



To: CT Solar Lease Program Customers and Installers

From: Gary Kleiman, Gemstone Lease Management, LLC, Manager of CT Solar Leasing, LLC

Date: April 8, 2009

Re: Options Available to Lessees (Homeowners) Upon Sale of Home

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The CT Solar Lease requires the Lessee (Homeowner) to obtain the consent of the Lessor (CT Solar Leasing, LLC) in various situations including the sale of the home and assignment of the CT Solar Lease to the new homeowner and a mortgage refinancing.

CT Solar Leasing, LLC (CT Solar) believes that most homebuyers will desire to purchase the home and assume the CT Solar Lease obligation due to the terms and benefits of the CT Solar Lease Program. CT Solar has indicated that it will review such requests and give its consent if the new homeowner achieves the credit standards, including reasonable underwriter discretion, published and then in use for the CT Solar Lease Program with such evaluation to be done by AFC First Financial Corporation (AFC). Any maximum income guidelines imposed by the Connecticut Clean Energy Fund (CCEF) used in the initial underwriting and qualification of the Lessee will be waived.

Similarly, in the case of a Homeowner refinancing their mortgage, CT Solar will review the terms of the refinancing and will generally evaluate in the following manner. If the refinancing involves a change in rate and/or term with no increase in the monthly payment, CT Solar will approve the request without further review. If the refinancing involves an increase in the monthly payment (typically a cash out transaction), CT Solar will give its consent if the Homeowner continues to achieve the credit standards, including reasonable underwriter discretion, published and then in use for the CT Solar Lease Program.

While the following situations are rarely expected to occur, CT Solar wants both Homeowners and Installers to understand how it would evaluate such requests while protecting its interests. In the first instance, a homeowner might desire to relocate their system to their new residence. In the second example, the homeowner may desire to purchase the system before the end of the lease term at which point they can continue to use the system in place or relocate the system at their own expense.

In the event that the Homeowner desires to move the solar system to their new residence, the Homeowner must make his/her request in writing to CT Solar Leasing, LLC. The request should include a description of the events leading to such decision; a draft contract from an eligible installer in the CT Solar Lease Program describing the removal and reinstallation

process, timetable, cost and other information which is deemed relevant. The Lessee would be responsible for all costs related to the removal and reinstallation of the system. CT Solar will consult with CT Solar Lease Program participants including AFC and CCEF as well as CT Solar's tax advisors. If CT Solar obtains favorable guidance and approvals from such parties, it would give its consent along with any conditions and requirements. *NOTE: Due to current IRS guidelines, CT Solar's ability to give such consent during the first five years of the lease could be restricted and thus may not allow CT Solar to give its consent or may require more stringent conditions and requirements on the Lessee.*

Similarly, if before the end of the lease, the Homeowner finds it desirable to purchase the solar system from CT Solar or to facilitate a sale of the system to a third party, the Homeowner should contact CT Solar to discuss the situation. CT Solar will work with the Homeowner to understand the circumstances leading to the request and will consult with CT Solar Lease Program participants including AFC and CCEF as well as CT Solar's tax advisors. CT Solar would develop a purchase price and terms appropriate for the situation taking into consideration projected future profits and opportunity costs, tax related costs, and administrative burden, among others. Once the Homeowner has purchased the system, they would be free to relocate, sell, lease or otherwise transfer the system in conformance with applicable laws. *NOTE: Due to current IRS guidelines, CT Solar's ability to give such consent during the first five years of the lease could be restricted and thus may not allow CT Solar to give its consent or may require more stringent conditions and requirements on the Lessee.*