, with respect to any claim we investigate or settle or "suit" we defend:

A. All expenses incurred by us, all costs taxed against the "insured" in any "suit" defended by us, and all interest on the full amount of any judgment which accrues after entry of the judgment and before we have paid or tendered or deposited in court, that part of the judgment which does not exceed the limit of our liability.

B. Premiums on appeal bonds required and on bonds to release attachments in any "suit". We do not have to furnish these bonds.

C. All reasonable expenses incurred by the "insured" at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $250 a day because of time off from work.

D. Prejudgment interest awarded against the "insured" on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

II. Limits of Insurance

A. The Limits of Insurance shown in the Declarations and the rules below establish the most we will pay regardless of the number of:

(1) "Insureds";

(2) Claims made or "suits" brought; or

(3) "Employees" or dependents or beneficiaries of "employees" making claims or bringing "suits".

B. The Aggregate Limit is the most we will pay for all damages because of all "claims" or "suits" arising from the "administration" of your "employee benefit programs" during the policy period.

C. Subject to the Aggregate Limit provisions in **B.** above, the Each Act, Error, or Omission Limit is the most we will pay for all damages sustained by any one "employee", including the "employee's" dependents and beneficiaries, because of acts, errors, or omissions committed in the "administration" of your "employee benefit programs".

D. The limits of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

III. Conditions

A. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of our obligations.

B. Duties in the Event of an Act, Error, Omission, Claim or Suit

(1) Regardless of whether the loss exceeds any applicable deductible amount, you must see to it that we are notified as soon as practicable of any act, error, or omission which may result in a claim. To the extent possible, notice should include:

a. How, when, and where the act, error, or omission took place;

b. The names and addresses of any injured "employee", dependents, or beneficiaries of any "employee" and witnesses.

(2) If a claim is received by any "insured", you must:

a. Immediately record the specifics of the claim and the date received; and

b. Notify us as soon as practicable.

You must see to it that we receive written notice of the claim as soon as practicable.

(3) You and any other involved "insured" must:

a. Immediately send us copies of any demands, notices, summonses, or legal papers received in connection with the claim or "suit";

b. Authorize us to obtain records and other information;

c. Cooperate with us in the investigation, settlement, or defense of the claim or "suit"; and

d. Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of injury to which this insurance may also apply.

(4) No insureds will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

C. Legal Action Against Us

No person or organization has a right:

(1) To join us as a party or otherwise bring us into a "suit" asking for damages from an "insured"; or

(2) To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an "insured" obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the "insured", and the claimant or the claimant's legal representative.

D. Other Insurance

(1) This Coverage Part is primary insurance, except when stated, to apply in excess of or contingent upon the absence of other insurance. When this insurance is primary and the insured has other insurance which applies to the loss on an excess or contingent basis, the amount of our liability under this Coverage Part shall not be reduced because of such other insurance.

(2) When both this insurance and other insurance apply to the loss on the same basis, whether primary, excess, or contingent, we shall not be liable for a greater proportion of the loss than that stated in the applicable contribution provision below:

a. Contribution by Equal Shares

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach, each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

b. Contribution by Limits

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

E. Separation of Insureds

Except with respect to the Limits of Insurance and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

(1) As if each Named Insured were the only Named Insured; and

(2) Separately to each "insured" against whom claim is made or "suit" is brought.

F. Transfer Of Rights Of Recovery Against Others To Us

If the "insured" has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The "insured" must do nothing after loss to impair them. At our request, the "insured" will bring "suit" or transfer those rights to us and help us enforce them.

IV. Definitions

A. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

(1) Notices that are published include material placed on the Internet or on similar electronic means of communication; and

(2) Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

B. "Administration" means:

(1) Counseling "employees", including their dependents and beneficiaries, with respect to "employee benefit programs";

(2) Handling records in connection with "employee benefit programs"; or

(3) Effecting or terminating an "employee's" participation in a plan included in "employee benefit programs".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

D. "Coverage territory" means:

(1) The United States of America (including its territories and possessions), Puerto Rico, and Canada; or

(2) All parts of the world if the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the territory described in **D. (1)** above, or in a settlement to which we agree.

E. "Employee" means:

Your officers and employees, whether actively employed, disabled, or retired.

F. "Employee benefit programs" mean:

Group life insurance, group accident or health insurance, profit sharing plans, pension plans, employee stock subscription plans, workers compensation, unemployment insurance, salary continuation

plans, social security, disability benefits insurance, savings plans, vacation plans, or any other similar plans or programs.

G. "Insured" means:

You and any of your partners, executive officers, directors, members, stockholders or "employees", provided such "employee" is authorized to act in the "administration" of your "employee benefit programs".

H. "Personal and advertising injury" means:

Injury, including consequential "bodily injury", arising out of one or more of the following offenses:

(1) False arrest, detention, or imprisonment;

(2) Malicious prosecution;

(3) The wrongful eviction from wrongful entry into, or invasion of the right of private occupancy of, a room, dwelling, or premises that a person occupies by or on behalf of its owner, landlord, or lessor;

(4) Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products, or services; or

(5) Oral or written publication,' in any manner, of material that violates a person's right of privacy;

(6) The use of another's advertising idea in your "advertisement"; or

(7) Infringing upon another's copyright, trade dress or slogan in your "advertisement".

I. "Property damage" means:

(1) Physical injury to tangible property, including all resulting loss of use of that property.

(2) Loss of use of tangible property that is not physically injured.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications, software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

J. "Suit" means:

A civil proceeding in which damages to which this insurance applies is alleged. "Suit" includes:

(1) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent; or

(2) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

Fellow Employee Coverage Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					$	$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

1. It is agreed that paragraph **2. a. (1)** of **SECTION II - WHO IS AN INSURED** is deleted and replaced by the following:

(1) "Bodily injury" or "personal and advertising injury":

(a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company);

(b) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1) (a) above; or

(c) Arising out of his or her providing or failing to provide professional health care services.

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Incidental Medical Malpractice Coverage Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					$	$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

I. Sections **2.a.(1)(d)** of **Section II. WHO IS AN INSURED** are deleted and replaced by the following:

2. Each of the following is also an insured:

a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:

(1) "Bodily injury" or "personal and advertising injury":

(d) Arising out of his or her providing or failing to provide professional health care services, except any "bodily injury" or "personal and advertising injury" arising out of:

(1) medical or paramedical services to persons performed by any physician, dentist, nurse, emergency medical technician, paramedic or other licensed medical care person employed by you to provide such services: or

(2) emergency cardiopulmonary resuscitation (CPR) or first aid services performed by any other employee of yours who is not a licensed medical professional.

II. Any insurance coverage provided by this endorsement is excess over any other valid and collectible insurance.

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Incidental Medical Malpractice Coverage Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					$	$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

I. Sections **2.a.(1)(d)** of **Section II. WHO IS AN INSURED** are deleted and replaced by the following:

2. Each of the following is also an insured:

a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insured for:

(1) "Bodily injury" or "personal and advertising injury":

(d) Arising out of his or her providing or failing to provide professional health care services, except any "bodily injury" or "personal and advertising injury" arising out of:

(1) medical or paramedical services to persons performed by any physician, dentist, nurse, emergency medical technician, paramedic or other licensed medical care person employed by you to provide such services: or

(2) emergency cardiopulmonary resuscitation (CPR) or first aid services performed by any other employee of yours who is not a licensed medical professional.

II. Any insurance coverage provided by this endorsement is excess over any other valid and collectible insurance.

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Silica or Silica Mixed Dust Exclusion

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					$	$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part
Products-Completed Operations Liability Coverage Part

The following additional exclusion is added to **2. Exclusions** of **Section I. Coverages**:

2. Exclusions

This insurance does not apply to:

Silica or Silica Mixed Dust

A. "Bodily injury", "property damage" or "personal and advertising injury" caused directly or indirectly, in whole or in part, by the actual, alleged or threatened inhalation, ingestion, absorption, exposure to, existence of or presence of "silica"; or

B. Loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any manner responding to or assessing the effects of "silica" by any insured or by any other person or entity.

C. For the purposes of this exclusion, the following definition applies:

"Silica" means:

(1) Any form of crystalline or non-crystalline (amorphous) silica, silica particles, silica compounds, silica dust or silica mixed or combined with dust or other particles; or

(2) Synthetic silica, including precipitated silica, silica gel, pyrogenic or fumed silica or silica-flour.

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Waiver Of Subrogation (Blanket) Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					$	$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following is added to the **Transfer Of Rights Of Recovery Against Others To Us Condition:**

If you are required by a written contract or agreement, which is executed before a loss, to waive your rights of recovery from others, we agree to waive our rights of recovery. This waiver of rights shall not be construed to be a waiver with respect to any other operations in which the insured has no contractual interest.

ZURICH

ABUSIVE ACT LIABILITY COVERAGE FORM DECLARATIONS

Administrative Office
1400 American Ln
Schaumburg, IL 60196

Policy Number: GLO 5852388-04

Named Insured: AMERESCO, INC

Policy Period: Coverage begins 11/30/2016 at 12:01 A.M.

Coverage ends 11/30/2017 at 12:01 A.M.

Producer Name: ARTHUR J. GALLAGHER RISK MGMT Producer Number: 18615000

Item 1. Business Description:

Item 2. Limits of Insurance

Abusive Act Liability

Each Abusive Act Limit

Aggregate Limit

Each Abusive Act Retention

Special Supplementary Payment Limit

Item 3. Form of business and Location of Premises

Form of business: CORPORATION

Location of All Premises You Own, Rent or Occupy: **See Schedule of Locations**

Item 4. Form(s) and Endorsement(s) made a part of this Policy at time of issue: **See Schedule of Forms and Endorsements**

Item 5. Premiums

Abusive Act Liability Coverage Part Premium:

Other Premium:

Total Premium:

EMPLOYEE BENEFIT LIABILITY COVERAGE PART – OCCURRENCE DECLARATIONS

Policy Number: GLO 5852388-04

Named Insured: AMERESCO, INC.

Policy Period: Coverage begins 11-30-2016 at 12:01 A.M; Coverage ends 11-30-2017 at 12:01 A.M

Producer Name: ARTHUR J. GALLAGHER RISK MGMT

Producer No. 18615-000

Item 1. Limits of Insurance

$ 1,000,000 Aggregate Limit

$ 1,000,000 Each Act, Error or Omission Limit

Item 2. Form of Business:

☐ Individual ☐ Partnership ☐ Joint Venture ☒ Corporation

☐ Other

Item 3. Premium Schedule:

Code No.	Premium Basis (Estimated Number of Employees)	Rate		Advance Premium
92100	25	$ INCL	Per Employee	$ INCL
		$ INCL	Flat Charge	$ INCL

Total Advance Premium For This Coverage Part: $ INCL

Audit Period: ☒ Annual ☐ Semi-annual ☐ Quarterly ☐ Monthly

Forms And Endorsements Applicable To This Coverage Part:

SEE SCHEDULE OF FORMS AND ENDORSEMENTS

COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS

Policy Number: GLO 5852388-04

ZURICH AMERICAN INSURANCE COMPANY

Named Insured AMERESCO, INC.

Policy Period: Coverage begins 11-30-2016 at 12:01 A.M.; Coverage ends 11-30-2017 at 12:01 A.M.

Producer Name: ARTHUR J. GALLAGHER RISK MGMT Producer No. 18615-000

Item 1. Business Description:

Item 2. Limits of Insurance

GENERAL AGGREGATE LIMIT	$ 4,000,000	
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	$ 4,000,000	
EACH OCCURRENCE LIMIT	$ 2,000,000	
DAMAGE TO PREMISES RENTED TO YOU LIMIT	$ 500,000	Any one premises
MEDICAL EXPENSE LIMIT	$ 10,000	Any one person
PERSONAL AND ADVERTISING INJURY LIMIT	$ 2,000,000	Any one person or organization

Item 3. Retroactive Date **(CG 00 02 ONLY)**

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" offense which occurs before the Retroactive Date, if any, shown here: NONE
(Enter Date or "None" if no Retroactive Date applies)

Item 4. Form of Business and Location Premises

Form of Business: CORPORATION

Location of All Premises You Own, Rent or Occupy: **See Schedule of Locations**

Item 5. Schedule of Forms and Endorsements

Form(s) and Endorsement(s) made a part of this Policy at time of issue:
See Schedule of Forms and Endorsements

Item 6. Premiums

Coverage Part Premium:	$ 289,175.00
Other Premium:	
Total Premium:	$ 289,175.00

Policy Number
GLO 5852388-04

COMMERCIAL GENERAL LIABILITY COVERAGE SCHEDULE

ZURICH AMERICAN INSURANCE COMPANY

Named Insured: AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name: ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

Item 5. Location of Premises

Location of All Premises You Own, Rent or Occupy:
See Schedule of Locations

Code No.	Premium Basis		Premises/Operations	
15050	SALES /PER 1,000			
Location	Exposure	$ 653,010,000	Rate	Premium
Classification: COMPOSITE RATE GROUP #001 CONTRACT CONSTRUCTION			$ .214	$ 139,760.00
			Products/Completed Operations	
			Rate	Premium
			$ .214	$ 139,760.00

Code No.	Premium Basis		Premises/Operations	
G7027				
Location	Exposure	114568	Rate	Premium
Classification: ABUSIVE ACTS NON-RELIGIOUS COVERAGE FORM				$ 6,267.00
			Products/Completed Operations	
			Rate	Premium

Code No.	Premium Basis		Premises/Operations	
44444				
Location	Exposure		Rate	Premium
Classification: MANUAL PREMIUM UGL1058				
			Products/Completed Operations	
			Rate	Premium
				$ 520.00

Code No.	Premium Basis		Premises/Operations	
Location	Exposure		Rate	Premium
Classification: TERRORISM - CAT				$ 2,868.00
			Products/Completed Operations	
			Rate	Premium

Policy Number
GLO 5852388-04

COMMERCIAL GENERAL LIABILITY COVERAGE SCHEDULE

ZURICH AMERICAN INSURANCE COMPANY

Named Insured AMERESCO, INC.

Effective Date: 11-30-16
12:01 A.M., Standard Time

Agent Name ARTHUR J. GALLAGHER RISK MGMT

Agent No. 18615-000

Item 5. Location of Premises

Location of All Premises You Own, Rent or Occupy:
See Schedule of Locations

Code No.	Premium Basis	Premises/Operations	
92100	No. of Employees		
Location	Exposure 25	Rate	Premium
Classification: Employee Benefits Liability			$ 150.00
		Products/Completed Operations	
		Rate	Premium

Code No.	Premium Basis	Premises/Operations	
Location	Exposure	Rate	Premium
Classification:			
		Products/Completed Operations	
		Rate	Premium

Code No.	Premium Basis	Premises/Operations	
Location	Exposure	Rate	Premium
Classification:			
		Products/Completed Operations	
		Rate	Premium

Code No.	Premium Basis	Premises/Operations	
Location	Exposure	Rate	Premium
Classification:			
		Products/Completed Operations	
		Rate	Premium

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section **II** – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V** – Definitions.

SECTION I – COVERAGES

COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B.**

b. This insurance applies to "bodily injury" and "property damage" only if:

(1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph **1.** of Section **II** – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph **1.** of Section **II** – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph **1.** of Section **II** – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

(1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

(2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or

(3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

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2. Exclusions

This insurance does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

(1) That the insured would have in the absence of the contract or agreement; or

(2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:

(a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

(b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

(1) Causing or contributing to the intoxication of any person;

(2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

(3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

(a) The supervision, hiring, employment, training or monitoring of others by that insured; or

(b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph **(1)**, **(2)** or **(3)** above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

e. Employer's Liability

"Bodily injury" to:

(1) An "employee" of the insured arising out of and in the course of:

(a) Employment by the insured; or

(b) Performing duties related to the conduct of the insured's business; or

(2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph **(1)** above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

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f. Pollution

(1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

(i) Any insured; or

(ii) Any person or organization for whom you may be legally responsible; or

(d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

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(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 26 feet long; and

(b) Not being used to carry persons or property for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. War

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

j. Damage To Property

"Property damage" to:

(1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

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(4) Personal property in the care, custody or control of the insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section **III** – Limits Of Insurance.

Paragraph **(2)** of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs **(3)**, **(4)**, **(5)** and **(6)** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph **(6)** of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. Damage To Your Product

"Property damage" to "your product" arising out of it or any part of it.

l. Damage To Your Work

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

m. Damage To Impaired Property Or Property Not Physically Injured

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

(1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or

(2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. Recall Of Products, Work Or Impaired Property

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

(1) "Your product";

(2) "Your work"; or

(3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. Personal And Advertising Injury

"Bodily injury" arising out of "personal and advertising injury".

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

q. Recording And Distribution Of Material Or Information In Violation Of Law

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

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(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **n.** do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section **III** – Limits Of Insurance.

COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

(1) The amount we will pay for damages is limited as described in Section **III** – Limits Of Insurance; and

(2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B.**

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation Of Rights Of Another

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

b. Material Published With Knowledge Of Falsity

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

c. Material Published Prior To Policy Period

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

d. Criminal Acts

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

f. Breach Of Contract

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

g. Quality Or Performance Of Goods – Failure To Conform To Statements

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

h. Wrong Description Of Prices

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

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i. Infringement Of Copyright, Patent, Trademark Or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

j. Insureds In Media And Internet Type Businesses

"Personal and advertising injury" committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of web sites for others; or

(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a., b.** and **c.** of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

k. Electronic Chatrooms Or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

l. Unauthorized Use Of Another's Name Or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

m. Pollution

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

n. Pollution-related

Any loss, cost or expense arising out of any:

(1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

(2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

p. Recording And Distribution Of Material Or Information In Violation Of Law

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

(1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

(2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;

(3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

(4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

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COVERAGE C – MEDICAL PAYMENTS

1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(a) The accident takes place in the "coverage territory" and during the policy period;

(b) The expenses are incurred and reported to us within one year of the date of the accident; and

(c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

(1) First aid administered at the time of an accident;

(2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and

(3) Necessary ambulance, hospital, professional nursing and funeral services.

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under Coverage **A.**

SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

a. All expenses we incur.

b. Up to $250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $250 a day because of time off from work.

e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

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g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

   a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

   b. This insurance applies to such liability assumed by the insured;

   c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";

   d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;

   e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and

   f. The indemnitee:

      (1) Agrees in writing to:

         (a) Cooperate with us in the investigation, settlement or defense of the "suit";

         (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";

         (c) Notify any other insurer whose coverage is available to the indemnitee; and

         (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

      (2) Provides us with written authorization to:

         (a) Obtain records and other information related to the "suit"; and

         (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

SECTION II – WHO IS AN INSURED

1. If you are designated in the Declarations as:

   a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

   b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.

   c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

   d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

   e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

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2. Each of the following is also an insured:

   a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

      (1) "Bodily injury" or "personal and advertising injury":

         (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

         (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;

         (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph **(1)(a)** or **(b)** above; or

         (d) Arising out of his or her providing or failing to provide professional health care services.

      (2) "Property damage" to property:

         (a) Owned, occupied or used by;

         (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

      you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

   b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

   c. Any person or organization having proper temporary custody of your property if you die, but only:

      (1) With respect to liability arising out of the maintenance or use of that property; and

      (2) Until your legal representative has been appointed.

   d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

   a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;

   b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

   c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

   a. Insureds;

   b. Claims made or "suits" brought; or

   c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

   a. Medical expenses under Coverage **C;**

   b. Damages under Coverage **A,** except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and

   c. Damages under Coverage **B.**

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3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Subject to Paragraph **2.** above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

   a. Damages under Coverage **A;** and

   b. Medical expenses under Coverage **C**

   because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

7. Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS

1. **Bankruptcy**

   Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

2. **Duties In The Event Of Occurrence, Offense, Claim Or Suit**

   a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

      (1) How, when and where the "occurrence" or offense took place;

      (2) The names and addresses of any injured persons and witnesses; and

      (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

   b. If a claim is made or "suit" is brought against any insured, you must:

      (1) Immediately record the specifics of the claim or "suit" and the date received; and

      (2) Notify us as soon as practicable.

      You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

   c. You and any other involved insured must:

      (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

      (2) Authorize us to obtain records and other information;

      (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

      (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

   d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. **Legal Action Against Us**

   No person or organization has a right under this Coverage Part:

   a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

   b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

   A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

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4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** – Coverage **A** – Bodily Injury And Property Damage Liability.

(b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

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b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

7. **Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. **Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. **When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

a. The United States of America (including its territories and possessions), Puerto Rico and Canada;

b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph **a.** above; or

c. All other parts of the world if the injury or damage arises out of:

(1) Goods or products made or sold by you in the territory described in Paragraph **a.** above;

(2) The activities of a person whose home is in the territory described in Paragraph **a.** above, but is away for a short time on your business; or

(3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph **a.** above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.

7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.

8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or

b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

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9. "Insured contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

b. A sidetrack agreement;

c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement;

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";

b. While it is in or on an aircraft, watercraft or "auto"; or

c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;

b. Vehicles maintained for use solely on or next to premises you own or rent;

c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

(1) Power cranes, shovels, loaders, diggers or drills; or

(2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in Paragraph **a., b., c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph **a., b., c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

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However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

a. False arrest, detention or imprisonment;

b. Malicious prosecution;

c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

e. Oral or written publication, in any manner, of material that violates a person's right of privacy;

f. The use of another's advertising idea in your "advertisement"; or

g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials; or

(3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

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As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

21. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

22. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

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Limited Coverage For Insured's Interest In Specified Wrap-Up Or Consolidated Insurance Program

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

SCHEDULE

Wrap-Up / Consolidated Insurance Program Project(s):

PARTNERS HEALTHCARE SYSTEMS, INC. SOMERVILLE PARKING GARAGE SOLAR PV GENERATING FACILITY

I. The following exclusion is added to Paragraph **2.**, **Exclusions** of **Section I - Coverage A – Bodily Injury And Property Damage Liability** and Paragraph **2.**, **Exclusions** of **Coverage B – Personal And Advertising Injury Liability**:

Wrap-Up / Consolidated Insurance Program Project(s)

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of either your ongoing operations or the "products-completed operations hazard" at or from the Wrap-Up / Consolidated Insurance Program Project(s) designated in the SCHEDULE of this endorsement, for which insurance is otherwise separately provided to you by a wrap-up / consolidated insurance program, except as follows:

A. This insurance coverage will pay on your behalf, any wrap-up / consolidated insurance program related claims or defend any such "suits" covered by this policy, but we will have no duty to pay such claims or defend "suits" until after:

1. All separate wrap-up / consolidated insurance program insurers have paid the full amount of the Limits of Insurance of all their policies providing coverage for the Wrap-Up / Consolidated Insurance Program Project(s) designated in the SCHEDULE of this endorsement, in settlement of claims or "suits"; and

2. You have paid any applicable deductibles or self-insured retentions for which you are responsible to pay in the separate wrap-up / consolidated insurance program providing coverage for the Wrap-Up / Consolidated Insurance Program Project(s) designated in the SCHEDULE of this endorsement;

B. If this insurance provides broader coverage for any exposures at or from the Wrap-Up / Consolidated Insurance Program Project(s) designated in the SCHEDULE of this endorsement, and such broader coverage is not provided by a separate wrap-up / consolidated insurance program coverage, then this policy will provide primary coverage as respects those exposures.

The exception coverage provided in paragraphs **A.** and **B.** of this endorsement will not inure to the benefit of any other party except you.

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II. With regard to the exception coverage provided in paragraph **I.A.** above, this insurance is excess over any and all other insurance provided to the Wrap-Up / Consolidated Insurance Program Project(s) designated in the SCHEDULE of this endorsement, whether that other insurance is primary, excess, contingent or on any other basis.

III. As respects any claims or "suits" arising at or from the Wrap-Up / Consolidated Insurance Program Project(s) designated in the SCHEDULE of this endorsement, for which this exception coverage may apply, any existing provisions of Condition **4.**, **Other Insurance** that may be contrary to the provisions of this endorsement are amended to comply with the changes in coverage as stipulated in Sections **I.** and **II.** above.

All other terms and conditions of your Policy remain unchanged.

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Lead Liability Exclusion

ZURICH

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					$	$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability** and **Coverage B - Personal And Advertising Injury Liability**:

This insurance does not apply to:

Lead

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of or caused by the actual or alleged:

(a) exposure to or existence of lead, paint containing lead, or any other material or substance containing lead; or

(b) manufacture, distribution, sale, resale, re-branding, installation, repair, removal, encapsulation, abatement, replacement or handling of lead, paint containing lead, or any other material or substance containing lead,

whether or not the lead is or was at any time airborne as a particle contained in a product ingested, inhaled, transmitted in any fashion, or found in any form whatsoever;

(2) Any legal obligation of any insured for indemnification or contribution due to damages arising out of "bodily injury", "property damage" or "personal and advertising injury" caused by lead, paint containing lead, or any other substance or material containing lead;

(3) Any loss, cost, expense or damages, whether direct or consequential, arising out of any:

(a) request, demand or order that any insured or others test for, monitor, clean up, remove, abate, contain, treat, or neutralize lead, paint containing lead, or any other substance or material containing lead, or in any way respond to, or assess the effects of lead; or

(b) claim or suit relating to testing for, monitoring, cleaning up, removing, abating, containing, treating, or neutralizing lead, paint containing lead, or any other substance or material containing lead or in any way responding to or assessing the effects of lead.

Contractors Liability Supplemental Coverages And Conditions

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

NON-OWNED WATERCRAFT SCHEDULE

Watercraft Length: _____ feet

(If no amount is shown above, 51 feet applies.)

A. Non-owned Watercraft Liability Extended Coverage

Paragraph **(2)** of Exclusion **2.g. Aircraft, Auto Or Watercraft** under Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

(2) A watercraft you do not own that is:

(a) Less than the length shown in the Non-Owned Watercraft Schedule of this endorsement; and

(b) Not being used to carry persons or property for a charge;

B. Damage To Premises Rented Or Occupied By You

1. The last paragraph under Paragraph **2. Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

   Exclusions **c.** through **n.** do not apply to damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate Damage to Premises Rented To You Limit of Insurance applies to this coverage as described in Section **III** – Limits Of Insurance.

2. The paragraph directly following Paragraph **(6)** in Exclusion **j.** of Section **I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

   Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" to premises (other than damage by "specific perils"), including "property damage" to the contents of such premises, rented to you under a rental agreement for a period of 14 or fewer consecutive days. A separate Limit of Insurance applies to Damage to Premises Rented to You as described in Section **III** – Limits Of Insurance.

3. Paragraph **6.** of Section **III – Limits Of Insurance** is replaced by the following:

   6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises while rented to you, or in the case of damage by one or more "specific perils" to any one premises, while rented to you or temporarily occupied by you with permission of the owner.

4. Paragraph **a.** of the "insured contract" definition under the **Definitions** Section is replaced by the following:

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a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by "specific perils" to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

5. Paragraph **(ii)** under Paragraph **4.b.(1)** of the **Other Insurance** Condition under Section **IV – Commercial General Liability Conditions** is replaced by the following:

   (ii) That is property insurance providing coverage for "specific perils" for premises rented to you or temporarily occupied by you with permission of the owner;

6. The following definitions are added to the **Definitions** Section:

   "Specific perils" means fire, lightning, explosion, windstorm or hail, smoke, aircraft or vehicles, riot or civil commotion, vandalism, leakage from fire extinguishing equipment, weight of snow, ice or sleet or "water damage".

   "Water damage" means accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

C. Additional Insured – Lessor Of Leased Equipment – Automatic Status When Required In Lease Agreement With You

1. Section **II – Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) from whom you lease equipment when you and such person(s) or organization(s) have agreed in a written contract or written agreement that such person(s) or organization(s) be added as an additional insured on your policy. Such person(s) or organization(s) is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

   However, the insurance afforded to such additional insured:

   a. Only applies to the extent permitted by law; and

   b. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

   A person's or organization's status as an additional insured under this endorsement ends when their contract or agreement with you for such leased equipment ends.

2. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.

3. With respect to the insurance afforded to these additional insureds, the following is added to Section **III – Limits of Insurance**:

   The most we will pay on behalf of the additional insured is the amount of insurance:

   a. Required by the written contract or written agreement you have entered into with the additional insured; or

   b. Available under the applicable Limits of Insurance shown in the Declarations;

   whichever is less.

   The insurance provided by this Paragraph **C.** shall not increase the applicable Limits of Insurance shown in the Declarations.

D. Additional Insured – Managers Or Lessors Of Premises

1. Section **II – Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) that you have agreed in a written contract or written agreement to name as an additional insured, but only with respect to liability arising out of the ownership, maintenance or use of that part of premises leased to you and subject to the following additional exclusions:

   This insurance does not apply to:

   a. Any "occurrence" which takes place after you cease to be a tenant in that premises.

   b. Structural alterations, new construction or demolition operations performed by or on behalf of the additional insured manager or lessor of the premises leased to you.

   However, the insurance afforded to such additional insured:

   a. Only applies to the extent permitted by law; and

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b. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

2. With respect to the insurance afforded to these additional insureds, the following is added to Section **III – Limits of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

a. Required by the written contract or written agreement you have entered into with the additional insured; or

b. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

The insurance provided by this Paragraph **D.** shall not increase the applicable Limits of Insurance shown in the Declarations.

E. Additional Insured – State Or Governmental Agency Or subdivision Or Political Subdivision – Permits Or Authorizations

1. Section **II – Who Is An Insured** is amended to include as an additional insured any state or governmental agency or subdivision or political subdivision that you have agreed in a written contract or written agreement or that you are required by statute, ordinance or regulation to name as an additional insured, subject to the following provisions:

a. This insurance applies only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization.

b. This insurance does not apply to:

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or

(2) "Bodily injury" or "property damage included within the "products-completed operations hazard".

However, the insurance afforded to such additional insured:

a. Only applies to the extent permitted by law; and

b. Will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

2. With respect to the insurance afforded to these additional insureds, the following is added to Section **III – Limits of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

a. Required by the written contract or written agreement you have entered into with the additional insured; or

b. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

The insurance provided by this Paragraph **E.** shall not increase the applicable Limits of Insurance shown in the Declarations.

F. Personal And Advertising Injury Coverage – Assumed Under Contract Or Agreement

1. Exclusion **e.** of Section **I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

e. Contractual Liability

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to:

(1) Liability for damages that the insured would have in the absence of the contract or agreement; or

(2) Liability for "personal and advertising injury" if:

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(a) The liability pertains to your business and is assumed in a contract or agreement that is an "insured contract"; and

(b) The "personal and advertising injury" occurs subsequent to the execution of the contract or agreement.

Solely for the purposes of liability so assumed in such "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "personal and advertising injury", provided:

(i) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same contract or agreement; and

(ii) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

2. For purposes of this "personal and advertising injury" coverage only:

Paragraph **d.** and the second to last paragraph under Paragraph **2.** of **Supplementary Payments – Coverages A** and **B** are replaced by the following:

d. The allegations in the "suit" and the information we know about the "occurrence" or offense are such that no conflict appears to exist between the interests of the insured and the interest of the indemnitee;

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Such payments will not be deemed to be damages for "bodily injury", "property damage" or "personal and advertising injury" and will not reduce the limits of insurance.

G. Insured Contract Amendment

Paragraph **f.** and **f.(1)** through **f.(3)** of the "insured contract" definition under the **Definitions** Section is replaced by the following:

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

(2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;

(3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities;

(4) That indemnifies a person or organization for "personal and advertising injury":

(a) Arising out of advertising, publishing, broadcasting or telecasting done for you or on your behalf; or

(b) To an "employee" of such person or organization that does advertising, publishing, broadcasting or telecasting for you or on your behalf; or

(5) That indemnifies a labor leasing firm for "bodily injury" to "leased workers".

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H. Medical Payments – Increased Reporting Period

Paragraph **a.** of Section **I – Coverage C – Medical Payments** is replaced by the following:

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

(1) On premises you own or rent;

(2) On ways next to premises you own or rent; or

(3) Because of your operations;

provided that:

(a) The accident takes place in the "coverage territory" and during the policy period;

(b) The expenses are incurred and reported to us within three years of the date of the accident; and

(c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

I. Broad Bail Bond Coverage

Paragraph **1.b.** under **Supplementary Payments – Coverages A And B** is replaced by the following:

b. The cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

J. Amendment – Duties In The Event of Occurrence, Offense, Claim or Suit

The following paragraphs are added to Paragraph **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** of Section **IV – Commercial General Liability Conditions**:

Notice of an "occurrence" or of an offense which may result in a claim under this insurance or notice of a claim or "suit" shall be given to us as soon as practicable after knowledge of the "occurrence", offense, claim or "suit" has been reported to your officer, manager, partner or an "employee" authorized by you to give or receive such notice. Knowledge by "employees" other than your officer, manager, partner or "employee" authorized by you to give or receive such notice of an "occurrence", offense, claim or "suit" does not imply that you also have such knowledge.

In the event that an insured reports an "occurrence" to your workers compensation carrier and this "occurrence" later develops into a General Liability claim, covered by this Coverage Part, the insured's failure to report such "occurrence" to us at the time of the "occurrence" shall not be deemed to be a violation of this Condition. You must, however, give us notice as soon as practicable after being made aware that the particular claim is a General Liability rather than a Workers Compensation claim.

K. Unintentional Failure To Disclose Or Describe Hazards

Paragraph **6. Representations** of Section **IV – Commercial General Liability Conditions** is replaced by the following:

6. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

Coverage will continue to apply if you unintentionally:

(1) Fail to disclose all hazards existing at the inception of this policy; or

(2) Make an error, omission or improper description of premises or other statement of information stated in this policy.

You must notify us in writing as soon as possible after the discovery of any hazards or any other information that was not provided to us prior to inception of this Coverage Part.

L. Bodily Injury Redefined

The "bodily injury" definition under the **Definitions** Section is replaced by the following:

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"Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time. This includes mental anguish, mental injury, shock, fright or death resulting from bodily injury, sickness or disease.

M. Two Or More Of Our Coverage Parts/ Policies

The following is added to Section **III – Limits of Insurance**:

1. Subject to Paragraph **2.** or **3.** above, whichever applies, if this Coverage Part and any other Commercial General Liability Coverage Part or policy providing Commercial General Liability insurance issued to you by us or any other Zurich underwriting company affiliated with us apply to the same "occurrence", only the highest available Each Occurrence Limit under any such Coverage Part or policy applies to such "occurrence".
2. Subject to Paragraph **2.** above, if this Coverage Part and any other Coverage Part or policy providing Commercial General Liability insurance issued to you by us or any other Zurich underwriting company affiliated with us apply to the same offense, only the highest available Personal And Advertising Injury Limit under any such Coverage Part or policy applies to such offense.
3. Under this Coverage Part and all other Zurich underwriting company Coverage Parts or policies to which Paragraphs **1.** and **2.** above combined apply, the most we will pay for all injury or damage because of "bodily injury" or "property damage" "occurrences", "personal and advertising injury" offenses and medical expenses is:
   - **a.** The single highest Coverage Part or policy General Aggregate Limit; or
   - **b.** The single highest Coverage Part or policy Products-Completed Operations Aggregate Limit,

   whichever applies, whether such "occurrence", offenses or medical expenses are covered by one or more than one Zurich underwriting company policy.
4. Any existing provisions under Paragraph **4. Other Insurance** under Section **IV – Commercial General Liability Conditions** that may be contrary to the provisions of this endorsement are amended to comply with the changes in coverage as stipulated in Paragraphs **1.**, **2.**, and **3.** above.

This provision does not apply to any Coverage Part or policy issued by us or any other Zurich underwriting company affiliated with us specifically to apply as excess insurance over this Coverage Part.

N. Your Work Redefined

Paragraph **a.(1)** of the "your work" definition under the **Definitions** Section is replaced by the following:

22. "Your work":

- **a.** Means:
  - **(1)** Work or operations performed by you or on your behalf, but does not include work or operations performed by another entity who joined with you to form a partnership or joint venture not shown as a Named Insured in the Declarations, which terminated or ended prior to the effective date of this policy; and

All other terms and conditions of this policy remain unchanged.

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Fungi Or Bacteria Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					$	$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I. – Coverage A – Bodily Injury And Property Damage Liability** and paragraph **2. Exclusions** of **Coverage B – Personal And Advertising Injury Liability**:

2. Exclusions

This insurance does not apply to:

Fungi or Bacteria

A. "Bodily injury", "property damage" or "personal and advertising injury" caused directly or indirectly by the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any:

1. "Fungi"or "bacteria"; or
2. Substance, vapor or gas produced by or arising out of any "fungi" or "bacteria".

B. Loss, costs or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or "bacteria", by any insured or by any other person or entity.

C. For the purposes of this exclusion, the following definitions are added:

1. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, "spores", scents or byproducts produced or released by fungi.
2. "Spores" means reproductive bodies produced by or arising out of "fungi".
3. "Bacteria" means any type or form of bacteria and any materials or substances that are produced or released by bacteria.

This exclusion does not apply to any "fungi"or "bacteria" that are, are on, or are contained in, an edible good or edible product intended for human or animal consumption.

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Additional Insured – Automatic – Owners, Lessees Or Contractors

ZURICH®

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer No.	Add'l. Prem	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: AMERESCO INC

Address (including ZIP Code):

111 SPEEN ST

FRAMINGHAM, MA 01701

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

A. Section **II – Who Is An Insured** is amended to include as an additional insured any person or organization whom you are required to add as an additional insured on this policy under a written contract or written agreement. Such person or organization is an additional insured only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf,

in the performance of your ongoing operations or "your work" as included in the "products-completed operations hazard", which is the subject of the written contract or written agreement.

However, the insurance afforded to such additional insured:

1. Only applies to the extent permitted by law; and
2. Will not be broader than that which you are required by the written contract or written agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to:

"Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or failure to render, any professional architectural, engineering or surveying services including:

a. The preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

b. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or the failure to render any professional architectural, engineering or surveying services.

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C. The following is added to Paragraph **2.** Duties In The Event Of Occurrence, Offense, Claim Or Suit of Section **IV – Commercial General Liability Conditions**:

The additional insured must see to it that:

1. We are notified as soon as practicable of an "occurrence" or offense that may result in a claim;

2. We receive written notice of a claim or "suit" as soon as practicable; and

3. A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured may be an insured in any capacity. This provision does not apply to insurance on which the additional insured is a Named Insured if the written contract or written agreement requires that this coverage be primary and non-contributory.

D. For the purposes of the coverage provided by this endorsement:

1. The following is added to the Other Insurance Condition of Section **IV – Commercial General Liability Conditions**:

Primary and Noncontributory insurance

This insurance is primary to and will not seek contribution from any other insurance available to an additional insured provided that:

a. The additional insured is a Named Insured under such other insurance; and

b. You are required by written contract or written agreement that this insurance be primary and not seek contribution from any other insurance available to the additional insured.

2. The following paragraph is added to Paragraph **4.b.** of the Other Insurance Condition of Section **IV – Commercial General Liability Conditions**:

This insurance is excess over:

Any of the other insurance, whether primary, excess, contingent or on any other basis, available to an additional insured, in which the additional insured on our policy is also covered as an additional insured on another policy providing coverage for the same "occurrence", offense, claim or "suit". This provision does not apply to any policy in which the additional insured is a Named Insured on such other policy and where our policy is required by a written contract or written agreement to provide coverage to the additional insured on a primary and non-contributory basis.

E. This endorsement does not apply to an additional insured which has been added to this policy by an endorsement showing the additional insured in a Schedule of additional insureds, and which endorsement applies specifically to that identified additional insured.

F. With respect to the insurance afforded to the additional insureds under this endorsement, the following is added to Section **III – Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the written contract or written agreement referenced in Paragraph **A.** of this endorsement; or

2. Available under the applicable Limits of Insurance shown in the Declarations,

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

All other terms and conditions of this policy remain unchanged.

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Abusive Act Liability Coverage Form

ZURICH

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section **II** – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section **V** – Definitions.

SECTION I – COVERAGES

ABUSIVE ACT LIABILITY

1. Insuring Agreement

a. We will pay "loss" because of "injury" resulting from an "abusive act" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" for "loss" resulting from the "abusive act". However, we will have no duty to defend the insured against any "suit" for "loss" to which this insurance does not apply. We may, at our discretion, investigate and settle any claim or "suit" that may result. But:

(1) The amount we will pay for "loss" is limited as described in Section **III** – Limits Of Insurance; and

(2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of "loss".

No other obligation or liability to pay "losses" or perform acts and services or pay any other amounts is covered unless explicitly provided for under Supplementary Payments or Special Supplementary Payments.

b. This insurance applies only if:

(1) The "injury" caused by an "abusive act" begins during a "policy year" within the "policy period"; and

(2) The "abusive act" that causes the "injury" begins during the same "policy year".

c. "Injury" caused by an "abusive act" which begins during any "policy year" includes any continuation, change or resumption of that "injury" from the same "abusive act" after the end of that "policy year." Only the Limits of Insurance of the "policy year" in which the "abusive act" begins will apply to all such "loss" because of "injury" occurring during and subsequent to that "policy year".

d. "Loss" because of "injury" includes "loss" claimed by any person or organization for care, loss of services, or death resulting at any time from the "injury".

2. Exclusions

This insurance does not apply to:

a. "Injury" for which the insured is obligated to pay "loss" by reason of the assumption of liability under any contract or agreement, except and then only to the extent that the insured would have been liable in the absence of such contract or agreement;

b. Any claim made or "suit" brought by you or on your behalf or in the name or right of any insured, provided, however, this exclusion will not apply to any claim made or "suit" brought by a "volunteer";

c. Any claim or "suit" based upon, arising out of or attributable, in whole or in part, to any "abusive act" that was alleged in or formed the basis of any litigation or claim that was pending at any time prior to the effective date of this Coverage Part;

d. Any claim or "suit" based upon, arising out of or attributable, in whole or in part, to any "abusive act" of which any insured, other than any insured actually committing the "abusive act", has knowledge prior to the effective date of this Coverage Part;

e. Any obligation of the insured under a workers compensation, disability benefits or unemployment compensation law or similar law;

f. Any "abusive act" committed by an "employee" or "volunteer" with a prior criminal conviction for an "abusive act";

g. Any person who actually or allegedly participated in, directed or knowingly allowed any "abusive act".

3. **Supplementary Payments**

We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

a. All expenses we incur.

b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.

c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to $250 a day because of time off from work.

d. All costs taxed against the insured in the "suit".

e. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

4. **Special Supplementary Payments**

In addition to payments noted in **Supplementary Payments** above, we will reimburse you, only with respect to any claim or "suit" for an "abusive act" to which this insurance applies, for the following expenses you incur:

a. Your reasonable expenses incurred in conducting an internal investigation of or counseling relating to allegations of an "abusive act"; and

b. Your reasonable expenses in retaining the services of a media consultant or public relations professional in response to allegations of an "abusive act".

These reimbursements will not reduce the Limits of Insurance. However, the most we will reimburse you for the sum of all such expenses, regardless of the number of "abusive acts", claimants, claims, "suits" or insureds, is the Special Supplementary Payment Limit shown in the Abusive Act Liability Coverage Form Declarations. We have no obligation to arrange for any of these services or pay any of the service providers on your behalf.

SECTION II – WHO IS AN INSURED

Each of the following is an insured:

1. You, but only with respect to the conduct of your business described in the Abusive Act Liability Coverage Form Declarations;

2. Your "employees", directors, officers, trustees, clergy, wardens, deacons, elders, teachers, members of the vestry, members of the board of trustees, members of standing committees, members of the board of governors or members of the board of education, but only while any of these persons is performing duties in the conduct of your business described in the Abusive Act Liability Coverage Form Declarations; and

3. Any "volunteer", but only while performing, with your consent, duties in the conduct of your business described in the Abusive Act Liability Coverage Form Declarations.

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SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Abusive Act Liability Coverage Form Declarations and the rules below fix the most we will pay regardless of the number of:

   a. Insureds;

   b. Actual, alleged or threatened "abusive acts";

   c. Claims made or "suits" brought; or

   d. Persons or organizations making claims or bringing "suits".

2. The Aggregate Limit is the most we will pay for the sum of all "loss" covered under this Coverage Part with respect to any one "policy year."

3. Subject to **2.** above, the Each Abusive Act Limit is the most we will pay for the sum of all "loss" because of "injury" from any one "abusive act". If any "abusive act" or "injury" resulting from that "abusive act" occurs in more than one policy or "policy year" that we have issued to you, we will pay the "loss" arising from such "abusive act" from the limits of insurance of just the one "policy year" in which the "abusive act" began. Should you not be able to determine exactly which "policy year" was in effect when the "abusive act" began, you can designate the "policy year" that you reasonably believe was in effect at the beginning of the "abusive act" "loss". We will pay all such "loss" from only the limits of insurance of that designated "policy year".

   We will only pay "loss" in excess of the Each Abusive Act Retention shown in the Abusive Act Liability Coverage Form Declarations.

SECTION IV – CONDITIONS

1. **Bankruptcy**

   Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part. However, this provision shall not affect our ability to invoke any applicable statute of limitations, statute of repose or similar statute, common law principle or court rule on behalf of the insured.

2. **Duties In The Event of Abusive Act, Claim or Suit.**

   a. You will, as a condition precedent to your rights under this Coverage Part, give to us notice in writing of any "abusive act" or "injury" which may result in a claim or "suit". To the extent possible, notice should include:

      (1) How, when and where the "abusive act" took place;

      (2) The names and addresses of any injured persons and any witnesses; and

      (3) The nature and description of any "injury" arising out of the "abusive act".

   b. If a claim is made or "suit" is brought against any insured, you must:

      (1) Immediately record the specifics of the claim or "suit" and the date received; and

      (2) Notify us as soon as practicable.

      You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

   c. You will, as a condition precedent to your rights under this Coverage Part:

      (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";

      (2) Authorize us to obtain records and other information;

      (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and

      (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of "injury" to which this insurance may also apply.

   d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expenses, without our consent.

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3. **Legal Action Against Us**

No person or organization has a right under this Coverage Part:

a. To join us as a party or otherwise bring us into a claim or "suit" seeking "loss" from an insured; or

b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured, but we will not be liable for any amount that is not payable under the terms of this Coverage Part or that is in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. **Other Insurance**

If other valid and collectible insurance is available to the insured for a "loss" covered under this Coverage Part, our obligations are limited as follows:

a. **Primary Insurance**

This insurance is primary when no other valid and collectible insurance is available to the insured for a "loss" we cover under this insurance.

b. **Excess Insurance**

Subject to **c.** below, if other valid and collectible insurance is available to the insured for a "loss" we cover under this insurance, this insurance is excess over that insurance. When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers. We will pay only our share of the amount of "loss", if any, that exceeds the total amount that all such other insurance would pay for the "loss" in the absence of this insurance.

At our request, you will provide us with detailed information regarding all other insurance policies that have been issued to you as well as all other policies under which you could potentially seek coverage if you chose to do so. Also, at our request, you will tender any claim or "suit" that we designate to any insurer(s) that we designate, and cooperate with us in seeking coverage (including contribution and/or indemnification of any amounts that we pay under this policy) for such claim or "suit" from such insurer(s).

c. **Non-Cumulation Of Insurance**

In no event may the Limit of Insurance available under this policy be combined in any manner with the limits of insurance of any other insurance written by us or any of our affiliates.

These provisions do not apply to policies expressly written to be excess of this policy.

5. **Representations**

By accepting this policy, you agree the statements contained in the application and any documents or information submitted with it are true, accurate and complete, and that we have issued this Coverage Part in reliance upon those statements.

6. **Separation Of Insureds**

Except with respect to the Limits of Insurance and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

7. **Transfer Of Rights Of Recovery Against Others To Us**

If the insured has the right to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after the "loss" to impair them. At our request, the insured will bring litigation or other proceedings, or transfer those rights to us and help us to enforce them.

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8. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to you written notice of the non-renewal no less than 30 days before the expiration date. If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Abusive act" means any act or series of acts of actual or threatened abuse or molestation done to any person, resulting in "injury" to that person, including any act or series of acts of actual or threatened sexual abuse or molestation done to any person, resulting in "injury" to that person, by anyone who causes or attempts to cause the person to engage in a sexual act:

   a. Without the consent of or by threatening the person, placing the person in fear or asserting undue influence over the person;

   b. If that person is incapable of appraising the nature of the conduct or is physically incapable of declining participation in or communicating unwillingness to engage in the sexual act; or

   c. By engaging in or attempting to engage in lewd exposure of the body done with intent to arouse or to satisfy the sexual desire of any person.

   All interrelated or continuous "abusive acts" committed by one person or persons acting in concert, shall be deemed to be one "abusive act".

2. "Employee" means a person employed by the insured for compensation and includes a "leased worker". "Employee" does not include a "temporary worker".

3. "Injury" means physical injury, sickness, disease, mental anguish, mental injury, shock or fright or death of the person(s) who is the subject of an "abusive act".

4. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

5. "Loss" means those sums that the insured is legally obligated to pay as damages, provided, however, that "loss" will not include:

   a. Taxes, fines or penalties;

   b. Any damages awarded for punitive or exemplary purposes or any damages for which the amount is determined by the application of a multiplier, where such amounts are not insurable under applicable law; or

   c. Any other sums that are uninsurable under the applicable law.

   All claims or "suits" based upon or arising out of or in any way involving the same or related "abusive act" or the same or related series of "abusive acts", shall be deemed to be a single "loss".

6. "Policy period" means the period of time from the effective date to the expiration date shown in the Abusive Acts Liability Coverage Form Declarations or to any earlier date of termination.

7. "Policy year" means the period of one year following the effective date of this policy or any anniversary thereof or, if the time between the effective date or any anniversary thereof and the termination of the "policy period" is less than one year, such lesser period.

8. "Suit" means a civil proceeding in which damages because of "injury" to which this insurance applies are alleged. "Suit" includes:

   a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

   b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

9. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

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10. "Volunteer" means a person who is not your "employee" and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

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Limited Operations Coverage – Work Excluded Under A Consolidated (Wrap-Up) Insurance Program

Policy No.	Exp. Date of Pol.	Eff. Date of End.	Agency No.	Addl. Prem.	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured: AMERESCO, INC.
Address (including ZIP Code): 111 SPEEN ST
FRAMINGHAM MA 01701-2000

This endorsement modifies insurance provided under the:
Commercial General Liability Coverage Part

SCHEDULE

Description and Location of Operation(s):
ANY LOCATION WHERE THE INSURED HAS, OR HAD, OPERATIONS INSURED BY A CONSOLIDATED (WRAP-UP) INSURANCE PROGRAM. THIS EXCLUSION DOES NOT APPLY TO ANY LOCATION(S) THAT MAY BE DESCRIBEDIN U-GL-1058, EXCESS COVERAGE FOR INSUREDS INTEREST IN SPECIFIED WRAP UP PROGRAM

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

A. The following exclusion is added to paragraph **2., Exclusions** of **Coverage A – Bodily Injury and Property Damage Liability (Section I – Coverages)**:

This insurance does not apply to "bodily injury" or "property damage" arising out of either your ongoing operations or operations included within the "products-completed operations hazard" at the location described in the **SCHEDULE** of this endorsement, as a consolidated (wrap-up) insurance program has been provided by the prime contractor/project manager or owner of the construction project in which you are involved.

This exclusion applies whether or not the consolidated (wrap-up) insurance program:

1. Provides coverage identical to that provided by this Coverage Part;
2. Has limits adequate to cover all claims; or
3. Remains in effect.

B. The exclusion in A. above shall not apply to your ongoing operations at the location shown in the **SCHEDULE** - for your service, maintenance, correction, repair or replacement of the original work performed and insured under the consolidated wrap-up insurance program.

However, this extension of coverage does not apply to damages because of "bodily injury" or "property damage" due to any service, maintenance, correction, repair or replacement work:

1. as respects the "products-completed operations hazard"; or
2. for which coverage is afforded under the consolidated (wrap-up) insurance program.

C. For the application of the coverage provided by this endorsement in paragraph **B.** above, **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**paragraph **4 Other Insurance** is replaced by the following:

This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis. If any other insurance responds or can respond to this loss, we shall have the right but not the duty to defend any "suit".

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

1. The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

2. The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that may apply and that was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

Countersigned

_____

Authorized Representative

Earlier Notice of Cancellation or Non-Renewal

ZURICH®

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

1. Number of days required for notice of non-renewal (other than for nonpayment of premium): 90
   (If the number of days is not provided above, please see the nonrenewal provisions of your policy.)

2. Number of days required for notice of cancellation (other than for nonpayment of premium): 90
   (If the number of days is not provided above, please see the cancellation provisions of your policy.)

3. Number of days required for notice of cancellation (for nonpayment of premium): 10
   (If the number of days is not provided above, please see the cancellation provisions of your policy.)

A. For any statutorily permitted reason for non-renewal other than nonpayment of premium, the number of days required for notice of non-renewal, as provided in the Commercial General Liability Conditions, as amended by an applicable state endorsement or as provided by an applicable state's change in coverage regulation is increased to the number of days shown in Paragraph **1.** in the Schedule above.

B. For any statutorily permitted reason for cancellation other than nonpayment of premium, the number of days required for notice of cancellation, as provided in the Common Policy Conditions, as amended by an applicable state endorsement or as provided by an applicable state's change in coverage regulation is increased to the number of days shown in Paragraph **2.** in the Schedule above.

C. For nonpayment of premium, the number of days required for notice of cancellation, as provided in the Common Policy Conditions, as amended by an applicable state endorsement or as provided by an applicable state's change in coverage regulation is increased to the number of days shown in Paragraph **3.** in the Schedule above.

All other terms and conditions of your policy remain the same.

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Deductible

ZURICH

Policy No.	Eff. Date of Pol.	Eff. Date of End.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:
Commercial General Liability Coverage Part
Employee Benefits Liability Coverage Part
Liquor Liability Coverage Part

DEDUCTIBLE SCHEDULE

Coverage		Deductible Amount	Basis
Coverage A.	"Bodily Injury" and "Property Damage" Liability All persons or organizations	$ 100,000	Each "Occurrence"
	"Bodily Injury" Liability Only All persons or organizations		Each "Occurrence"
	"Property Damage" Liability Only All persons or organizations		Each "Occurrence"
Coverage A.	"Bodily Injury" and "Property Damage" Liability		Each Claim
	"Bodily Injury" Liability Only		Each Claim
	"Property Damage" Liability Only		Each Claim
Coverage B.	"Personal and Advertising Injury" Liability By offense – Any one person or organization	$ 100,000	Each Claim
Coverage C.	Medical Payments	$ 100,000	Any One Person
Additional Coverage	Employee Benefits Liability		Each Act, Error or Omission
Additional Coverage	Liquor Liability		Each Common Cause
Aggregate Deductible Amount			☐ Adjustable at a rate of per of ☐ Flat
Initial Exposure			
Minimum Aggregate Deductible Amount			

ALLOCATED LOSS ADJUSTMENT EXPENSE SELECTION SCHEDULE

Select One			
Option 1	☒	As respects each Deductible Amount, you will reimburse us for all "allocated loss adjustment expense", even if there is no payment for other than "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will contribute toward your Deductible Amount and your Aggregate Deductible Amount as shown in the **Deductible Schedule**.	
Option 2	☐	As respects each Deductible Amount, you will reimburse us for "allocated loss adjustment expense" as follows:	
		(a)	If the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount is equal to or less than the Deductible Amount(s) or if there is no amount payable other than "allocated loss adjustment expense", then you will reimburse us for all "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount or your Aggregate Deductible Amount as shown in the **Deductible Schedule**; or
		(b)	If the total amount payable for other than "allocated loss adjustment expense" exceeds the Deductible Amount, you will reimburse us a pro-rata share of total "allocated loss adjustment expense" based on the ratio of the Deductible Amount divided by the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount. "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount or your Aggregate Deductible Amount as shown in the **Deductible Schedule**.
Option 3	☐	As respects each Deductible Amount, you will reimburse us for all "allocated loss adjustment expense", even if there is no payment for other than "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount or your Aggregate Deductible Amount as shown in the **Deductible Schedule**.	

If no option is selected, Option 3 will apply.

A. How the Deductible Amount Applies

You will reimburse us for the Deductible Amount(s) shown in the **Deductible Schedule** and for "allocated loss adjustment expenses" incurred based on the **Allocated Loss Adjustment Expense Selection Schedule**. The Deductible Amount(s) applies as follows:

1. If an Each Occurrence Deductible is shown, the Deductible Amount applies to all sums payable because of any one "Occurrence", regardless of the number of persons or organizations who sustain damages because of that "Occurrence".

2. If an Each Claim Deductible is shown, the Deductible Amount applies to all sums payable for each claim, sustained by any one person or organization.

   a. For Other than Coverage B, to all sums payable for each claim, sustained by any one person or organization, and

   b. For Coverage B, to all damages sustained by any one person or organization as the result of an offense.

3. Medical Payments - If an Any One Person limit is shown, the Deductible Amount applies to all sums payable to any one person as a result of an accident sustained by that person.

4. Employee Benefits Liability - If an Each Act, Error or Omission Deductible is shown, the Deductible Amount applies to all sums payable for all damages sustained by any one "Employee", including the "Employee's" dependents and beneficiaries, because of acts, errors or omissions committed in the administration of employee benefit programs.

5. Liquor Liability - If a Common Cause Deductible is shown, the Deductible Amount applies to all sums payable for all injury sustained by one or more persons or organizations as the result of the selling, serving or furnishing of any alcoholic beverage to any one person.

B. Deductible Provisions

1. If more than one Deductible Amount applies to sums payable arising from the same "incident" because more than one Coverage applies, you will be responsible for each and every applicable Deductible Amount.

2. Deductible Amount(s) apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations.

3. Your obligation to pay the Deductible Amount(s) shown on this policy is not fulfilled by:

   a. The payment of a Deductible Amount under any other policy; or

   b. Any payment made by us or another insurance company;

   even if 3.a. or 3.b. above applies to the same "incident" as the Deductible Amount due under this policy.

4. If more than one policy issued by us applies to sums payable because of a single continuous "incident", the Deductible Amount(s) applies separately to each policy that we issue to which this endorsement or a similar Deductible Endorsement applies. Deductible Amounts also apply separately to each annual period and any remaining period of less than 12 months as described in **B.2.** above.

5. If a Coverage Part or Additional Coverage of this policy specifically applies a separate deductible(s):

   a. the separate additional deductible amount applies to any loss separately and before the Deductible Amount(s) shown on the Schedule of this endorsement; and

   b. the Deductible Amount(s) shown on the Schedule of this endorsement applies only if the loss exceeds the separate additional deductible amount described in 5.a. above, subject to the other terms and conditions of this endorsement.

C. Aggregate Deductible Amount

1. The Aggregate Deductible Amount shown in the **Deductible Schedule** is the most you must reimburse us for the sum of:

   a. all applicable Deductible Amount(s) as shown in the **Deductible Schedule**; and

   b. all applicable "allocated loss adjustment expense" in accordance with the **Allocated Loss Adjustment Expense Selection Schedule**, above.

   This single Aggregate Deductible Amount applies to the entire policy period and to any remaining extension period.

2. If an Aggregate Deductible Amount is shown in the **Deductible Schedule** and is designated as adjustable, the final Aggregate Deductible Amount will be determined at the end of the policy period by an audit of your records, and will be based upon the Rate shown in the **Deductible Schedule** multiplied by the final audited Exposure. The amount shown in the **Deductible Schedule** as the Aggregate Deductible Amount is an estimated amount, and is based on an estimate of what the audit of your records will develop.

In no event will the final audited Aggregate Deductible Amount be less than the Aggregate Deductible Amount shown in the **Deductible Schedule**, unless a Minimum Aggregate Deductible Amount is shown in the **Deductible Schedule**. If a Minimum Aggregate Deductible Amount is shown, the final audited Aggregate Deductible Amount will not be less than the Minimum Aggregate Deductible Amount.

3. If an Aggregate Deductible Amount is shown in the **Deductible Schedule** and is designated as Flat, the Aggregate Deductible Amount will not be adjusted. In no event will the Flat Aggregate Deductible Amount be less than or more than the Aggregate Deductible Amount shown in the **Deductible Schedule**.

4. If no Aggregate Deductible Amount is stated in the **Deductible Schedule**, then your obligation to reimburse us for the sum of all applicable Deductible Amount(s) as shown in the **Deductible Schedule** and all applicable "allocated loss adjustment expense" in accordance with the **Allocated Loss Adjustment Expense Selection Schedule** above, is unlimited.

D. Allocated Loss Adjustment Expense Reimbursement

In accordance with the **Allocated Loss Adjustment Expense Selection Schedule**:

1. If Option 1 is selected, "allocated loss adjustment expense" reimbursements made by you contribute to your Deductible Amount and Aggregate Deductible Amount.

2. If Option 2 or Option 3 is selected, then you will reimburse us for all or pro-rata "allocated loss adjustment expense", as may apply, in accordance with the **Allocated Loss Adjustment Expense Selection Schedule** above, even if the Deductible Amount or the Aggregate Deductible Amount, if applicable, is exceeded.

E. Application of the Deductible Amount to Payable Amounts

1. You will reimburse us for "allocated loss adjustment expense" according to the option selected in the **Allocated Loss Adjustment Expense Selection Schedule**.

2. Upon settlement or final adjudication of a claim, we will apply the Deductible Amount against payable amounts as follows:

   a. Sums other than those attributable to "allocated loss adjustment expense"; then

   b. "Allocated loss adjustment expense" already reimbursed by you; then

   c. "Allocated loss adjustment expense" yet to be reimbursed by you, if applicable.

F. Effect of Deductible Amount on Limits of Insurance

The applicable limits of insurance for the coverage part to which a Deductible Amount applies will be reduced only by that portion of the Deductible Amount that is not attributable to "allocated loss adjustment expenses".

G. Conditions

1. Voluntary Payments

If you voluntarily make any payment, assume any obligation or incur any expense, without our consent, then you do so at your own cost. Any such voluntary payment, assumed obligation or incurred expense does not contribute towards any applicable Deductible Amount(s) or Aggregate Deductible Amount under this policy.

2. Application of Recovered Amounts

We have your rights and the rights of persons entitled to the benefits of this insurance to recover sums that are reimbursable under this endorsement and any Deductible Amount from anyone liable for the injury or damages. You will do everything necessary to protect those rights for us and to help us enforce them.

If we recover any payment made under this policy from anyone liable for injury or damages, the recovered amount will first be applied to any payments made by us in excess of the Deductible Amount. The remainder of the recovery, if any, will then be applied to reduce the Deductible Amount reimbursed or reimbursable by you as respects that injury or damages.

3. Payment of Amounts Owed Under This Endorsement

a. We may pay any part or all of any Deductible Amount(s) or "allocated loss adjustment expense" to effect settlement of any claim and, upon notification of the action taken you will reimburse us for such part of any Deductible Amount(s) or "allocated loss adjustment expense" as shown on the billing from us. You must pay us for all amounts for which you are responsible under this endorsement and reimburse us for any such amounts that we pay by the due date shown on the billing from us.

b. If you fail to reimburse us for any amounts as required by this endorsement or policy, we may cancel this policy for nonpayment in accordance with the applicable law. Cancellation of this policy does not relieve you from any deductible obligations reimbursable by you.

c. The first Named Insured shown in the Declarations is authorized to and will reimburse us for all amounts paid by us on behalf of all "insureds".

d. Each Named Insured is jointly and severally liable for all reimbursements due to us under this endorsement, whether or not that Named Insured is involved in the claim, proceeding or "suit" causing any such amount to be due to us.

H. Definitions

1. "Allocated loss adjustment expense" is an expense directly allocable to a specific claim including but not limited to: all supplementary payments as set forth in this policy; all court costs, fees and expenses; all costs, fees and expenses for or incurred in connection with all attorneys, witnesses, experts, depositions, reported or recorded statements, summonses, service of process, legal transcripts or testimony, copies of any public records; alternative dispute resolution proceedings; interest; investigative services, non-employee adjusters, medical examinations, autopsies, medical cost containment; declaratory judgment, subrogation claims and proceedings, and any other fees, costs or expenses reasonably chargeable to the investigation, negotiation, settlement or defense of a claim or a loss under this policy.

2. "Incident", for purposes of this endorsement only, means an "occurrence", offense, claim, accident, act, error or omission, common cause, disease or any other event, as defined or used in our policy, to which a Deductible Amount(s) applies.

I. Other Terms

1. The terms of this insurance apply irrespective of the application of any Deductible Amount(s), including those with respect to:

   a. Our right and duty to investigate or defend the insured against any "suits" seeking those damages; and

   b. Your duties in the event of a claim or circumstances likely to result in a claim.

2. You understand that your duties under this endorsement may continue after this policy expires or is cancelled.

Combined Aggregate Deductible

ZURICH

Policy No.	Eff. Date of Pol.	Eff. Date of End.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:
Commercial General Liability Coverage Part
Employee Benefits Liability Coverage Part
Liquor Liability Coverage Part
Stop Gap Employers Liability Coverage Part

DEDUCTIBLE SCHEDULE

Coverage		Deductible Amount	Basis
Coverage A.	"Bodily Injury" and "Property Damage" Liability All persons or organizations	$ 100,000	Each "Occurrence"
	"Bodily Injury" Liability Only All persons or organizations		Each "Occurrence"
	"Property Damage" Liability Only All persons or organizations		Each "Occurrence"
Coverage A.	"Bodily Injury" and "Property Damage" Liability		Each Claim
	"Bodily Injury" Liability Only		Each Claim
	"Property Damage" Liability Only		Each Claim
Coverage B.	"Personal and Advertising Injury" Liability By offense – Any one person or organization	$ 100,000	Each Claim
Coverage C.	Medical Payments	$ 100,000	Any One Person
Additional Coverage	Employee Benefits Liability	$ 1,000	Each Act, Error or Omission
Additional Coverage	Liquor Liability		Each Common Cause
Additional Coverage	Stop Gap Employers Liability		Each Accident
	Stop Gap Employers Liability - disease		Each "Employee"

ALLOCATED LOSS ADJUSTMENT EXPENSE SELECTION SCHEDULE

Select One		
Option 1 ☒		As respects each Deductible Amount, you will reimburse us for all "allocated loss adjustment expense", even if there is no payment for other than "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will contribute toward your Deductible Amount as shown in the **Deductible Schedule** and your Combined Aggregate Deductible Amount as shown in the **Combined Aggregate Deductible Schedule**.
Option 2 ☐		As respects each Deductible Amount, you will reimburse us for "allocated loss adjustment expense" as follows:
	(a)	If the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount is equal to or less than the Deductible Amount(s) or if there is no amount payable other than "allocated loss adjustment expense", then you will reimburse us for all "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount as shown in the **Deductible Schedule** or your Combined Aggregate Deductible Amount as shown in the **Combined Aggregate Deductible Schedule**; or
	(b)	If the total amount payable for other than "allocated loss adjustment expense" exceeds the Deductible Amount, you will reimburse us a pro-rata share of total "allocated loss adjustment expense" based on the ratio of the Deductible Amount divided by the total amount payable for other than "allocated loss adjustment expense" as respects the basis for each Deductible Amount. "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount as shown in the **Deductible Schedule** or your Combined Aggregate Deductible Amount as shown in the **Combined Aggregate Deductible Schedule**.
Option 3 ☐		As respects each Deductible Amount, you will reimburse us for all "allocated loss adjustment expense", even if there is no payment for other than "allocated loss adjustment expense". "Allocated loss adjustment expense" reimbursements will not contribute toward either your Deductible Amount as shown in the **Deductible Schedule** or your Combined Aggregate Deductible Amount as shown in the **Combined Aggregate Deductible Schedule**.

If no option is selected, Option 3 will apply.

A. How the Deductible Amount Applies

You will reimburse us for the Deductible Amount(s) shown in the **Deductible Schedule** and for "allocated loss adjustment expenses" incurred based on the **Allocated Loss Adjustment Expense Selection Schedule**. The Deductible Amount(s) applies as follows:

1. If an Each Occurrence Deductible is shown, the Deductible Amount applies to all sums payable because of any one "occurrence", regardless of the number of persons or organizations who sustain damages because of that "occurrence".

2. If an Each Claim Deductible is shown, the Deductible Amount applies to all sums payable for each claim, sustained by any one person or organization.

   a. For Other than Coverage B, to all sums payable for each claim, sustained by any one person or organization, and

   b. For Coverage B, to all damages sustained by any one person or organization as the result of an offense.

3. Medical Payments - If an Any One Person limit is shown, the Deductible Amount applies to all sums payable to any one person as a result of an accident sustained by that person.

4. Employee Benefits Liability - If an Each Act, Error or Omission Deductible is shown, the Deductible Amount applies to all sums payable for all damages sustained by any one employee, including the employee's dependents and beneficiaries, because of acts, errors or omissions committed in the administration of employee benefit programs.

5. Liquor Liability - If a Common Cause Deductible is shown, the Deductible Amount applies to all sums payable for all injury sustained by one or more persons or organizations as the result of the selling, serving or furnishing of any alcoholic beverage to any one person.

6. Stop Gap Employers Liability - If an Each Accident Deductible is shown, the Deductible Amount applies to all sums payable as the result of an accident, regardless of the number of people who sustain damages because of that accident.

7. Stop Gap Employers Liability - disease - If an Each Employee Deductible is shown, the Deductible Amount applies to all sums payable because of any one disease, and applies separately to each affected employee.

B. Deductible Provisions

1. If more than one Deductible Amount applies to sums payable arising from the same "incident" because more than one Coverage applies, you will be responsible for each and every applicable Deductible Amount.

2. Deductible Amount(s) apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations.

3. Your obligation to pay the Deductible Amount(s) shown on this policy is not fulfilled by:

   a. The payment of a Deductible Amount under any other policy; or

   b. Any payment made by us or another insurance company;

   even if 3a. or 3b. above applies to the same "incident" as the Deductible Amount due under this policy.

4. If more than one policy issued by us applies to sums payable because of a single continuous "incident", the Deductible Amount(s) applies separately to each policy that we issue to which this endorsement or a similar Deductible Endorsement applies. Deductible Amounts also apply separately to each annual period and any remaining period of less than 12 months as described in **B.**2. above.

5. If a Coverage Part or Additional Coverage of this policy specifically applies a separate deductible(s):

   a. the separate additional deductible amount applies to any loss separately and before the Deductible Amount(s) shown on the Schedule of this endorsement; and

   b. the Deductible Amount(s) shown on the Schedule of this endorsement applies only if the loss exceeds the separate additional deductible amount described in 5.a. above, subject to the other terms and conditions of this endorsement.

C. Combined Aggregate Deductible Amount

1. The Combined Aggregate Deductible Amount shown in the **Combined Aggregate Deductible Schedule** for all policies listed in the **Combined Aggregate Deductible Schedule**, is the most you must reimburse us for the sum of:

   a. all applicable Deductible Amount(s) as shown in each policy's **Deductible Schedule** that are included in each policy's Combined Aggregate Deductible Endorsement(s); and

b. all applicable "allocated loss adjustment expense" in accordance with each policy's **Allocated Loss Adjustment Expense Selection Schedule(s)** that are included in each policy's Combined Aggregate Deductible Endorsement(s).

This single Combined Aggregate Deductible Amount applies to the entire policy period and to any remaining extension period of any policies.

2. The Combined Aggregate Deductible Amount is adjustable. The final Combined Aggregate Deductible Amount will be determined at the end of the policy period by an audit of your records, and will be based upon the sum of: the Rate(s) shown in the **Combined Aggregate Deductible Schedule** multiplied by the final audited Exposure(s), for each of the policies included in the **Combined Aggregate Deductible Schedule**. The amount shown in the **Combined Aggregate Deductible Schedule** as the Combined Aggregate Deductible Amount is an estimated amount, and is based on an estimate of what the audit of your records will develop.

   In no event will the final audited Combined Aggregate Deductible Amount be less than the Combined Aggregate Deductible Amount shown in the **Combined Aggregate Deductible Schedule**, unless a Minimum Combined Aggregate Deductible Amount is shown in the **Combined Aggregate Deductible Schedule**. If a Minimum Combined Aggregate Deductible Amount is shown, the final audited Combined Aggregate Deductible Amount will not be less than the Minimum Combined Aggregate Deductible Amount.

D. Allocated Loss Adjustment Expense Reimbursement

In accordance with the **Allocated Loss Adjustment Expense Selection Schedule**:

1. If Option 1 is selected, "allocated loss adjustment expense" reimbursements made by you contribute to your Deductible Amount and Combined Aggregate Deductible Amount.

2. If Option 2 or Option 3 is selected, then you will reimburse us for all or pro-rata "allocated loss adjustment expense", as may apply, in accordance with the **Allocated Loss Adjustment Expense Selection Schedule** above, even if the Deductible Amount or the Combined Aggregate Deductible Amount, if applicable, is exceeded.

E. Application of the Deductible Amount to Payable Amounts

1. You will reimburse us for "allocated loss adjustment expense" according to the option selected in the **Allocated Loss Adjustment Expense Selection Schedule**.

2. Upon settlement or final adjudication of a claim, we will apply the Deductible Amount against payable amounts as follows:

   a. Sums paid other than those attributable to "allocated loss adjustment expense"; then

   b. "Allocated loss adjustment expense" already reimbursed by you; then

   c. "Allocated loss adjustment expense" yet to be reimbursed by you, if applicable.

F. Effect of Deductible Amount on Limits of Insurance

The applicable limits of insurance for the coverage part to which a Deductible Amount applies will be reduced only by that portion of the Deductible Amount that is not attributable to "allocated loss adjustment expenses".

G. Conditions

1. Voluntary Payments

If you voluntarily make any payment, assume any obligation or incur any expense, without our consent, then you do so at your own cost. Any such voluntary payment, assumed obligation or incurred expense does not

contribute towards any applicable Deductible Amount(s) or Combined Aggregate Deductible Amount under this policy.

2. Application of Recovered Amounts

We have your rights and the rights of persons entitled to the benefits of this insurance to recover sums that are reimbursable under this endorsement from anyone liable for the injury or damages. You will do everything necessary to protect those rights for us and to help us enforce them.

If we recover any payment made under this policy from anyone liable for injury or damages, the recovered amount will first be applied to any payments made by us in excess of the Deductible Amount. The remainder of the recovery, if any, will then be applied to reduce the Deductible Amount reimbursed or reimbursable by you as respects that injury or damages.

3. Payment of Amounts Owed Under This Endorsement

a. We may pay any part or all of any Deductible Amount(s) or "allocated loss adjustment expense" to effect settlement of any claim and, upon notification of the action taken you will reimburse us for such part of any Deductible Amount(s) or "allocated loss adjustment expense" as shown on the billing from us. You must pay us for all amounts for which you are responsible under this endorsement and reimburse us for any such amounts that we pay by the due date shown on the billing from us.

b. The first Named Insured shown in the Declarations is authorized to and will reimburse us for all amounts paid by us on behalf of all "insureds".

c. Each Named Insured is jointly and severally liable for all reimbursements due to us under this endorsement, whether or not that Named Insured is involved in the claim, proceeding or "suit" causing any such amount to be due to us.

H. Definitions

1. "Allocated loss adjustment expense" is an expense directly allocable to a specific claim including but not limited to: all supplementary payments as set forth in this policy; all court costs, fees and expenses; all costs, fees and expenses for or incurred in connection with all attorneys, witnesses, experts, depositions, reported or recorded statements, summonses, service of process, legal transcripts or testimony, copies of any public records; alternative dispute resolution proceedings; interest; investigative services, non-employee adjusters, medical examinations, autopsies, medical cost containment; declaratory judgment, subrogation claims and proceedings, and any other fees, costs or expenses reasonably chargeable to the investigation, negotiation, settlement or defense of a claim or a loss under this policy.

2. "Incident", for purposes of this endorsement only, means an "occurrence", offense, claim, accident, act, error or omission, common cause, disease or any other event, as defined or used in our policy, to which a Deductible Amount(s) applies.

I. Other Terms

1. The terms of this insurance apply irrespective of the application of any Deductible Amount(s), including those with respect to:

   a. Our right and duty to investigate or defend the Insured against any "suits" seeking those damages; and

   b. Your duties in the event of a claim or circumstances likely to result in a claim.

2. You understand that your duties under this endorsement may continue after this policy expires or is cancelled.

Lead Liability Exclusion

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Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					$	$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to Paragraph **2. Exclusions**, of **Section I - Coverage A - Bodily Injury And Property Damage Liability** and Paragraph **2. Exclusions**, of **Coverage B - Personal And Advertising Injury Liability**:

This insurance does not apply to:

Lead

(1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of, resulting from, caused by or related to: the actual, alleged or threatened:

(a) Exposure to or existence of lead, paint containing lead, or any other material, product or substance containing lead; or

(b) Manufacture, distribution, sale, resale, re-branding, installation, repair, removal, encapsulation, abatement, replacement or handling of lead, paint containing lead, or any other material, product or substance containing lead,

whether the lead is or was at any time airborne, ingested, inhaled, absorbed, transmitted in any fashion, or found in any form whatsoever, or whether any other cause, event, material, product or substance contributed concurrently or in any sequence to the injury or damage.;

(2) Any sums that any insured or other entity must pay, repay or reimburse because of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, sample, monitor, clean up, remove, abate, cover, contain, treat, mitigate, or neutralize lead, paint containing lead, or any other material, product or substance containing lead, or in any way respond to, or assess the effects of lead in any form; or

(b) Claim or "suit" for damages relating to testing for, sampling, monitoring, cleaning up, removing, abating, covering, containing, treating, mitigating, or neutralizing lead, paint containing lead, or any other material, product or substance containing lead or in any way responding to or assessing the effects of lead in any form.

(3) Any other loss, cost or expense arising out of, caused by or relating in any way to lead.

Asbestos Exclusion Endorsement

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
					$	$

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Commercial General Liability Coverage Part

The following exclusion is added to paragraph **2. Exclusions** of **Section I - Coverage A – Bodily Injury And Property Damage Liability** and **Coverage B - Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Asbestos

A. "Bodily injury", "property damage" or "personal and advertising injury" arising out of or which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or

B. Any sums that any insured or other entity must pay, repay or reimburse because of any:

1. Request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or

2. Claim or "suit" for damages arising out of or relating in any way to any request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or

C. Any other loss, cost or expense arising out of or relating in any way to asbestos.

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Premium And Reports Agreement – Composite Rated Policies

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under any of the following:
Commercial General Liability Coverage Part
Products/Completed Operations Liability Coverage Part
Owners Contractors Protective Coverage Part
Railroad Protective Coverage Part

Schedule

1. **Unit of Exposure:**

☒ Gross sales	☐ Area	☐ Gallons
☐ Each	☐ Rooms	☐ General Liability Payroll
☐ Admissions	☐ Units	☐ Rounds played
☐ Total Cost	☐ Total Operating Expenditures	☐ Occupied rooms
☐ Licensed Autos	☐ Workers Compensation Payroll	☐ Other

2.

Coverage / Description	Unit of Exposure	Rate(s)	Estimated Premium(s)
PREM/PROD	$653,010,000	$.438	$286,307
TERRORISM			$2,868
TAXES/SURCHARGES			$729
TOTAL PREMIUM			$289,904

(Add more rows as required)

3. **Deposit Premium:** $289,903
4. **Minimum Premium:** 80%

Condition **5, Premium Audit**, of Section **IV, Commercial General Liability Conditions**, is replaced by the following:

5. Premium Audit

a. We will compute all premiums for this Coverage Part according to our rules and the composite rates shown in the Schedule above or attached hereto.

b. For policies other than Annual Reporting, the deposit premium shown in the Schedule is due and payable on the first day of the policy period. The first Named Insured will pay, within 20 days following the mailing or delivery of the statement of audited premium for each audit period, the earned premium due.

c. Within 180 days after this Coverage Part expires we will conduct an audit, which may not be waived. We will compute the earned premium for the policy period by multiplying the composite rate against the total developed exposure. If the earned premium is greater than the sum of the deposit and any interim adjustment premiums, the first Named Insured will pay us the excess; if less, we will return the unearned portion to the first Named Insured. However, the earned premium will not be less than the Minimum Premium as shown in the Schedule.

d. The first Named Insured must maintain records of the information we need for premium computation and send us copies at such times as we may request.

e. The units of exposure shown in the Schedule are defined as follows:

1. **Admissions** means the total number of persons, other than employees of the named insured, admitted to events conducted on the insured premises whether on paid admissions, tickets, complimentary tickets or passes.
2. **Gallons** means the total number of gallons of liquefied petroleum gasses invoiced on any basis to any customer, whether or not the insured actually takes possession of such gases.
3. **Gross sales** means gross sales invoiced, before discounts, but does not include taxes collected for any governmental unit.
4. **Licensed "auto"** means the final average of the number of "autos" at policy inception and the number of "autos" at policy termination.
5. **Occupied rooms** means the number of rooms actually rented during the policy year in a hotel or other place of lodging.
6. **General Liability payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
7. **Workers Compensation payroll** means total remuneration for all "employees" of the insured as defined in our rating manuals.
8. **Rounds played** means the number of both paid and gratuitous rounds of golf played on an 18 hole golf course during the policy year. Rounds that are less then 10 holes will be counted as a half round toward the total number of rounds of golf played.
9. **Each** means the total number of exposure units as described in the exposure basis.
10. **Rooms** mean the total number of rooms available for rent in a hotel or other place of lodging.
11. **Total cost** means the total cost of all work let or sublet in connection with each specified project including the cost of all labor, material and equipment furnished, used or delivered in the execution of the work, however, do not include the cost of finished equipment installed but not furnished by the subcontractor if the subcontractor does no other work on or in connection with such equipment; and all fees, bonuses or commissions made, paid or due.
12. **Total Operating Expenditures** means expenditures (including grants, entitlements and shared revenue) without regard to source of revenue, including accounts payable.
13. **Units** means a single room or group of rooms intended for occupancy as separate living quarters by a family, by a group of unrelated persons living together, or by a person living alone.
14. **Area** means the total number of square feet of floor space at the insured premises they occupy or lease to others.
15. **Other** means the unit of exposure as defined in the Unit of Exposure Schedule of this endorsement

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TEXAS CHANGES – EXPERIENCE RATING MODIFICATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

SCHEDULE

Rating Date:
(If no date is entered, the Rating Date is the effective date of the policy.)
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The rates for this insurance are subject to modification as of the Rating Date as shown in the Schedule, and if this policy is written for three years, the next two anniversary dates of the Rating Date. In each case the modification is to be in accordance with the Manual Rules and General Liability Experience Rating Plan approved for Texas and in effect as of the respective dates.

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VIRGINIA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Paragraph **f.(1)(a)(i)** under Paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

(i) "Bodily injury" or "property damage" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
ELECTRONIC DATA LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCT WITHDRAWAL COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

A. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following:

2. Cancellation Of Policies In Effect

a. For 90 Days Or Less

If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

(1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(2) 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:

(a) A material misstatement or misrepresentation; or

(b) A failure to comply with the underwriting requirements established by the insurer.

b. For More Than 90 Days

If this policy has been in effect for more than 90 days, we may cancel this policy only for one or more of the following reasons:

(1) Nonpayment of premium;

(2) The policy was obtained by a material misstatement;

(3) Failure to comply with underwriting requirements established by the insurer within 90 days of the effective date of coverage;

(4) A substantial change in the risk covered by the policy; or

(5) The cancellation is for all insureds under such policies for a given class of insureds.

If we cancel this policy for any of these reasons, we will mail or deliver to the first Named Insured written notice of cancellation, accompanied by the reasons for cancellation, at least:

(a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

(b) 45 days before the effective date of cancellation if we cancel for any of the other reasons stated in Paragraph **2.b.**

B. Paragraph **3.** of the **Cancellation** Common Policy Condition is replaced by the following:

3. We will mail or deliver our notice to the first Named Insured at the last mailing address known to us.

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C. Paragraph **5.** of the **Cancellation** Common Policy Condition is replaced by the following:

5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect, unless this is an audit policy.

If this is an audit policy, then, subject to your full cooperation with us or our agent in securing the necessary data for audit, we will return any premium refund due within 90 days of the date cancellation takes effect. If our audit is not completed within this time limitation, then we shall accept your own audit, and any premium refund due shall be mailed within 10 working days of receipt of your audit.

The cancellation will be effective even if we have not made or offered a refund.

D. The following is added and supersedes any other provision to the contrary:

Nonrenewal

1. If we decide not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the reason for nonrenewal, at least 45 days prior to the expiration of this policy.

2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

KENTUCKY CHANGES – YOUR RIGHT TO CLAIM INFORMATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART (CLAIMS-MADE VERSION)

Paragraph **10. Your Right To Claim And "Occurrence" Information** of **Section IV – Commercial General Liability Conditions** is replaced by the following:

10. Your Right To Claim And Occurrence Information

a. If we receive a written request from an insured or our agent we will provide that insured or agent the following information relating to this and any preceding general liability claims-made Coverage Part we have issued to you during the previous five years:

(1) A list or other record of each "occurrence", not previously reported to any other insurer, of which we were notified in accordance with Paragraph **2.a.** of the Section **IV** – Duties In The Event Of Occurrence, Offense, Claim Or Suit Condition. We will include the date and brief description of the "occurrence" if that information was in the notice we received.

(2) A summary by policy year, of payments made and amounts reserved, stated separately, under any applicable General Aggregate Limit and Products-Completed Operations Aggregate Limit.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

The insured must not disclose this information to any claimant or any claimant's representative without our consent.

We will provide this information to the insured or our agent within 20 days of receipt of the written request.

We compile claim and "occurrence" information for our own business purposes and exercise reasonable care in doing so. In providing this information to the insured or our agent, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Any cancellation or nonrenewal of this Coverage Part will be effective even if we inadvertently provide inaccurate information.

b. If Paragraph **a.** does not apply and we cancel or elect not to renew this Coverage Part, we will provide the first Named Insured shown in the Declarations the following information relating to this and any preceding general liability claims-made Coverage Part we have issued to you during the previous three years:

(1) A list or other record of each "occurrence", not previously reported to any other insurer, of which we were notified in accordance with Paragraph **2.a.** of the Section **IV** – Duties In The Event Of Occurrence, Offense, Claim Or Suit Condition. We will include the date and brief description of the "occurrence" if that information was in the notice we received.

(2) A summary by policy year, of payments made and amounts reserved, stated separately, under any applicable General Aggregate Limit and Products-Completed Operations Aggregate Limit.

Amounts reserved are based on our judgment. They are subject to change and should not be regarded as ultimate settlement values.

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You must not disclose this information to any claimant or any claimant's representative without our consent.

We will provide such information no later than 30 days before the date of policy termination.

We compile claim and "occurrence" information for our own business purposes and exercise reasonable care in doing so. In providing this information to the first Named Insured, we make no representations or warranties to insureds, insurers, or others to whom this information is furnished by or on behalf of any insured. Cancellation or nonrenewal will be effective even if we inadvertently provide inaccurate information.

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ZURICH

Deductible Endorsement - Occurrence

Policy No.	Exp. Date of Pol.	Eff. Date of End.	Agency No.	Addl. Prem.	Return Prem.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

Employee Benefits Liability Coverage Part

It is agreed that the following deductible provisions are added to the policy as respects the Employee Benefit Liability Coverage Part:

Deductible: $ 1,000

1. The deductible amount stated above shall be deducted from the amount of all claims arising out of the same act, error, or omission. We shall be liable only for the difference between such deductible amount and the amount of insurance otherwise applicable on a per act, error, or omission basis. The Aggregate Limit will not be reduced by the application of such deductible.
2. The terms of this Coverage Part apply regardless of the application of the deductible amount. This includes those terms with respect to:
   a. Our rights and duties with respect to the defense of "suits"; and
   b. The "insured's" duties in the event of an act, error, or omission or a claim or "suit".
3. We may pay any part or all of the deductible amount to effect settlement of any claim or "suit". You shall promptly reimburse us for such part of the deductible amount as has been paid by us after we notify you of our action.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EARLIER NOTICE OF CANCELLATION PROVIDED BY US

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Number of Days' Notice 60

(If no entry appears above, information required to complete this Schedule will be shown in the Declarations as applicable to this endorsement.)

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation, as provided in paragraph **2.** of either the CANCELLATION Common Policy Condition or as amended by an applicable state cancellation endorsement, is increased to the number of days shown in the Schedule above.

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ELECTRONIC DATA LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Loss Of Electronic Data Limit:	$1,000,000
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Exclusion **2.p.** of **Coverage A – Bodily Injury And Property Damage Liability** in **Section I – Coverages** is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Electronic Data

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data" that does not result from physical injury to tangible property.

However, this exclusion does not apply to liability for damages because of "bodily injury".

B. The following paragraph is added to **Section III – Limits Of Insurance:**

Subject to **5.** above, the Loss of Electronic Data Limit shown in the Schedule above is the most we will pay under Coverage **A** for " property damage" because of all loss of "electronic data" arising out of any one "occurrence".

C. The following definition is added to the **Definitions** section:

"Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

D. For the purposes of the coverage provided by this endorsement, the definition of " property damage" in the **Definitions** section is replaced by the following:

17. "Property damage" means:

a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it;

b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it; or

c. Loss of, loss of use of, damage to, corruption of, inability to access, or inability to properly manipulate "electronic data", resulting from physical injury to tangible property. All such loss of "electronic data" shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, "electronic data" is not tangible property.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY – WITH LIMITED BODILY INJURY EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Exclusion **2.p.** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

Damages arising out of:

(1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or

(2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.

However, unless Paragraph **(1)** above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

B. The following is added to Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION (COVERAGE B ONLY)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following is added to Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

2. Exclusions

This insurance does not apply to:

Access Or Disclosure Of Confidential Or Personal Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

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EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following exclusion is added to Paragraph **2., Exclusions** of Section **I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs **(a), (b),** or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a), (b)** or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

B. The following exclusion is added to Paragraph **2., Exclusions** of Section **I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

(1) A person arising out of any:

(a) Refusal to employ that person;

(b) Termination of that person's employment; or

(c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a), (b),** or **(c)** above is directed.

This exclusion applies:

(1) Whether the injury-causing event described in Paragraphs **(a), (b)** or **(c)** above occurs before employment, during employment or after employment of that person;

(2) Whether the insured may be liable as an employer or in any other capacity; and

(3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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TOTAL POLLUTION EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion **f.** under Paragraph **2., Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

(1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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TOTAL POLLUTION EXCLUSION WITH A HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion **f.** under Paragraph **2., Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

(1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to "bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:

(a) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

(b) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or

(b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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EXCLUSION – EXTERIOR INSULATION AND FINISH SYSTEMS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:

1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or
2. "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any substantially similar system, is used on the part of that structure containing that component, fixture or feature.

B. The following definition is added to the **Definitions** Section:

"Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:

1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
3. A reinforced or unreinforced base coat;
4. A finish coat providing surface texture to which color may be added; and
5. Any flashing, caulking or sealant used with the system for any purpose.

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EXCLUSION – CONSTRUCTION MANAGEMENT ERRORS AND OMISSIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The preparing, approving, or failure to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications by any architect, engineer or surveyor performing services on a project on which you serve as construction manager; or
2. Inspection, supervision, quality control, architectural or engineering activities done by or for you on a project on which you serve as construction manager.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved that which is described in Paragraph **1.** or **2.**

This exclusion does not apply to "bodily injury" or "property damage" due to construction or demolition work done by you, your "employees" or your subcontractors.

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EXCLUSION – ENGINEERS, ARCHITECTS OR SURVEYORS PROFESSIONAL LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2. Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph **2. Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or any engineer, architect or surveyor who is either employed by you or performing work on your behalf in such capacity.

Professional services include:

1. The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
2. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional services by you or any engineer, architect or surveyor who is either employed by you or performing work on your behalf in such capacity.

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EXCLUSION – FAILURE TO SUPPLY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

This insurance does not apply to "bodily injury" or "property damage" arising out of the failure of any insured to adequately supply gas, oil, water, electricity, steam or biofuel.

This exclusion does not apply if the failure to supply results from the sudden and accidental injury to tangible property owned or used by any insured to procure, produce, process or transmit the gas, oil, water, electricity, steam or biofuel.

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EXCLUSION - CONTRACTORS - PROFESSIONAL LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

The following exclusion is added to Paragraph **2., Exclusions** of **Section I - Coverage A - Bodily Injury And Property Damage Liability** and Paragraph **2., Exclusions** of **Section I - Coverage B - Personal And Advertising Injury Liability:**

1. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:

   a. Providing engineering, architectural or surveying services to others in your capacity as an engineer, architect or surveyor; and

   b. Providing, or hiring independent professionals to provide, engineering, architectural or surveying services in connection with construction work you perform.

2. Subject to Paragraph **3.** below, professional services include:

   a. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and

   b. Supervisory or inspection activities performed as part of any related architectural or engineering activities.

3. Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

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CONTRACTUAL LIABILITY - RAILROADS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Scheduled Railroad:	Designated Job Site:
ALL CONTRACTS FOR WORK DONE FOR RAILROADS	

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

With respect to operations performed for, or affecting, a Scheduled Railroad at a Designated Job Site, the definition of "insured contract" in the Definitions section is replaced by the following:

9. "Insured Contract" means:

a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";

b. A sidetrack agreement;

c. Any easement or license agreement;

d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

e. An elevator maintenance agreement;

f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

(1) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;

(2) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph **(1)** above and supervisory, inspection, architectural or engineering activities.

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DESIGNATED CONSTRUCTION PROJECT(S) GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Construction Project(s):
A GENERAL AGGREGATE LIMIT APPLIES TO EACH CONSTRUCTION PROJECT WHERE THE NAMED INSURED IS PERFORMING OPERATIONS, HOWEVER, A GENERAL AGGREGATE LIMIT DOES NOT APPLY TO ANY CONSTRUCTION PROJECT WHERE THE NAMED INSURED IS PERFORMING OPERATIONS THAT ARE INSURED UNDER A WRAP UP OR ANY OTHER CONSOLIDATED OR SIMILAR INSURANCE PROGRAM.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** – Coverage **A,** and for all medical expenses caused by accidents under Section **I** – Coverage **C,** which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:

1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A,** except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
   - **a.** Insureds;
   - **b.** Claims made or "suits" brought; or
   - **c.** Persons or organizations making claims or bringing "suits".
3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.

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B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** – Coverage **A,** and for all medical expenses caused by accidents under Section **I** – Coverage **C,** which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:

1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.

C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.

D. If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.

E. The provisions of Section **III** – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

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DESIGNATED LOCATION(S) GENERAL AGGREGATE LIMIT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Designated Location(s):
ALL LOCATIONS, OTHER THAN CONSTRUCTION PROJECTS, OCCUPIED BY THE NAMED INSURED.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** – Coverage **A,** and for all medical expenses caused by accidents under Section **I** – Coverage **C,** which can be attributed only to operations at a single designated "location" shown in the Schedule above:

1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage **A,** except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage **C** regardless of the number of:
   - **a.** Insureds;
   - **b.** Claims made or "suits" brought; or
   - **c.** Persons or organizations making claims or bringing "suits".
3. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the Schedule above.
4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Location General Aggregate Limit.

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B. For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section **I** – Coverage **A,** and for all medical expenses caused by accidents under Section **I** – Coverage **C,** which cannot be attributed only to operations at a single designated "location" shown in the Schedule above:

1. Any payments made under Coverage **A** for damages or under Coverage **C** for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
2. Such payments shall not reduce any Designated Location General Aggregate Limit.

C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Location General Aggregate Limit.

D. For the purposes of this endorsement, the **Definitions** Section is amended by the addition of the following definition:

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

E. The provisions of Section **III** – Limits Of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

© Insurance Services Office, Inc., 2008

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ALASKA WAR LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Exclusion **i.** under Paragraph **2., Exclusions** of **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

i. War

"Bodily injury" or "property damage", however caused, arising out of:

(1) War, including undeclared or civil war; or

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

B. Exclusion **o.** under Paragraph **2., Exclusions** of **Section I – Coverage B – Personal And Advertising Injury Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

o. War

"Personal and advertising injury", however caused, arising out of:

(1) War, including undeclared or civil war; or

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

(3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

C. Exclusion **h.** under Paragraph **2., Exclusions** of **Section I – Coverage C – Medical Payments** does not apply. Medical payments due to war are now subject to Exclusion **g.** of Paragraph **2., Exclusions** of **Section I – Coverage C – Medical Payments** since "bodily injury" arising out of war is now excluded under Coverage **A.**

© ISO Properties, Inc., 2005

Bank of America
Merrill Lynch

Mail Code: RI 1-530-01-19
3400 Pawtucket Avenue
Riverside, RI 02915-5298
Fax: 404-532-3742
BALCPayoffs@bankofamerica.com

June 14, 2017
Mark Roberts
mroberts@nationalcityca.gov
NATIONAL CITY, CA CITY OF

Re: Lease Agreement dated as of September 1, 2010 between National City Joint Powers Financing Authority, and NATIONAL CITY, CA CITY OF, as Debtor and Assignment Agreement dated September 1, 2010, between National City Joint Powers Financing Authority and Bank of America, N.A (BANA) (the Note)
Customer No. 2165200 /Schedule No(s). 001 unit 7377503

Dear Mark Roberts

We hereby waive the 30-day notice requirement set forth in section 9.02 of the above referenced Lease Agreement for you to exercise the optional prepayment.

In response to your request for you to exercise the optional prepayment option of the above-referenced Note, we provide the following:

Principal as of 10/1/16			$	490,000.00
Interest	4/1/17	thru 7/5/17	$	3,879.17
Prepayment Fee			$	-
Payoff Amount as of		7/5/17	$	**493,879.17**

A per diem of $40.83 will be added to the Payoff Amount after the payoff date above. After 10/1/17, a new Payoff Amount quote may be required.

Please wire transfer the above amounts as follows.

Bank:	Bank of America
ABA #:	0260-0959-3
For the account of:	Banc of America Leasing & Capital, LLC
Account No.:	12334-01992
Reference:	**Customer No. 2165200 /Schedule No(s). 001 unit 7377503**
Upon receipt Notify:	Tina Peck

Upon our receipt of wire transferred funds or certified check in the aforementioned amount, and provided that you are not then in default of any of your obligations to BANK OF AMERICA, N.A., we will release our signed Termination Agreement for recordation to terminate our security interest in the Collateral to be released.

Notwithstanding the above, unless the foregoing prepayment amortizes the entire balance of principal and interest under the Note, the Note continues to be in full force and effect with respect to, among other things, the remaining Collateral under the Note and, except as specifically set forth herein, all of the terms and conditions of the Note remain in full force and effect and are hereby ratified and affirmed by you. Further, any corporate or personal guaranties which relate to the Note, as well as any and all other obligations which may be outstanding to BANA or its affiliates, shall remain in full force and effect with respect to such other obligations, notwithstanding the early payoff of the Note pursuant to this letter. In addition, if a security interest in the Collateral to be released has been granted to BANA as security for any obligations owing to BANA or its affiliates or assign, other than the Note, any such grant of security interest shall remain in full force and effect with respect to such other obligations, notwithstanding the early payoff of the Note pursuant to this letter.

By paying the above stated amounts, you agree to the terms of this letter and to an early payoff of the Note, and release BANA of any and all of its obligations under the Note.

If the Payoff Amount is not received by BANA in accordance with the terms of this letter, the Note shall continue in full force and effect in accordance with its terms and you shall promptly reimburse BANA for any out of pocket expenses may have incurred in connection with the proposed early payoff of the Note. Nothing contained in this letter shall be deemed a waiver of any rights and remedies BANA may have under the Note, other related documents and instruments or applicable law, all of which rights and remedies are expressly reserved. Any terms used herein and not defined herein shall have the meanings assigned to them in the Note.

If you should have any questions or if we may be of further service, please feel free to contact us at BALCPayoffs@bankofamerica.com.

Very truly yours,

BANK OF AMERICA, N.A.

By *Tina Peck*
Tina Peck
Operations Consultant

AFTER RECORDATION RETURN TO:
Nossaman LLP
18101 Von Karman Avenue, Suite 1800
Irvine, CA 92612
Attention: Albert R. Reyes, Esq.

CERTIFIED TO BE A TRUE AND CORRECT COPY OF THE ORIGINAL DOCUMENT RECORDED ON 7-5-17 UNDER RECORDER'S SERIES NO. 2017-0302945 SAN DIEGO COUNTY RECORDS STEWART TITLE GUARANTY CO. BY

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

17000300110

TERMINATION AGREEMENT

This TERMINATION AGREEMENT, dated as of July 5, 2017, is among the City of National City (the "City"), the National City Joint Powers Financing Authority (the "Authority"), and Bank of America, N.A. (the "Bank"):

WITNESSETH:

WHEREAS, in connection with the refinancing of certain prior lease revenue bonds issued by the City, the City previously executed a Lease Agreement by and between the City and the Authority, dated September 1, 2010 and recorded on September 28, 2010 as File No. 2010-0514247 of the Official Records of San Diego County, California (the "2010 Lease Agreement"), pursuant to which the Authority leased to the City an interest in the real property described in Exhibit A hereto (the "2010 Site"); and

WHEREAS, pursuant to an Assignment Agreement by and between the Authority and the Bank, dated September 1, 2010 and recorded September 28, 2010 as File No. 2010-0514248 of Official Records of the Official Records of San Diego County, California (the "2010 Assignment Agreement"), the Authority assigned to the Bank, certain of its rights under the 2010 Lease Agreement, including its right to receive Lease Payments (as defined therein) and its rights to enforce payment of such payments and otherwise to enforce its interests and rights under the 2010 Lease Agreement in the event of default by the City; and

WHEREAS, the 2010 Lease Agreement provided that City could prepay its obligations thereunder prior to the termination date of the 2010 Lease Agreement, and the City's Council has elected to prepay such obligations, and the City has complied with all requirements contained in the 2010 Lease Agreement and related documents in order to accomplish such actions.

NOW THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree as follows:

Section 1. Termination of 2010 Documents. The (i) 2010 Lease Agreement, and (ii) the 2010 Assignment Agreement, are each terminated and each is of no further force or effect.

Section 2. Counterparts. This Termination Agreement may be executed, approved and acknowledged in several counterparts, all or any one of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

Section 3. Applicable Law. This Termination Agreement shall be governed by and construed in accordance with the laws of the State of California.

CITY OF NATIONAL CITY

By: _____
City Manager
LESLIE DEESE

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY

By: _____
Chairman
RON MORRISON

BANK OF AMERICA, N.A.,

By: Signed in counterpart
Authorized Signatory

NOW THEREFORE, in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree as follows:

Section 1. Termination of 2010 Documents. The (i) 2010 Lease Agreement, and (ii) the 2010 Assignment Agreement, are each terminated and each is of no further force or effect.

Section 2. Counterparts. This Termination Agreement may be executed, approved and acknowledged in several counterparts, all or any one of which shall be regarded for all purposes as one original and shall constitute and be but one and the same instrument.

Section 3. Applicable Law. This Termination Agreement shall be governed by and construed in accordance with the laws of the State of California.

CITY OF NATIONAL CITY

By: Signed in counterpart
City Manager

NATIONAL CITY JOINT POWERS FINANCING AUTHORITY

By: Signed in counterpart
Chairman

BANK OF AMERICA, N.A.,

By: _____
Authorized Signatory
TERRI J. PRESTON

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

COUNTY OF San Diego)

On June 26, 2017 before me, Angelita, Notary Public,

personally appeared Leslie Deese,

who proved to me on the basis of satisfactory evidence to be the person(~~s~~) whose name(~~s~~) is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in ~~his~~/her/~~their~~ authorized capacity(~~ies~~), and that by ~~his~~/her/~~their~~ signature(~~s~~) on the instrument the person(~~s~~), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

ANGELITA PALMA
COMM. # 2046693
NOTARY PUBLIC • CALIFORNIA
SAN DIEGO COUNTY
Commission Expires OCTOBER 25, 2017

POS2

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)

COUNTY OF San Diego)

On June 26, 2017 before me, Angelita Palma, Notary Public,

personally appeared Ron Morrison,

who proved to me on the basis of satisfactory evidence to be the person(~~s~~) whose name(~~s~~) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(~~ies~~), and that by his/~~her/their~~ signature(~~s~~) on the instrument the person(~~s~~), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.

ANGELITA PALMA
COMM. # 2046693
NOTARY PUBLIC • CALIFORNIA
SAN DIEGO COUNTY
Commission Expires OCTOBER 25, 2017

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF ~~CALIFORNIA~~ MARYLAND)

COUNTY OF Baltimore)

On June 22 2017 before me, Arlene Sobieck, Notary Public,

personally appeared Terri J. Preston ,

who proved to me on the basis of satisfactory evidence to be the person(~~s~~) whose name(~~s~~) is/a~~re~~ subscribed to the within instrument and acknowledged to me that ~~he~~/she/t~~hey~~ executed the same in ~~his~~/her/t~~heir~~ authorized capacity(~~ies~~), and that by ~~his~~/her/t~~heir~~ signature(~~s~~) on the instrument the person(~~s~~), or the entity upon behalf of which the person(~~s~~) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of ~~California~~ MARYLAND that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

ARLENE SOBIECK
Notary Public
Baltimore County
Maryland
My Commission Expires Aug. 1, 2018

Place Notary Seal Above

Signature of Notary Public

EXHIBIT A

LEGAL DESCRIPTION OF THE 2010 SITE

The 2010 Site consists of that certain land located in the City of National City, San Diego County, State of California, more fully described as follows, together with all buildings and facilities and other improvements which constitute real property at any time situated thereon:

PARCEL A:

PARCEL(S) 1 AND 2 OF PARCEL MAP NO. 4027, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY AUGUST 21, 1975 AS FILE NO. 75-224074 OF OFFICIAL, RECORDS.

PARCEL B:

THE WEST 33-1/3 FEET OF LOTS 7 TO 10, INCLUSIVE, IN BLOCK 13 OF THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP NO. 348, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL C:

THE WESTERLY 33 1/3 FEET OF THE EASTERLY 66 2/3 FEET OF LOTS 7 TO 10 INCLUSIVE IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL D:

THE EASTERLY 33 1/3 FEET OF LOTS 7, 8, 9 AND 10 OF BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL E:

THE SOUTHERLY 100 FEET OF LOT 11 AND THE SOUTHERLY 100 FEET OF THE WESTERLY EIGHT AND ONE-THIRD FEET OF LOT 12 EN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL F:

LOTS 13 THROUGH 17 IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL G:

LOT 6, THE NORTH 25 PEST OF LOTS 11 AND 12 AND THE EAST 16 2/3 FEET OF SOUTH 100 FEET OF LOT 12, ALL IN BLOCK 13 OF NATIONAL CITY, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO THE MAP THEREOF NO. 348 FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, OCTOBER 2, 1882.

PARCEL H:

A. PERMANENT EASEMENT AND RIGHT-OF-WAY TO CONSTRUCT, RECONSTRUCT, MAINTAIN, OPERATE AND REPAIR AN UNDERGROUND EMERGENCY GENERATOR FUEL TANK, DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF 12TH STREET, LYING NORTHERLY OF BLOCK 13 OF MAP NUMBER 348, IN THE CITY OF NATIONAL CITY, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWESTERLY CORNER OF SAID BLOCK 13, BEING ALSO THE NORTHWESTERLY CORNER OF PARCEL 1 OF PARCEL MAP NUMBER 4027; THENCE EASTERLY, ALONG THE NORTHERLY LINE OF PARCEL MAP NUMBER 4027; THENCE EASTERLY, ALONG THE NORTHERLY LINE OF SAID PARCEL 1, 75 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING EASTERLY ALONG SAID NORTHERLY LINE, SIGHT FEET; THENCE LEAVING SAID NORTHERLY LINE, AT RIGHT ANGLES, NORTH SIX FEET; THENCE WESTERLY, PARALLEL WITH THE NORTHERLY LINE OF SAID PARCEL 1, EIGHT FEET; THENCE AT RIGHT ANGLES, SOUTH, SIX FEET TO THE TRUE POINT OF BEGINNING, CONTAINING 48 SQUARE FEET.

APN: 560-013-07; 560-013-08; 560-013-02; 560-013-03; 560-013-04; 560-013-05; 560-013-06; 560-013-09

(End of Legal Description)