

OPERATING AGREEMENT
for Member Managed
BOARDMAN HILL SOLAR FARM LLC

INTRODUCTION

This Operating Agreement (“Agreement”) is made and entered into by and between Boardman Hill Solar Farm LLC (“BHSF” or the “Company”) and the undersigned as an initial member (“Member”) of BHSF as set forth in Business Purpose and Members herewith.

The undersigned hereby adopt the following Agreement and, in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration, and intending to be legally bound hereby, the undersigned parties hereby agree as follows:

ARTICLE I. ORGANIZATION

Name: The name of the Company is Boardman Hill Solar Farm LLC.

Formation. BHSF was granted Articles of Organization as a Limited Liability Company by the Office of Secretary of State, State of Vermont, effective August 26, 2014. The rights and obligations of the Members and BHSF shall be as provided under the Articles of Organization and this Agreement.

Principal Office: The principal office of BHSF shall be such address in Vermont as may be designated from time to time by its members or their representative officers.

Initial registered agent and office: The name and address of the initial registered agent of BHSF shall be Roland Marx, 341 Tiffany Road, Belmont VT 05730.

ARTICLE II. BUSINESS PURPOSE

Business Purpose: The purpose of BHSF is to serve as an entity that represents the common interests of the members of BHSF in managing certain administrative or financial matters on their behalf in connection with their separate acquisition of solar panels from Aegis Renewable Energy (“AEGIS”) or another company.

Such solar panels are part of a community scale solar photovoltaic “farm” of 187.88 kW DC (the “PROJECT”) in which participants separately purchase and own their own solar panels and, upon becoming members of BHSF, are also entitled to a percentage share of the production from the “farm’s” solar array, net of allocable expenses. Initial members of BHSF are those who buy in to a "turnkey" system of solar panels and components, including installation, permitting and monitoring from AEGIS. The electricity production of those solar panels in the PROJECT is fed into the Green Mountain Power (“GMP”) grid and GMP issues credits on a pro-rata basis to owners’ meters via net metering to offset owners’ electric use.

Members of BHSF, as part of the cost of initial members’ purchase of a “turnkey” system of solar panels and components from AEGIS, also own a percentage share of a certain solar panel array of

8.85 kW DC in the PROJECT, the electrical production from which is fed into the GMP grid and GMP issues credits via net metering to the landowner of the PROJECT site as land lease payments for use of the site.

ARTICLE III. MEMBERS

Members. Members of BHSF are owners of solar panels in the PROJECT. Initial members of BHSF are those who buy in to PROJECT as a "turnkey" system of solar panels and components, including installation, permitting and monitoring from AEGIS.

Initial Members. The names, physical addresses and e-mail addresses of the initial members of BHSF are:

Liability of members: The debts, obligations and liabilities of BHSF, a limited liability company, are solely the debts, obligations and liabilities of BHSF. A member or manager is not personally liable for any debt, obligation or liability of the Company solely by reason of being or acting as a member or manager. (Vermont law statutes, title 11 VSA 3043(b))

ARTICLE IV. MANAGEMENT

Member managed: BHSF will be member managed. As such, the management of BHSF shall be vested in the members without an appointed manager. Each member has equal rights in the management and conduct of BHSF business, and any matter relating to the business of the Company may be decided by a majority of the members. Each member owner will have 1 vote regardless of the number of panels owned.

General Powers. Members, acting together on behalf of BHSF, shall have full, exclusive, and complete discretion, power, and authority, subject in all cases to the other provisions of this Agreement and the requirements of applicable law, to manage, control, administer, and operate the business and affairs of BHSF for the purposes herein stated, and to make all decisions affecting such business and affairs, including, without limitation, the power to:

- . enter into contract with the landowner of Boardman Hill Farm in West Rutland, Vermont, or another property, for hosting the site of the PROJECT
- . contract for liability and casualty insurance on the PROJECT
- . administer the payment of applicable state or other tax obligations on the PROJECT
- . administer the collection from members of annual operating expense fees and the payment of such amounts due for tax, insurance, maintenance, service and other operating costs of the PROJECT
- . coordinate net metering and other arrangements with GMP

Representative management. Members shall appoint a board of officers to serve as their representative management and the following provisions shall apply:

- a. Officers. The officers shall act in the name of BHSF and shall supervise its operation under the direction and management of the members, as further described below. The officers of BHSF initially shall consist of a registered agent who is the presiding officer pro-tem, a treasurer and a secretary, and/or other officers or agents as may be elected and appointed by the members.
- b. Election and term of office. The officers of BHSF shall be elected annually by the members by a majority vote. The members of BHSF shall have the right to replace the officers of the Company at any time during the year in the event of the relocation, illness or death of an officer, or for any reason that may come up, for the term determined and by a majority vote.
- c. Authority. The initial resident agent, treasurer and secretary may act for and on behalf of BHSF and shall have the power and authority to bind BHSF in all transactions and business dealings of any kind except as otherwise provided in this Agreement.
- d. Treasurer. The treasurer shall be the chief financial officer of BHSF. The treasurer shall not be required to give a bond for the faithful discharge of his/her duties. The treasurer shall: (i) have charge and custody of and be responsible for all funds and securities of BHSF; (ii) receive and give receipts for moneys due and payable to BHSF from any source whatsoever, and deposit all such moneys in the name of BHSF in such banks, trust companies or other depositories as shall be authorized by members of BHSF, (iii) administer the collection from members of annual operating expense fees and the payment of such amounts due for tax, insurance, maintenance, service and other operating costs, and (iv) in general perform such other duties as from time to time may be assigned by the members.
- e. Secretary. The secretary shall: (i) be custodian of BHSF records, (ii) keep a register of names and addresses of members, (iii) administer net metering arrangements with GMP, and (iv) in general perform such other duties as from time to time may be assigned by the members.

ARTICLE V. CONTRIBUTIONS, PROFITS & LOSSES, AND DISTRIBUTIONS

Contributions and interest of members. Members' only contributions to BHSF are periodic contributions for operating expenses, all of which will be paid out to third party vendors, and will own only a pro-rata percentage interest of such contributions, net of expenses.. Members purchase and own solar panels separately and independently from the Company. BHSF has no ownership interest in members' solar panels or in such panels' electricity production or net meter credits. BHSF exists solely to represent the common interests of the members in managing certain administrative or financial matters on their behalf in connection with their acquisition of solar panels in the PROJECT.

Profits & losses, and distributions. BHSF will have no assets, other than contributions that are made from time to time by members in respect of expenses. Operations of BHSF are of an administrative nature and are expected to be managed at a near-zero profit. No distributions to members are intended.

Operating expenses and annual fees. Members are responsible for those expenses relating to liability & casualty insurance, state & municipal tax, maintenance & service and such other expenses in connection with members' ownership of solar panels in the PROJECT. Members shall pay an annual operations expense fee for such expenses in such amount as may be determined from year to year by the Treasurer. The Treasurer shall also have the discretion and right to assess for unexpected or additional expenses during the year, should they occur, for any reason and as needed.

The annual operations expense fee and any additional expenses shall be pro-rated to members according to members' ownership share of the PROJECT. Member operating expenses are due and payable as determined by BHSF. Should a member fail to make any required payment within thirty days after request therefor, BHSF shall have the right, among other remedies, and without any further demand to the member, to direct GMP to halt net meter credits to such member and to reallocate them to BHSF until the member is brought current.

The parties acknowledge that the first year total operating expenses for the PROJECT, originally budgeted at \$2400, and first year member operating expense fee, estimated at \$14 per kW of members' solar panel ownership in the PROJECT, may have to be adjusted to account for previously unbudgeted expenses, including the one-time costs of doing a title search and getting a leasehold title insurance policy. First year member operating expense fees are due and payable to BHSF at the time that members contract with AEGIS for their solar panels.

ARTICLE VI. VOTING; CONSENT TO ACTION

Voting by members. Members shall be entitled to vote on all matters which provide for a vote of the members. Each member has equal rights in the management and conduct of BHSF business, and any matter relating to the business of the company may be decided by a majority of the members. Each member owner will have 1 vote regardless of the number of panels owned.

Meetings – written consent. Action of the members or officers may be accomplished with or without a meeting. If a meeting is held, evidence of the action shall be by minutes or resolution reflecting the action of the meeting, signed by a majority of the members, or the secretary or such officer who may be designated. Action without a meeting may be evidenced by written consents signed by a majority of the members, or the secretary or such officer who may be designated.

ARTICLE VII. ASSIGNMENT OF MEMBERSHIP INTERESTS

Solar Energy Environmental Attributes: A net metered customer ("Net Metered Customer") for the purposes of this Section, is defined as a Vermont electric consumer who receives net metered energy from the Solar Facility, including the Tenants and Owner.

Each Net Metered Customer shall own and retain the environmental attributes of their net metered energy produced by the Solar Facility and shall have all rights to make any green or renewable energy claims in regards to their net metered energy. Net Metered Customers shall not unbundle or separately sell the environmental attributes, including any renewable energy credits or certificates, from the net-metered electricity.

Assignment of Membership Interests: A Member may assign, transfer or sell their interest in their solar panels in whole or in part to a qualified third party in GMP utility territory.

Termination of membership. Membership in BHSF terminates and there are no further rights and obligations of the member under the Articles of Organization of BHSF and this Agreement upon the occurrence of the assignment, transfer or sale of all of a member's interest in solar panels in the PROJECT to a qualified third party.

Member Default: In the event that a member defaults on their loan agreement with a financial institution resulting in foreclosure of the member's solar panels, the financial institution shall take possession and ownership of said membership (and solar panels) and have the right to assign or sell their ownership share (foreclosed solar panels) to a qualifying party.

Succession Members: The assignment, transfer or sale of a member's interest in their solar panels in and of itself entitles the assignee, transferee or purchaser to become a member in BHSF, with all the rights and obligations of the member under the Articles of Organization of BHSF and this Agreement.

Responsibility in assignment. Responsibility in the assignment, transfer or sale of a member's interest in their solar panels is the sole responsibility of the member and not BHSF. The sole responsibility of BHSF in the assignment of interest or ownership of a member's panels is, upon notice of such transfer of ownership by member, to notify GMP of the change in credits to owners' meters via net metering.

ARTICLE VIII. ADDITIONAL PROVISIONS.

No representations. This agreement is the complete agreement between the parties. No member is executing this agreement in reliance on any representations not set forth herein.

Ratification. The undersigned consent to and ratify on behalf of BHSF all of the actions heretofore taken by the organizer(s) on behalf of BHSF.

In witness whereof, all members will sign and be bound to the terms of this agreement.

Member

By: _____

Date: _____

Signature

Member #	Name	Address	Email
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