



MISSOULA ELECTRIC COMMUNITY SOLAR ARRAY PHASE II PARTICIPATION APPLICATION & PURCHASE AGREEMENT

Thank you for your interest in the Missoula Electric Cooperative's Solar Project ("Program"). By completing this Application ("Application"), you are investing in your energy future. You agree to be bound by the Program Terms and Conditions (collectively the "Agreement"). All bylaws, policies and guidelines of the Missoula Electric Cooperative are incorporated by reference into the Agreement.

Please complete pages 1 and 2, sign and mail the application along with your participation fee check to:

**Missoula Electric Cooperative
Attn: Member Services
1700 West Broadway
Missoula, MT 59808**

Member Information (Please Print Clearly):

Member Name: _____

Billing Address: _____

City: _____ State: _____ Telephone _____

Email Address: _____

Account Number _____

Payment:

Subject to the Terms and Conditions set forth in this Agreement, you are offered the opportunity to purchase the equivalent kWh output of one solar panel ("Solar Unit") in the Project. You are permitted to purchase more than one Solar Unit, subject to availability.

As provided in Section 2 of the Term and Conditions, the price for each Solar Unit is Seven Hundred Dollars (\$700.00) if the full amount due is enclosed with this executed Agreement.

PLEASE CHECK ONE OF THE PURCHASE OPTIONS:

OPTION ONE: [] I enclose a check for \$_____, payable to Missoula Electric Cooperative, for the full payment of ____ Solar Unit(s) at \$700.00 per Solar Unit.

OPTION TWO: [] Alternatively, the price for each Solar Unit is Seven Hundred Thirty-five Dollars (\$735.00) if you choose to pay for the Solar Unit(s) in seven (7) equal, monthly payments of One Hundred Five Dollars (\$105.00 per Solar Unit (the “Installment Plan”). Under the Installment Plan, the first installment payment shall be paid at the time of execution of this Agreement.

I enclose a check for \$_____, payable to Missoula Electric Cooperative, representing the first installment payment of \$105.00 for ____ Solar Units.

Participation Acknowledgements, Authorizations and Warranties:

Member expressly acknowledges, agrees to, authorizes, understands and warrants as follows:

- A. Participation is open to all Missoula Electric Cooperative members, on a first-come basis. Member is not purchasing a solar panel, but rather the equivalent electrical output of one solar panel. Participants must meet the eligibility requirements contained in the Terms and Conditions.
- B. Member has full power and authority to sign this Agreement.
- C. Member has not relied upon any information or advice from Missoula Electric Cooperative as to the prudence of Member’s participation in the Project. Under current law, the purchase of the equivalent output of one panel will not make the Member eligible for tax credits or incentives available from the state of Montana or any other governmental agency. Member understands that any questions or concerns about available tax credits, tax benefits, tax liability, incentives, or any other attributes of Member’s participation in the Project and the Program, or any term or condition of this Agreement should be raised with the Member’s tax or legal advisors or the appropriate governmental agencies. All financial and production figures contained in any of the materials relating to participation in the Program are estimates only. Many factors contribute to panel output and financial return over the life of the contract, including but not limited to: panel performance year over year, weather, unforeseeable changes in state or federal law, and prevailing energy prices.
- D. Member has reviewed a complete copy of the TERMS and CONDITIONS of the Missoula Electric Cooperative’s Solar Project.
- E. Member has read, understands, accepts, and agrees to be bound by all TERMS and CONDITIONS of the Missoula Electric Cooperative’s Solar Array II located at 16495 Main St. Frenchtown, MT, (Frenchtown Elementary School).

Print Name_____

Member Signature_____ **Date**_____

MISSOULA ELECTRIC COMMUNITY SOLAR ARRAY PHASE II PARTICIPATION APPLICATION & PURCHASE AGREEMENT

TERMS AND CONDITIONS

1. Eligibility.

Only members of Missoula Electric Cooperative, Inc. (“MEC”) with metered residential or commercial accounts in good standing will be permitted to purchase the equivalent output of one or more panels in the Project.

2. Purchase of Solar Units.

2.1. Subject to the terms and conditions set forth in this Agreement, MEC offers to the Member the opportunity to purchase the equivalent kWh output of one solar panel (“Solar Unit”) in the Project. Members may purchase more than one Solar Unit, subject to availability.

2.2. The Missoula Electric Community Solar Array II (“MECSAII”) will be located at 16495 Main St. Frenchtown, MT. Member acknowledges and agrees that MEC will retain sole ownership, possession and control of the MECSAII, and will have the exclusive right to maintain and operate the MECSAII.

2.3. During the Term of this Agreement in return for its purchase, Member will receive the produced kWh output for each solar panel as a credit, (Solar Credit(s)), on the Member’s invoice for electricity provided by MEC at the address indicated on Page 1 of the Participation Application and Purchase Agreement (the “Service Address”). The address must be located within MEC’s service territory.

3. Term.

Participation in the Program will commence on the date of this Agreement, or on the in-service date of the solar panel(s) licensed hereby, whichever is later, and will continue for a period of twenty-five (25) years (the “Term”), subject, however, to early termination as provided in this Agreement.

4. MEC’s Obligations.

MEC agrees to:

4.1. Provide, at its cost, all necessary maintenance for the MECSAII. MEC shall be responsible for ensuring that the MECSAII and each of its components meet all applicable codes, standards, and regulatory requirements at the time of installation and throughout the Term of this Agreement. In the event of equipment failure, MEC will bring the equipment back to working order as quickly as is reasonably possible.

4.2. Acquire and maintain, at its sole cost, insurance for the MECSAII. MEC will be listed as the sole loss payee for such insurance.

5. Solar Credits.

The Solar Credit, based on the amount of electrical energy output purchased, will be calculated as follows:

5.1. The Solar Credit(s) will remain associated with the Service Address of this Agreement regardless of occupancy or ownership changes at that location unless the Member, or Member's successor or assignee, requests a transfer of the Solar Credit(s) to another approved address in accordance with Section 7 of this Agreement.

5.2. MEC will calculate the Solar Credit by dividing the total solar panel kWh output ("Total Power Output") of the MECSAII by the number of solar panels in the array.

5.3. The actual electric production for the entire MECSAII will be recorded on a calendar month basis. The appropriate credit(s) will be applied to Member's bill the following month after that production. MEC agrees to maintain and make available, upon request, its records relating to the actual electrical production for the entire MECSAII.

5.4. In the event the applicable location account associated with this Agreement is removed and/or not in service, MEC will make a reasonable attempt to contact the Member to determine another location account to which the Solar Credit(s) can be transferred. During this time, the electricity produced by these panels will be retained and utilized by the entire membership of MEC. The credits associated with this production will be applied in a way deemed acceptable by MEC.

6. Additional Acknowledgements.

The parties further acknowledge and agree that:

6.1. Member will not have access to the MECSAII for any purpose, unless otherwise agreed to in advance by MEC in its sole discretion.

6.2. Any Excess Solar Credit(s), at March 31 annually, will not be refunded, transferred or donated.

6.3. Except as expressly provided in Section 7 of this Agreement, Member may not assign, gift, bequeath or otherwise transfer any Solar Credit(s) to any other individual or entity.

6.4 Member acknowledges that MEC, as owner of the MECSAII, retains all rights to all Renewable Energy Credits associated with each solar panel licensed pursuant to this Agreement for MEC's sole use.

7. Transfer/Assignment.

The Solar Credit(s) shall be applied annually throughout the Term to the Member's electric account at the MEC account number and the Service Address specified on the Application.

7.1. If the Member terminates the MEC Account to which the Solar Credit(s) has been assigned, all prospective rights and benefits associated with Member's Solar Credit(s) shall revert to MEC, without payment, unless Member notifies MEC within thirty (30) days of such termination with a request to transfer the Solar Credit(s) to:

7.1.1. The same Member at a new MEC Account; or

7.1.2. To a successor Member with a distinct MEC Account that meets eligibility requirements as set forth in this Agreement. Once the successor Member has signed a Participation Agreement, the successor Member will receive all prospective rights and benefits associated with the assigned Solar Credit(s). A successor Member may transfer their Solar Credit(s) to a subsequent successor Member under this section.

7.2. In the event of a Member's death, such license may be transferred by the Personal Representative to any individual subsequently receiving the place of use through bequest, pursuant to the terms of a trust or through a purchase of the place of use or may be separately transferred by the Personal Representative pursuant to the provisions of Paragraph 7.1.2.

7.3. No partial transfer/assignment is permitted. Upon assignment of any Solar Credit(s), the Member will surrender all rights and interest in and to such Solar Credit(s). Member further acknowledges and agrees that such assignment does not extend the Term of the Agreement.

8. Default.

It is understood and agreed that time is of the essence of this Agreement. If the Member shall default or fail to perform fully and promptly any of the terms of this Agreement, and such default or failure shall continue for a period of thirty (30) days after written notice to the Member, without being completely remedied, satisfied and discharged, MEC may, at its option and without further notice, declare this Agreement to be forfeited and all rights, privileges and interest of the Member shall be null, void, and at an end and all sums previously paid shall be forfeited to MEC. In such event, MEC shall be the owner of such Solar Credits and all prospective rights and benefits associated with the Member's Solar Credits shall revert back to MEC who shall have the right to transfer the Solar Credits to another eligible Member.

9. Notice.

All notices, requests, consents, and other communications required by this Agreement will be in writing and delivered by first class mail, postage prepaid, to the address stated above for the

party to which it is intended and will be deemed delivered as of the date of mailing in the United States mail, postage prepaid.

10. No Partnership, Etc.

Nothing in this Agreement shall be construed as creating any partnership, joint venture or other business relationship between the parties. The Member shall not, for any purpose, be considered to be an agent of MEC.

11. Force Majeure.

11.1. If, in the case of Force Majeure, a party to this Agreement shall be unable to fulfill its contractual obligations, this shall not be considered a breach of contract.

11.2. Force Majeure shall be defined as the failure or delay in the performance of this Agreement due to unforeseeable factors beyond a party's reasonable control, including without limitation, any war, labor disturbance, fire, accident, earthquake or other casualty, interruption of operation, shortage of raw materials, strike, legislation and acts of the authorities or any act of God or the public enemy.

12. Entire Agreement.

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all previous proposals, both oral and written, negotiations, representations, commitments, writings and all other communications between the parties. This Agreement may not be released, discharged, or modified except by an instrument in writing signed by a duly authorized representative of each of the parties.

13. Governing Law/Jurisdiction/Venue.

This Agreement shall be deemed to have been made in, and shall be construed under, the laws of the State of Montana, without regard to the principles of conflicts of laws thereof. The parties acknowledge and agree that a court of competent jurisdiction located in Missoula County, Montana shall have exclusive jurisdiction and venue in any action or proceeding arising under or relating to this Agreement.