CITY OF VERNON ADDED FACILITIES AGREEMENT

1. <u>PARTIES</u>: The Parties to this Added Facilities Agreement ("Agreement") are RPLANET EARTH LOS ANGELES, LLC, a Delaware limited liability company ("Customer") and the City of Vernon, a California municipal corporation ("City"), hereinafter referred to individually as "Party" and collectively as "Parties."

2. <u>RECITALS</u>:

2.1. City and the Customer (or, an affiliate of the Customer) are entering into this Agreement with respect to the electric service delivery to the property located at 3200 Fruitland, Vernon, California (the "Property").

2.2. Customer has requested to receive electric service from City at a single or totalized point of 16 kV delivery starting on or about the Start Date (as defined below) at an initial service level of 5,750 kW demand based on an estimated 9,000 kW of connected load with a potential service level of 11,000 kW demand based on an estimated 19,000 kW of connected load.

2.3. Parties agree that City shall provide the design, engineering, procurement, construction, installation, ownership, and maintenance of the electric facilities described in Exhibit A, and hereinafter referred to as "Added Facilities", the cost of which shall be paid solely by the Customer in accordance herewith.

2.4. Parties agree that in-lieu of constructing a 66 kV substation at the Customer property, Customer shall pay to City \$1,000,000 in aid of construction to upgrade the City' electrical substation transformers (the "In Lieu Fee").

2.5. Parties agree that the City shall extend a new 16 KV line from inside the City's electrical substation to the customer's property line to be identified as a 16 KV line extension (the "Line Extension"). Customer shall pay for the Line Extension in accordance herewith. For purposes of determining the Added Facilities Installation Costs and Added Facilities Monthly Charge, the line extension is excluded from the list of Added Facilities.

2.6. Parties agree that Customer shall deliver to an escrow account established by the City and Customer the amount specified herein, which amounts will be used to pay to the City and/or its contractors all Added Facilities Installation Costs (as defined below) and Line Extension Costs (as defined below).

3. <u>AGREEMENT</u>: Parties agree to the terms and conditions set forth herein, including Exhibits A through E, attached hereto and incorporated herein by this reference.

4. <u>EFFECTIVE DATE AND TERM</u>:

4.1. This Agreement shall be effective upon execution by the Parties and approval by the City Council of the City of Vernon.

4.2. This Agreement shall continue in effect until (a) Customer gives notice of termination of service in accordance with Vernon's Rules for Electric Service (as amended, the "Electric Service Rules"), (b) this Agreement is terminated by City due to an Event of Default by Customer (c) this Agreement is terminated by City due to a Failure to Commence Operations by Customer, ten (10) business days after notice from City to Customer, or (d) this Agreement is terminated pursuant to <u>Section 19</u>;

4.3. If this Agreement is terminated, Customer shall pay within ten (10) business days after notice from City (a) all unpaid Added Facilities Installation Costs, Added Facilities Monthly Charges and any other amounts owed by Customer hereunder, in each case through the date of termination, and (b) the Termination Fee, as described on Exhibit C. Customer's obligations to pay such amounts shall survive the termination of this Agreement. If the Customer has elected to terminate this Agreement, such termination shall not be effective unless and until such amounts are paid in full.

5. <u>DEFINITIONS</u>: The following terms, when used herein with initial capitalization, whether in the singular or the plural, shall have the following meanings:

5.1. <u>Added Facilities</u>: The facilities to be designed, engineered and constructed as specified in <u>Exhibit A</u>, all of which are being allocated for the Customer's use and benefit as Added Facilities. Any upgrades or improvements associated with such Added Facilities will be mutually agreed upon by Customer and City in writing and will thereafter automatically become part of the Added Facilities.

5.2. <u>Added Facilities Installation Costs</u>: All costs and expenses incurred by City in relation to the design, engineering, procurement, construction, and installation of the Added Facilities, including without limitation the reasonably allocated costs of internal City employees involved with such design, engineering, procurement, construction and installation. Customer acknowledges that the Added Facilities Installation Costs may be based on prevailing wages and other regulatory requirements. The Added Facilities Installation Costs shown on <u>Exhibit A</u> are estimates only. If the final Added Facilities Installation Costs differ from the estimates, the Added Facilities Installation Costs will be equal to such final amount and <u>Exhibit</u> <u>A</u>, and related calculations in <u>Exhibits B</u> and <u>C</u>, shall be deemed automatically amended to reflect the same.

5.3. <u>Added Facilities Monthly Rate</u>: The Added Facilities Monthly Rate pursuant to <u>Exhibit B</u>.

5.4. <u>Agreement and Amendments</u>: This Agreement, including all attachments and exhibits hereto, as may be amended from time to time. Modifications and amendments to this Agreement shall be valid and enforceable only if in writing and signed by the Parties, or as otherwise expressly provided herein.

5.5. <u>Added Facilities Monthly Charge</u>: The charge to Customer for Added Facilities that is payable monthly to City as outlined in <u>Exhibit C</u>, as may be modified in accordance herewith. The Added Facilities Monthly Charge recovers replacement, operations and maintenance of all facilities that are allocated for Customer's exclusive use consisting of

distribution transformers, pad-mounted switches, pad-mounted primary metering cabinets, 16 KV cabling from pad-mounted switches to distribution transformers and 600 Volts cabling from the transformers to the customer furnished electric panels and low voltage metering and all necessary hardware to deliver a reliable and efficient power delivery. The Added Facilities Monthly Charge does not include the costs of the Line Extension, as the City will be fully responsible for its upkeep.

5.6. <u>Completion Date</u>. December 15, 2016, subject to uncontrollable forces as described in <u>Section 11</u> below.

5.7. <u>Effective Date</u>. The date set forth in <u>Section 30</u> below.

5.8. <u>In Lieu Fee</u>. \$1,000,000 in cash and immediately available funds, as contemplated by <u>Section 2.5</u>.

5.9. <u>Line Extension</u>. As generally described in Section 2.6, and more particularly described on <u>Exhibit A-1</u>.

5.10. Line Extension Costs. All costs and expenses incurred by City in relation to the design, engineering, procurement, construction, and installation of the Line Extension, including without limitation the reasonably allocated costs of internal City employees involved with such design, engineering, procurement, construction and installation, estimates of which are provided on Exhibit A-1. Customer acknowledges that the Line Extension Costs may be based on prevailing wages and other regulatory requirements. The Line Extension Costs shown on Exhibit A-1 are estimates only. If the final Line Extension Costs differ from the estimates, the Line Extension Costs will be equal to such final amount and Exhibit A-1, and related calculations on Exhibit C, shall be deemed automatically amended to reflect the same.

5.11. <u>Reserve Amount</u>. An amount equal to two hundred percent of the estimated Added Facilities Installation Costs and Line Extension Costs, which based on Exhibits A and A-1 as of the Effective Date and as applied to Phase 1 of the Added Facilities only, is equal to \$2,300,000.

5.12. <u>Services:</u> The design, engineering, procurement, construction, installation, ownership, replacement, operation and maintenance of the Added Facilities.

5.13. <u>Start Date.</u> The date that is thirty (30) days following the date upon which the City has completed the installation of the Added Facilities.

6. <u>ADDED FACILITIES; LINE EXTENSION</u>:

6.1. The Added Facilities will be located at the Property. Added Facilities consist of, among other things, construction and installation of distribution transformers and apparatus delivering multiple 277/480 volt service points for the benefit of the Customer on the terms and conditions set forth in this Agreement. The Added Facilities allocated for Customer's exclusive use shall be installed in or on Customer's furnished underground infrastructure consisting of conduit banks, transformer concrete pads, switching concrete pads, primary

metering concrete pads and protective barriers, all of which are to be provided by Customer at Customer's sole cost and expense.

6.2. City shall perform all of the Services related to the Added Facilities and the Line Extension.

6.3. Subject to Customer's fulfillment of the conditions precedent set forth in <u>Section 19</u> below, City will (a) commence performance of the design and construction of the Line Extension and Phase 1 of the Added Facilities, as described on <u>Exhibit A</u>, upon full execution of this Agreement and (b) use commercially reasonable efforts to install the Line Extension and Phase 1 of the Added Facilities by the Completion Date, so that they are fully operational upon the issuance of a "Certificate of Occupancy" for the Property (which is estimated by Customer to be obtained on or before December 31, 2016).

6.4. Added Facilities and the Line Extension shall at all times remain the property of City.

6.5. At Customers election, the Added Facilities are being constructed in two phases as described on <u>Exhibit A</u>. The facilities constructed in Phase 1 shall be adequate to serve the initial 5,750 kW contract demand. The Added Facilities constructed in Phase 2 shall be adequate to accommodate Customer's electric demand of with a potential of 11,000 kW.

6.6. Customer shall install the underground infrastructure consisting of conduit banks, concrete pads and protective barriers for all phases prior to final paving of the Property and in all cases in a timely manner to ensure City's ability to perform the installation of the Added Facilities in accordance herewith.

6.7. City shall exercise commercially reasonable efforts to complete the installation of Phase 1 of the Added Facilities and Line Extension per the Project Schedule included as <u>Exhibit D</u>. However, City shall not be liable for any cost or damage incurred by Customer because of any delay in the commencement, progress or completion of the installation of any Added Facilities or the Line Extension.

6.8. City shall construct and maintain the Added Facilities and Line Extension diligently pursuant to all applicable federal, state and local safety codes, regulations, and laws, including but not limited to the requirements of California's General Orders No. 95, 128 and 165. Customer shall have the exclusive right of use of the Added Facilities located on the property.

6.9. Prior to the date on which City completes the Added Facilities and provides electrical service to Customer at the Property, Customer shall have obtained and paid for all necessary local and state licenses and permits for operation of its business including City of Vernon building, electrical and mechanical permits, health permit, certificate of occupancy, business license, etc. City shall not provide electrical service under this Agreement until Customer has notified City in writing of its date of commencing operations, which shall not occur prior to the date on which Customer has obtained all of such licenses and permits.

6.10. Notwithstanding anything to the contrary herein, City will not commence, and shall have no obligations with respect to, Services relating to Phase 2 of the Added Facilities

until such time as Reserve Funds therefore have been deposited with the Escrow Agent, as provided in <u>Section 19</u> below.

7. <u>CHARGES</u>:

7.1. Customer agrees to pay the Added Facilities Installation Costs, the Added Facilities Monthly Charge, the Line Extension Costs and the Termination Fee in accordance herewith.

7.2. Within three (3) business days after the Effective Date, Customer shall pay to City, pursuant to wiring instructions provided by the City, the In Lieu Fee.

7.3. If at any time Customer requests upgrades to the Added Facilities for Customer's convenience, City shall determine if such upgrades are feasible. If such upgrades are made at Customer's request for Customer's convenience and benefit, the costs shall be paid by Customer at the times and on the basis as agreed to by the Parties at the time.

7.4. The Added Facilities Monthly Charge will commence upon the Start Date.

7.5. MODIFICATIONS OR REPLACEMENT OF ADDED FACILITIES AND LINE EXTENSION: Whenever Added Facilities and/or components of the Line Extension are repaired or replaced due to damage or equipment failure, the work shall be completed at City's sole expense in accordance with good utility practice, pursuant to all applicable federal, state and local safety codes, regulations and laws, including but not limited to the requirements of California General Orders No. 95, 128 and 165. Notwithstanding the foregoing, if the damage or equipment failure is caused by or due to action or inaction by the Customer, then the Customer shall be solely responsible for the entire cost of repair or replacement and shall pay the same to City within ten (10) business days after demand therefor. Where an upgrade or improvement to the Added Facilities or Line Extension is required for City's convenience or necessity, no increase shall be made in the investment amount for Added Facilities, the Added Facilities Installation Cost, Line Extension Costs or the Added Facilities Monthly Charge. Such upgrades or improvements shall be reasonably coordinated with Customer prior to any such upgrades or improvements made in order to avoid unreasonable interruption of Customer's operations.

7.6. Subject to <u>Section 7.5</u>, City shall be responsible for all routine maintenance and repairs required to maintain the Added Facilities and Line Extension in good operating condition and shall make those capital expenditures (including capital repairs and replacements, as necessary) required to maintain the Added Facilities and Line Extension.

8. <u>RIGHT-OF-WAY</u>: Customer understands that property owner grants to City the right of ingress to and egress from Customer's Property as determined by City in its sole discretion for any purpose connected with the construction, operation, and maintenance of the Added Facilities and Line Extension. Customer agrees to provide right-of-way or easements of sufficient space to provide legal clearance from all structures now or hereafter erected on Customer's Property for any facilities of City. Customer and property owner will promptly execute a recordable document, based on the City's customary form, evidencing the above

described right of ingress and egress and right-of-way or easement, with the recordation costs to be borne by City.

9. <u>BILLING AND PAYMENT</u>:

9.1. City shall prepare and deliver monthly bills to Customer for the Added Facilities Monthly Charge.

9.2. The Customer shall pay the Added Facilities Monthly Charge concurrently with its electric service bills. Late charges will be applied pursuant to City's Electric Service Rules.

10. <u>NOTICES</u>: Except as otherwise provided in this Agreement, any notice, demand, or request provided for in this Agreement, or served, given, or made in connection with the Agreement, shall be in writing and shall be deemed properly served, given, or made if delivered in person, or sent by United States Mail, postage prepaid, or sent by reputable overnight delivery service, to the address specified below

Company:	RPLANET EARTH LOS ANGELES, LLC	
Attention:	Robert Daviduk, Co-CEO	
Address:	2361 Rosecrans Ave., Suite 336	
City, State, Zip:	El Segundo, CA 90245	
Telephone:	(310) 527-0733	
Email:	bob@rplanetearth.com	
Copy to:	Allen Matkins Leck Gamble Mallory & Natsis LLP	
Attention:	Joe M. Davidson, Esq.	
Address:	501 W. Broadway, 15 th Floor	
City, State, Zip:	San Diego, CA 92101	
Email:	jdavidson@allenmatkins.com	
Vernon:	Vernon Gas & Electric Department	
Attention:	Carlos Fandino, Director	
Address:	4305 Santa Fe Avenue	
City, State, Zip:	Vernon, CA 90058	
Telephone:	()	
Email:		
Copy to:	City Attorney's Office	
Attention:	Hema Patel, City Attorney	
Address:	4305 Santa Fe Avenue	
City, State, Zip:	Vernon, CA 90058	

Either Party may at any time, by notice to the other Party, change the designation or address of the person so specified as the one to receive notices pursuant to this Agreement. Notices are deemed given and received on the date of delivery or attempted delivery, if delivery is not accepted.

11. FORCE MAJEURE: Neither Party shall be considered to be in default in the performance of any of its obligations under this Agreement (other than obligations to make payments pursuant to this Agreement) when failure of performance shall be due to uncontrollable forces. The term "uncontrollable forces" means any cause beyond the control of the Party failing to perform, including, but not restricted to, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, war, riot, terrorism, civil disturbance or disobedience, labor dispute, labor or material shortage, sabotage, restraint by court order or public authority, and action or non-action by, or inability to obtain the necessary authorizations or approvals from, any governmental agency or authority which by exercise of due diligence such Party could not reasonably have been expected to avoid and which by exercise of due diligence it has not overcome. Either Party rendered unable to fulfill any of its obligations under this Agreement by reason of an uncontrollable force shall give prompt written notice of such fact to the other Party and shall exercise due diligence to remove such liability. Nothing contained herein shall be construed to require a Party to settle any strike or labor dispute in which it may be involved.

12. INDEMNIFICATION AND LIMITATIONS ON LIABILITY:

12.1. Except to the extent of City's gross negligence or willful misconduct, Customer agrees to indemnify, defend, and hold harmless City of and from any and all claims, causes of action, damages and judgments arising out of any act or omission of City, and its officers, directors, employees and agents that may have caused injury or damage to any person, or to the equipment, fixtures, goods, products, or other property of the Customer, the Customer's employees, contractors, invitees, customers, or any other person in or about the Property, regardless of cause or whether or not such injury or damage results from conditions arising from Services provided by City hereunder or the installation, operation or maintenance of the Added Facilities and/or Line Extension or any failure of the Added Facilities or Line Extension, or explosion, fire, or steam released from the Added Facilities and/or Line Extension.

12.2. Notwithstanding either Party's negligence or breach of this Agreement, under no circumstances shall either Party be liable to the other Party for indirect, special, or consequential loss, damage, claim, cost, charge, or expense including, but not limited to, loss of business or any loss of income or profit therefrom, loss of use of a Party's facilities, loss of revenue, cost of replacement power or water, and claims of any third party, including any customer of the other Party.

13. <u>ENTIRE AGREEMENT</u>: This Agreement, including <u>Exhibits A</u> through <u>E</u>, the Agreement for Economic Development Incentive on Electric Service entered into by and between the City and Customer of even date herewith constitutes the complete and final expression of the agreement between the Parties and is intended as a complete and exclusive statement of the terms of their agreement which supersedes all prior and contemporaneous offers, promises, representations, negotiations, discussions, communications, and other agreements which may have been made in connection with the subject matter of this Agreement.

14. <u>RELATIONSHIP OF PARTIES</u>: The covenants, obligations, and liabilities of the Parties are intended to be several and not joint or collective, and nothing contained in this

Agreement shall ever be construed to create an association, joint venture, trust or partnership, or to impose a trust or partnership covenant, obligation, or liability on or with regard to either Party. Each Party shall be individually responsible for its own covenants, obligations, and liabilities as provided in this Agreement. Neither Party shall be under the control of the other Party. Neither Party shall be the agent of or have a right or power to bind the other Party without such other Party's express written consent.

15. <u>NO THIRD-PARTY RIGHTS</u>: The parties do not intend to create rights in, or to grant remedies to, any third Party as a beneficiary either of this Agreement or of any duty, covenant, obligation, or undertaking established herein.

16. <u>ARBITRATION:</u> The Parties agree that any and all disputes arising out of or in relation to this Agreement, including without limitation any action in tort, shall be resolved exclusively, finally and conclusively by arbitration in Los Angeles County, California under the auspices of and pursuant to the rules of the Judicial Arbitration & Mediation Services, Inc. (JAMS). Each Party will select an arbitrator. Those two arbitrators will then select a third. The three member panel will make the final decision. All decisions of the arbitrators shall be in writing, and the arbitrators shall provide written reasons for their decision. The arbitration decision shall be final, unappealable and binding on the parties. Notwithstanding the foregoing, the Parties shall be permitted to access the court system to enforce any arbitration award or to obtain injunctive relief. The exclusive jurisdiction and venue for any such action shall be the Superior Court of California, Los Angeles County.

17. <u>ATTORNEYS' FEES</u>: If either Party institutes an action or legal proceeding arising out of or related to this Agreement or the relationship of the Parties or their rights or duties in connection with the matters set forth in this Agreement, whether sounding in tort, contract, or otherwise, the prevailing Party in such action or proceeding shall be entitled to recover from the other party all costs and expenses, including all costs and reasonable attorneys' fees, in addition to any other remedy awarded by the arbitration panel.

18. <u>INSURANCE</u>: Customer shall, for the duration of this Agreement, obtain and maintain at its own expense, premises liability coverage with a minimum combined single limit of \$1,000,000 per occurrence and provide City with proof of insurance providing and maintaining the coverages and endorsements set forth herein. Said proof of insurance shall also provide that said policy or policies shall not be canceled or materially reduced in coverage without giving at least thirty (30) days prior written notice to the City. The insurance coverage as listed herein, shall be properly endorsed to include those contractual obligations which may be identified further within this Agreement and shall be endorsed to provide City all the rights and privileges of an additional insured. Customer shall cause its insurers to issue, including but not limited to, Certificates of Insurance or, upon request, certified copies of the insurance policies evidencing that the coverages and policy endorsements required under this Agreement, are maintained in force.

19. <u>CONDITIONS PRECEDENT</u>: City's obligations under this Agreement are subject to the following conditions precedent:

19.1. Within three (3) business days after the Effective Date, Customer shall deliver to Commonwealth Land Title Insurance Company, Attention: Mai Ly Marsh ("Escrow Agent"), in immediately available funds an amount equal to the Reserve Amount (the "Reserve Funds"). City will be entitled to use the Reserve Funds for purposes of paying the Added Facilities Installation Costs and Line Extension Costs. From time to time, as the City progresses with the Services regarding the Added Facilities and/or Line Extension, the City may request a disbursement from the Escrow Agent in order to pay Added Facilities Installation Costs and/or Line Extension Costs. Escrow Agent shall, without further authorization or approval from anyone, disburse the requested amount to City. If City at any time determines that the Reserve Funds are insufficient to pay the Added Facilities Installation Costs and/or Line Extension Costs (the insufficient amount being the "Deficiency"), Customer shall, within five (5) business days after notice thereof from City, deliver to Escrow Agent an amount equal to 200% of such Deficiency. Upon completion of the installation of the Added Facilities and Line Extension and payment of all Added Facilities Installation Costs and Line Extension Costs, any balance of the Reserve Funds remaining with the Escrow Agent shall be released and refunded to Customer upon a joint written instruction of City and Customer.

19.2. Within three (3) business days after the Effective Date, Customer shall have paid to City the In Lieu Fee.

19.3. If said conditions are not satisfied on or before the deadlines indicated, and such failure continues for three (3) days after notice from City to Customer, City may terminate this Agreement by notice to Customer.

19.4. As and when Customer elects for the City to proceed with Services relating to Phase 2 of the Added Facilities, Customer shall cause to be deposited with Escrow Agent Reserve Funds for the estimated Added Facilities Installation Costs relating to Phase 2. Use of such funds will then be governed by Section 19.1 above. City will provide such estimate at such time. The current estimate is set forth on Exhibit A.

20. <u>EVENTS OF DEFAULT</u>:

20.1. Any failure of a Party to perform its obligations hereunder that is not cured by the applicable Party within ten (10) business days after delivery of notice of default from the non-defaulting Party shall constitute an "Event of Default"; provided, however, that such default (other than with respect to any obligation to pay money in accordance herewith) shall not constitute an Event of Default if the applicable Party commences to cure the default within such ten (10) business day period and diligently prosecutes the cure to completion and in all events cures such default within sixty (60) days after the original notice of default.

20.2. In addition to any other remedies available at law or equity, City shall have the right, at its option, to terminate this Agreement and to demand payment as described herein upon the occurrence of an "Event of Default" by or with respect to Customer.

20.3. Upon demand by City following an Event of Default, Customer shall immediately pay all accrued and unpaid amounts owing by Customer as of the date of termination and the Termination Fee, as described in <u>Exhibit C</u>, calculated as of the date of

termination. The termination of the obligations of City will not terminate the obligation of Customer until Customer has repaid City for any costs incurred pursuant to this Agreement.

20.4. Each of the following shall also constitute an Event of Default by Customer: (a) the making by Customer of any general arrangement or assignment for the benefit of creditors; (b) Customer becoming a "debtor" as defined in 11 U.S.C. §101 or any successor statute thereto (unless, in the case of an involuntary petition filed against Customer, the same is dismissed within 60 days); (c) the appointment of a trustee or receiver to take possession of substantially all of Customer's assets located at the Property, where possession is not restored to Customer within 30 days; or (d) the attachment, execution or other judicial seizure of substantially all of Customer's assets located at the Property, where such seizure is not discharged within 60 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

21. <u>ASSIGNMENT</u>: This Agreement shall bind and inure to the benefit of the Parties and their respective successors and assigns; provided however, that, Customer shall not assign this Agreement or any of its rights, duties, or obligations without the prior written consent of City, which consent shall not be unreasonably withheld.

22. <u>NO WAIVER</u>: No delay or omission to exercise any right, power or remedy accruing to a Party on any breach or default of the other Party under this Agreement shall impair any such right, power, or remedy, nor shall it be construed to be a waiver of any such breach or default, or any acquiescence in such breach or default occurring later; nor shall any waiver of any single breach or default be considered a waiver of any other prior or subsequent breach or default. Any waiver, permit, consent, or approval of any kind by a party of any breach or default under this Agreement, or any waiver of any provisions or condition of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in that writing.

23. <u>REMEDIES</u>: All remedies, either under this Agreement or by law or otherwise afforded to a Party, shall be cumulative and not alternative.

24. <u>HEADINGS NOT BINDING</u>: The use of headings in this Agreement is only for ease of reference, shall have no legal effect and are not to be considered part or a term of this Agreement.

25. <u>SEVERABILITY</u>: If any portion of this Agreement shall be held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, the remaining provisions shall remain enforceable to the fullest extent permitted by law. Furthermore, to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of this Agreement containing any provision held to be invalid, void, or otherwise unenforceable that is not itself invalid, void, or enforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, void, or unenforceable.

26. <u>GOVERNING LAW</u>: This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California, without regard to its conflict of laws rules.

COUNTERPARTS: This Agreement may be executed in counterparts, each of 27. which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

28. **GOVERNING DOCUMENTS:** In the event of a conflict between this Agreement and any other rules or agreements issued by the City of Vernon governing such Added Facilities, this Agreement shall be primary.

SIGNATURE CLAUSE: The signatories hereto represent that they have been 29. appropriately authorized to enter into this Agreement on behalf of the Party for whom they sign.

30. Effective Date. This Agreement is hereby executed of as February 2, 2016 (the "Effective Date").

CUSTOMER

RPLANET EARTH LOS ANGELES, LLC, a Delaware limited liability company By: Name Title By JOSEPH D. ROSS Name:

CO-CEO Title:

THE CITY OF VERNON

Michael McCormick, Mayor

ATTEST Maria I. Ayala , City Clerk

APPROVED AS TO FORM:

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By

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EXHIBIT A

ADDED FACILITIES PLANS AND SPECIFICATIONS

Phase 1: Estimated Cost \$800,000

Phase 1 consists of 5 pad-mounted transformers, 3 PME 16 KV pad-mounted switches, 2 16 KV primary metering cabinets, 16 KV primary cables on the Customer property, low voltage conductors from the transformers to the Customer furnished electrical panels, and low voltage metering.

Phase 2: Estimated Cost \$450,000

Phase 2 consists of 5 pad-mounted transformers, 3 PME 16 KV pad-mounted switches, 16 KV primary cables on the Customer property, low voltage conductors from the transformers to the Customer furnished electrical panels, and low voltage metering.

EXHIBIT A-1

LINE EXTENSION PLANS AND SPECIFICATIONS

The line extension consists of extending a new 16 KV circuit from City's existing City's Substation through City's existing conduit bank infrastructure along Fruitland Avenue and six (6) existing manholes/vaults to the Customer's property line. The City shall own and maintain the new 16 KV circuit similar to other existing 16 KV circuits it owns and the Customer shall neither have exclusive rights to the line extension nor shall it pay for any Added Facilities Monthly Charges associated with the City cost for replacement, operations and maintenance of the line extension.

The estimated Services cost associated with the line extension is \$350,000.

EXHIBIT B

ADDED FACILITIES MONTHLY CHARGE

Customer shall pay a monthly added facilities charge at the rate set below. The rate is based on a percentage of the Added Facilities Installation Cost.

Item	Cost (estimates)	Comments
Added Facilities Monthly Rate	0.33%	See FN 1
Added Facilities Installation	\$800,000	See FN 2
Costs – Phase 1		
Added Facilities Installation	\$450,000	See FN 2
Costs – Phase 2		
Added Facilities Monthly	\$2,640	
Charge - Phase 1		
Added Facilities Monthly	\$4,125	
Charge - Phase 1 and 2		
combined		
Line Extension	N/A	See FN 3

Footnotes:

- (1) Pursuant to Rule 2.H
- (2) Pursuant to Exhibit A to this Agreement
- (3) Line Extension Costs are to be paid by the Customer upon City's request for work performed from the Reserve Funds. The Line Extension, as identified in Exhibit A-1, is not included in the Added Facilities Installation Cost and Added Facilities Monthly Charge.

EXHIBIT C

TERMINATION FEE

If this Agreement is terminated for any reason, other than an Event of Default by City, Customer shall pay City in full the Termination Fee calculated as set forth below:

- Any Added Facilities Installation Cost and Line Extension Costs;
- Plus: Costs of upgrades made at Customer's request for Customer's convenience (if any);
- Plus: Demolition and removal costs (if applicable); and
- Plus: Other documented costs actually incurred by City (such as insurance, taxes, cancellation fees, etc., if any).

EXHIBIT D

PROJECT SCHEDULE – Phase 1 Added Facilities

City Council Approval: Design and Engineering Completion: Procurement Completion Date: Construction Completion date: December 15, 2015 March 31, 2016 June 30, 2016 December 15, 2016