

**FIRST AMENDMENT TO
OPTION AND LEASE AGREEMENT**

This First Amendment (this “First Amendment”) dated February 24, 2015 (the “Effective Date”) to the Option and Lease Agreement dated as of October 30, 2012 (the “Agreement”) by and between the City of Kerman, a California municipal corporation (the “City”) and CES Kerman Solar, LLC, a Delaware limited liability company (“CES Kerman” or “Provider”) as assignee of Kerman Solar 1, LLC (each of the City and CES Kerman, a “Party” and, collectively, the “Parties”).

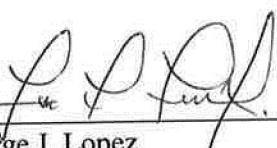
WHEREAS, the Parties desire to amend certain terms of the Agreement as set forth herein.

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

1. **Definitions.** Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Agreement.
2. **Exhibit A.** Exhibit A (“Description of Property and Premises”) of the Agreement is hereby deleted in its entirety and replaced by the Exhibit A attached hereto.
3. **Initial Term of the Lease.** The first sentence of Section 5(a) of the Agreement is hereby deleted in its entirety.
4. **Notice of Lease.** Section 35 of the Agreement is hereby amended by appending the following sentence to the end of that Section: “In the event of any amendment to this Lease, the Parties will reasonably cooperate to record an amended Notice of Lease reflecting such amendment.”
5. **Exhibit F.** Exhibit F (“Terminal Values”) of the Agreement is hereby deleted in its entirety and replaced by the Exhibit F attached hereto.
6. **Effect of Amendment.** This Amendment shall not become effective unless and until it has been executed in writing by the Parties. Except as specifically modified and amended in this Amendment, there are no other modifications or amendments to the Agreement and, in all other respects, the Agreement shall remain in full force and effect.
7. **Conflicts.** In the event of any conflict or inconsistency between the provisions of this Amendment and any provision of the Agreement, the provisions of this Amendment shall govern and control.
8. **Counterpart Execution.** This Amendment may be executed by the Parties hereto in any number of counterparts (and by each of the Parties hereto on separate counterparts), each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this First Amendment to the Agreement to be executed by their duly authorized representatives as of the Effective Date.

CES KERMAN SOLAR, LLC

By: 
Name: Jorge J. Lopez
Title: President and Chief Executive Officer

CITY OF KERMAN

By: 
Name: Luis Patlan
Title: City Manager

EXHIBIT A

DESCRIPTION OF PROPERTY AND PREMISES

Order No. 56180LT
Escrow No. 56180LT
Loan No.

RECORDED AT THE REQUEST OF
FIRST AMERICAN TITLE COMPANY

WHEN RECORDED MAIL TO:

CITY OF KERMAN
850 S. MADERA AVENUE
KERMAN, CA 93630



Fresno County Recorder
William C. Greenwood
DOC- 2000-0112591
Rec'd 8-First American Title Insurance Company
Friday, SEP 15, 2000 15:00:54
FEE \$0.00 TTU \$000.00
TLL Pd \$000.00 Nor-0000489778
Jje/R2/1-J

MAIL TAX STATEMENTS TO:

SAME AS ABOVE

SPACE ABOVE THIS LINE FOR RECORDER'S USE

DOCUMENTARY TRANSFER *1-544-0*
 unincorporated area City of
 Computed on the consideration or value of property conveyed; OR
 Computed on the consideration or value less heirs or encumbrances
remaining at time of sale.

The Undersigned
Signature of Declarant or Agent determining tax - Firm Name

APU 023.050.07

GRANT DEED

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,
STANLEY E. MEISNER, A SINGLE MAN

hereby GRANT(S) to CITY OF KERMAN, a California Municipal Corporation

the real property in the Unincorporated Area
County of FRESNO

, State of California, described as

AS DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF



Stanley E. Meisner
STANLEY E. MEISNER

Dated July 20, 2000

STATE OF CALIFORNIA
COUNTY OF FRESNO
On September 14, 2000, before me,

personally appeared Stanley E. Meisner

personally known to me (or 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 acknowledge to me that he/she/they executed
the same in his/her/their authorized capacity(ies), and that by
he/her/their signature(s) on the instrument the person(s) or the entity
upon behalf of which the person(s) acted, executed the instrument.
WITNESS my hand and official seal.

Signature L. Torczan



(This area for official notarial seal)

EXHIBIT "A"

PARCEL 1:

THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 13,
TOWNSHIP 14 SOUTH, RANGE 17 EAST, MOUNT DIABLO BASE AND MERIDIAN,
ACCORDING TO THE OFFICIAL PLAT THEREOF;

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCE IN AND UNDER
SAD PROPERTY TOGETHER WITH THE RIGHT AND PRIVILEGE TO DEVELOP AND
REMOVE THE SAME, AS RESERVED IN THE DEED FROM HENRY KRESSMANN, TO
HARLEY E. ROBERTS AND GLADYS A. ROBERTS, RECORDED NOVEMBER 23, 1951
IN BOOK 3091, PAGE 268 OF OFFICIAL RECORDS, DOCUMENT NO. 61355

PARCEL 2:

THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 13.
TOWNSHIP 14 SOUTH, RANGE 17 EAST, MOUNT DIABLO BASE AND MERIDIAN
ACCORDING TO THE OFFICIAL PLAT THEREOF;

EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCE IN
AND UNDER SAID PROPERTY, AS GRANTED IN THE DEED FROM HENRY
KRESSMANN, A MARRIED MAN, TO PORTIA F. KRESSMAN, ET AL, RECORDED
MAY 5, 1949, AS DOCUMENT NO. 22288, AND AS RESERVED IN THE DEED FROM
HENRY KRESSMAN, AS HIS SOLE AND SEPARATE PROPERTY AND PORTIA F.
KRESSMANN, WIFE OF HENRY KRESSMANN, TO HARLEY E. ROBERTS AND
GLADYS A. ROBERTS, DATED JANUARY 12, 1952, RECORDED JANUARY 23, 1952 IN
BOOK 3113 PAGE 340 OF OFFICIAL RECORDS, DOCUMENT NO. 3913

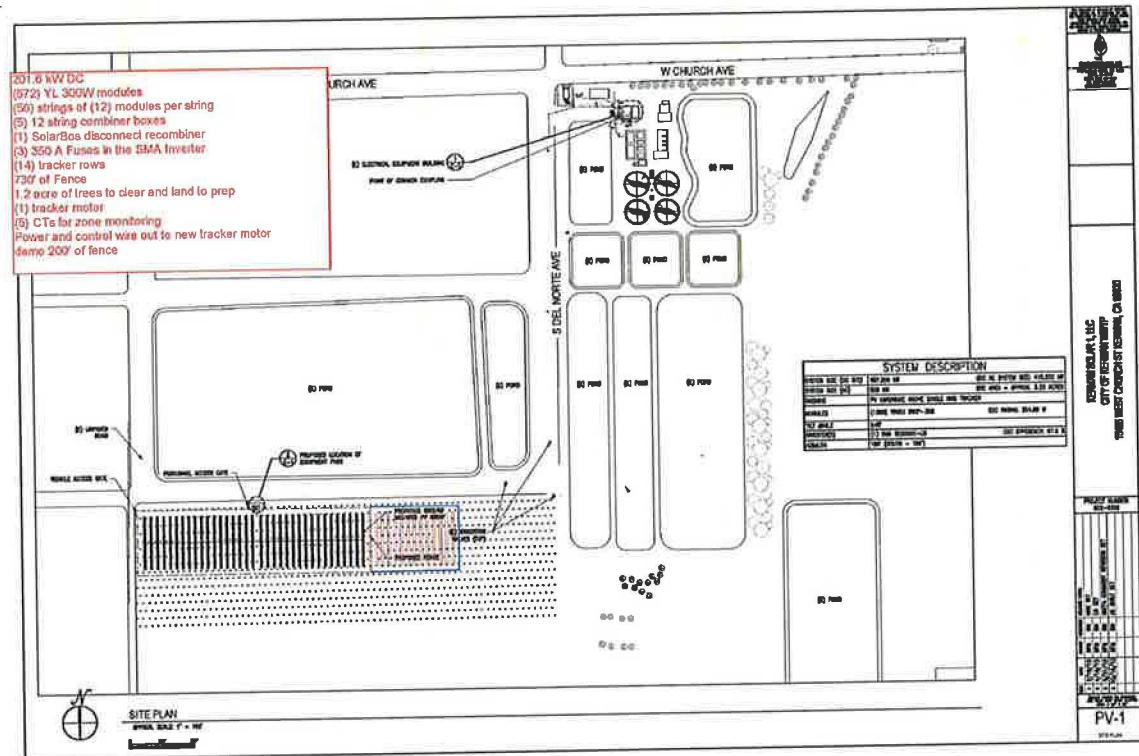


EXHIBIT F
TERMINAL VALUES

The applicable Terminal value with respect to the System under the Agreement shall be calculated in accordance with the following:

Terminal Value in Year of Term:	Column 1 <u>Circumstances Under Which Host Does Not Take Title to the System (\$ including costs of removal)</u>	Purchase Date Occurs on the 91st day following: (Each "Anniversary" below shall refer to the anniversary of the Commercial Operation Date)	Column 2 <u>Circumstances Under Which Host Takes Title to the System (\$, does not include costs of removal)</u>
1	\$4,542,355		
2	\$4,151,189		
3	\$3,686,293		
4	\$3,241,186		
5	\$2,792,473		
6	\$2,455,403	6 th Anniversary**	\$2,136,803
7	\$2,383,412	7 th Anniversary	\$2,064,812
8	\$2,308,550	8 th Anniversary	\$1,989,950
9	\$2,230,570	9 th Anniversary	\$1,911,970
10	\$2,149,201	10 th Anniversary	\$1,830,601
11	\$2,064,156	11 th Anniversary	\$1,745,556
12	\$1,975,120	12 th Anniversary	\$1,656,520
13	\$1,881,753	13 th Anniversary	\$1,563,153
14	\$1,783,690	14 th Anniversary	\$1,465,090
15	\$1,680,535	15 th Anniversary	\$1,361,935
16	\$1,571,857	16 th Anniversary	\$1,253,257
17	\$1,457,198	17 th Anniversary	\$1,138,598
18	\$1,336,057	18 th Anniversary	\$1,017,457
19	\$1,207,893	19 th Anniversary	\$889,293
20	\$1,072,123	20 th Anniversary	\$753,523
21	\$841,797	21 th Anniversary	\$523,197
22	\$749,728	22 th Anniversary	\$431,128
23	\$657,659	23 th Anniversary	\$339,059
24	\$565,590	24 th Anniversary	\$246,990
25	\$473,521	25 th Anniversary	\$154,921

** Purchase Date refers to the Purchase Date as defined in the General Conditions of the PPA. Any purchase of the System by Host must comply with Section 2.3 of the General Conditions of the PPA.