UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2020
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____
Commission File Number: 001-38995

Sunnova Energy International Inc.

(Exact name of registrant as specified in its charter)

Delaware	**30-1192746**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

20 East Greenway Plaza, Suite 540
Houston, Texas 77046
(Address, including zip code, of principal executive offices)

(281) 892-1588
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, $0.0001 par value per share	NOVA	New York Stock Exchange

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the common stock held by non-affiliates of the Registrant, based on the closing price of such shares of common stock of $17.07 as reported on the New York Stock Exchange on June 30, 2020 (the last business day of the Registrant's most recently completed second fiscal quarter), was approximately $571.6 million.

The registrant had 108,065,275 shares of common stock outstanding as of February 22, 2021.

Portions of the information called for by Part III of this Form 10-K are hereby incorporated by reference from either the definitive Proxy Statement for our annual meeting of stockholders or an amendment to this Form 10-K, either of which will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 2020.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Unless the context otherwise requires, the terms "Sunnova," "the Company," "we," "us" and "our" refer to Sunnova Energy International Inc. ("SEI") and its consolidated subsidiaries. Forward-looking statements generally relate to future events or Sunnova's future financial or operating performance. Actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. In some cases, you can identify these statements because they contain words such as "may," "will," "likely," "should," "expect," "anticipate," "could," "contemplate," "target," "future," "plan," "believe," "intend," "goal," "seek," "estimate," "project," "predict," "potential," "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements contained in this report include, but are not limited to, statements about:

- our ability to consummate the Acquisition (as defined herein);
- the benefits of the Acquisition;
- our future operations and financial performance following the Acquisition;
- the effects of the coronavirus ("COVID-19") pandemic on our business and operations, results of operations and financial position;
- federal, state and local statutes, regulations and policies;
- determinations of the Internal Revenue Service ("IRS") of the fair market value of our solar energy systems;
- the price of centralized utility-generated electricity and electricity from other sources and technologies;
- technical and capacity limitations imposed by operators of the power grid;
- the availability of tax rebates, credits and incentives, including changes to the rates of, or expiration of, federal tax credits and the availability of related safe harbors;
- our need and ability to raise capital to finance the installation and acquisition of distributed residential solar energy systems, refinance existing debt or otherwise meet our liquidity needs;
- our expectations concerning relationships with third parties, including the attraction, retention, performance and continued existence of our dealers;
- our ability to manage our supply chains and distribution channels and the impact of natural disasters and other events beyond our control, such as the COVID-19 pandemic;
- our ability to retain or upgrade current customers, further penetrate existing markets or expand into new markets;
- our investment in our platform and new product offerings and the demand for and expected benefits of our platform and product offerings;
- the ability of our solar energy systems, energy storage systems or other product offerings to operate or deliver energy for any reason, including if interconnection or transmission facilities on which we rely become unavailable;
- our ability to maintain our brand and protect our intellectual property and customer data;
- our ability to manage the cost of solar energy systems, energy storage systems and our service offerings;
- the willingness of and ability of our dealers and suppliers to fulfill their respective warranty and other contractual obligations;
- our expectations regarding litigation and administrative proceedings; and
- our ability to renew or replace expiring, canceled or terminated solar service agreements at favorable rates or on a long-term basis.

Our actual results and timing of these events may differ materially from those anticipated in these forward-looking statements as a result of many factors, including but not limited to those discussed under "Risk Factors" and elsewhere in this Annual Report on Form 10-K. Moreover, we operate in a very competitive and rapidly changing environment and new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Annual Report on Form 10-K may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. We undertake no obligation to update publicly any forward-looking statements for any reason after the date of this Annual Report on Form 10-K to conform these statements to actual results or to changes in our expectations, except as required by law.

Summary of Risk Factors

The risk factors detailed in Item 1A entitled "*Risk Factors*" in this Annual Report on Form 10-K, are the risks we believe are material to our investors and a reader should carefully consider them. The following is a summary of the risk factors detailed in Item 1A:

Risks Related to Our Business

- The ongoing COVID-19 pandemic could adversely affect our business, financial condition and results of operations.
- Historically, we have incurred operating and net losses and we may be unable to achieve or sustain profitability in the future.
- If our allowance for credit losses is not enough to cover actual credit losses from our customer notes receivable portfolio, our results of operations and financial condition could be negatively affected.
- Certain of our key operational metrics, including estimated gross contracted customer value, are based on various assumptions and estimates we make that cover an extended period of time. Actual experience may vary materially from these estimates and assumptions and therefore undue reliance should not be placed on these metrics.
- Our growth strategy depends on the continued origination of solar service agreements by us and our dealers.
- If sufficient additional demand for residential solar energy systems does not develop or takes longer to develop than we anticipate, our ability to originate solar service agreements may decrease.
- A material reduction in the retail price of electricity charged by electric utilities or other retail electricity providers would harm our business, financial condition and results of operations.
- Our growth is dependent on our dealer network and our failure to retain or replace existing dealers or to grow our dealer network could adversely impact our business.
- We need to obtain substantial additional financing arrangements to provide working capital and growth capital and if financing is not available to us on acceptable terms when needed, our ability to continue to grow our business would be materially adversely impacted.
- Servicing our existing debt requires a significant amount of cash. We may not have sufficient cash flow from our business to timely pay our interest and principal obligations and may be forced to take other actions to satisfy our payment obligations.
- We are exposed to the credit risk of our customers.
- Rising interest rates may adversely impact our business.
- Our business has benefited from the declining cost of solar energy system components and our business may be harmed to the extent the cost of such components stabilize or increase in the future.
- We do not directly control certain costs related to our business, which could put us at a disadvantage relative to companies who have a vertically integrated business model.
- We may be unsuccessful in introducing new service and product offerings, including our distributed energy storage services and energy storage management systems.
- We face competition from centralized electric utilities, retail electric providers, independent power producers and renewable energy companies.
- Developments in technology or improvements in distributed solar energy generation and related technologies or components may materially adversely affect demand for our offerings.
- We and our dealers depend on a limited number of suppliers of solar energy system components and technologies to adequately meet demand for our solar energy systems. Due to the limited number of suppliers in our industry, the acquisition of any of these suppliers by a competitor or any shortage, delay, price change, imposition of tariffs or duties or other limitation in our or our dealers' ability to obtain components or technologies we use could result in sales and installation delays, cancelations and loss of customers.
- Increases in the cost of our solar energy systems due to tariffs imposed by the U.S. government could have a material adverse effect on our business, financial condition and results of operations.
- Our operating results and our ability to grow may fluctuate from quarter to quarter and year to year, which could make our future performance difficult to predict and could cause our operating results for a particular period to fall below expectations.
- If we are unable to make acquisitions on economically acceptable terms, our future growth would be limited, and any acquisitions we may make may reduce, rather than increase, our cash flows.
- Certain of our solar energy systems are located in, and we conduct business in, Puerto Rico and weakness in the fiscal health of the government and PREPA, the damage caused by Hurricane Maria in September 2017, a series of earthquakes that affected the island in December 2019 and early 2020 and potential tax increases that may increase our cost of conducting business in Puerto Rico, create uncertainty that may adversely impact us. In addition, we are subject to administrative proceedings instituted by the Puerto Rico Energy Bureau.
- Our business is concentrated in certain markets, putting us at risk of region-specific disruptions.

- Our business is subject to complex and evolving U.S. laws and regulations regarding privacy and data protection ("data protection laws"). Many of these laws and regulations are subject to change and uncertain interpretation and could result in claims, increased cost of operations or otherwise harm our business.
- Our actual financial results may differ materially from any guidance we may publish from time to time.

Risks Related to the Acquisition

- We may not be successful in completing the Acquisition.
- We expect to incur significant transaction and acquisition related costs in connection with the Acquisition.
- The success of the Acquisition and our ability to derive our expected benefits from the Acquisition are subject to substantial risks.
- The Acquisition is subject to substantial integration risks that could adversely affect our financial condition and results of operations.
- Our results may suffer if we do not effectively manage our expanded operations following the Acquisition.

Risks Related to Regulation

- We are not currently regulated as an electric public utility under applicable law but may be subject to regulation as an electric utility in the future.
- Electric utility policies and regulations, including those affecting electric rates, may present regulatory and economic barriers to the purchase and use of solar energy systems that may significantly reduce demand for electricity from our solar energy systems and adversely impact our ability to originate new solar service agreements.
- We rely on net metering and related policies to offer competitive pricing to our customers in most of our current markets and changes to net metering policies may significantly reduce demand for electricity from residential solar energy systems.
- Our business currently depends in part on the availability of rebates, tax credits and other financial incentives. The expiration, elimination or reduction of these rebates, credits or incentives or our ability to monetize them could adversely impact our business.
- Our business depends in part on the regulatory treatment of third-party owned solar energy systems.
- Technical and regulatory limitations regarding the interconnection of solar energy systems to the electrical grid may significantly reduce our ability to sell electricity from our solar energy systems in certain markets or delay interconnections and customer in-service dates, harming our growth rate and customer satisfaction.

Risks Related to Our Common Stock

- We do not intend to pay, and our credit facilities currently prohibit us from paying, cash dividends on our common stock and, consequently, your only opportunity to achieve a return on your investment is if the price of our common stock appreciates.
- The market price of our common stock could be materially adversely affected by sales of substantial amounts of our common stock in the public markets, including sales by entities affiliated with Energy Capital Partners ("ECP") and Newlight Partners ("Newlight").
- The price of our common stock is volatile and may decline in value.
- If securities or industry analysts do not publish research or reports about our business, or if they issue an adverse or misleading opinion regarding our common stock, our common stock price and trading volume could decline.
- Ownership of our common stock by current stockholders is expected to remain significant.
- Provisions of our charter documents and Delaware law may inhibit a takeover, which could limit the price investors might be willing to pay in the future for our common stock.

Risks Related to Taxation

- Our ability to use net operating loss carryforwards ("NOLs") and tax credit carryforwards to offset future income taxes is subject to limitation and the amount of such carryforwards may be subject to challenge or reduction.
- Changes in tax law could adversely affect our business.
- If the IRS or the U.S. Treasury Department makes a determination that the fair market value of our solar energy systems is materially lower than what we have reported in our tax equity vehicles' tax returns, we may have to pay significant amounts to our tax equity vehicles, our tax equity investors and/or the U.S. government. Such determinations could have a material adverse effect on our business and financial condition.
- If our solar energy systems either cease to be qualifying property or undergo certain changes in ownership within five years of the applicable placed in service date, we may have to pay significant amounts to our tax equity vehicles, our tax equity investors and/or the U.S. government. Such recapture could have a material adverse effect on our business and financial condition.

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PART I - FINANCIAL INFORMATION

Item 1. Business.

Mission

To power energy independence.

Acquisition of SunStreet

In February 2021, we entered into an Agreement and Plan of Merger (the "Merger Agreement") with certain of our subsidiaries, SunStreet Energy Group, LLC, a Delaware limited liability company ("SunStreet"), and LEN X, LLC, a Florida limited liability company, the sole member of SunStreet and a wholly owned subsidiary of Lennar Corporation ("Len^x"). Pursuant to the Merger Agreement, we will acquire SunStreet, Lennar Corporation's residential solar platform, in exchange for up to 7,222,229 shares of our common stock (the "Acquisition"), comprised of 3,333,333 shares in initial consideration to be issued at closing, subject to purchase price adjustment, and up to 3,888,896 shares issuable as earnout consideration after closing of the Acquisition. The Acquisition is expected to provide a new strategic path to further scale our business and develop clean and resilient residential microgrids across the United States ("U.S.").

The completion of the Acquisition is subject to, among other customary mutual conditions, our entry into (a) a transition services agreement, (b) a stockholders agreement, which will provide for certain registration rights and standstill provisions, (c) a master management and services agreement with an affiliate of Lennar Corporation, which will provide for SunStreet's continued provision of operating, maintenance and servicing services for solar service agreements of Lennar Corporation customers, (d) an exclusivity agreement with Lennar Corporation and (e) initial tax equity fund documents. The Merger Agreement contains termination rights if, among other things, the Acquisition does not close on or before September 1, 2021. The Acquisition is expected to close in the second quarter of 2021. See "*Item 1A. Risk Factors*" for discussion of risks related to the Acquisition.

Earnout Agreement

Pursuant to the Earnout Agreement entered into between us and Len^x, Len^x will have the ability to earn up to 3,888,896 additional shares of common stock over a five-year period in connection with the Acquisition. The earnout payments are conditioned on SunStreet meeting certain commercial milestones tied to achieving specified origination targets. There are two elements to the earnout arrangement. First, we will issue up to 2,777,784 shares if we and our subsidiaries (including SunStreet) place target amounts of solar energy systems into service and enter into qualifying customer agreements related to such solar energy systems through SunStreet's existing homebuilding process. The 2,777,784 shares of common stock issuable under this prong of the earnout can be earned in four installments on a yearly basis (if the origination target for each such year is achieved) or at the end of the four-year period (if the aggregate origination target is achieved in the fourth and final year), with the annual periods commencing on the closing date of the Acquisition. The second element of the earnout is related to the development of microgrid communities. Pursuant to this portion of the earnout, we will issue up to 1,111,112 shares if, prior to the fifth anniversary of the closing date of the Acquisition, we enter into binding agreements for the development of microgrid communities.

Exclusivity Agreement

In connection with the Acquisition, we will become Lennar Corporation's exclusive residential solar and storage service provider for new home communities with solar across the U.S. for a period of four years. Under the exclusivity agreement, Lennar Corporation will agree to exclusively use us or our subsidiaries as its solar and storage service provider. In addition, through the exclusivity agreement we will have the opportunity to leverage Lennar Corporation's existing customer relationships to offer solar service agreements to those customers without an existing solar energy system. Lennar Corporation will retain the ability to terminate the exclusivity agreement if we fail to maintain certain specified performance obligations on a regular basis, including the failure to timely install solar and storage equipment across its new home communities. We are also required to offer competitive prices to Lennar Corporation's homebuyers and incentives to Lennar Corporation.

Tax Equity Commitment

In connection with the Acquisition, Lennar Corporation has committed to contribute an aggregate $200.0 million (the "Funding Commitment") to four Sunnova tax equity funds, each formed annually during a period of four consecutive years (each such year, a "Contribution Year") commencing in 2021. The solar service agreements and related solar energy systems

acquired by each of these four tax equity funds will generally be originated by SunStreet, though a certain number of solar service agreements may be originated by our dealers if those originated by SunStreet do not fully utilize Lennar Corporation's Funding Commitment for a given Contribution Year. Any amount not utilized during the first and second Contribution Years will increase the Funding Commitment during the third Contribution Year by that amount, and any amount not utilized during the third Contribution Year will increase the Funding Commitment during the fourth Contribution Year by that amount. In connection with the Funding Commitment, each of the tax equity funds will enter into typical tax equity fund transaction documentation, including development and purchase agreements, servicing agreements and limited liability company agreements.

Overview

We are a leading residential solar and energy storage service provider, serving over 107,000 customers in more than 20 U.S. states and territories. Our goal is to be the leading provider of clean, affordable and reliable energy for consumers, and we operate with a simple mission: to power energy independence. We were founded to deliver customers a better energy service at a better price; and, through our solar and solar plus energy storage service offerings, we are disrupting the traditional energy landscape and the way the 21st century customer generates and consumes electricity.

We have a differentiated residential solar dealer model in which we partner with local dealers who originate, design and install our customers' solar energy systems and energy storage systems on our behalf. Our focus on our dealer model enables us to leverage our dealers' specialized knowledge, connections and experience in local markets to drive customer origination while providing our dealers with access to high quality products at competitive prices, as well as technical oversight and expertise. We believe this structure provides operational flexibility, reduces exposure to labor shortages and lowers fixed costs relative to our peers, furthering our competitive advantage.

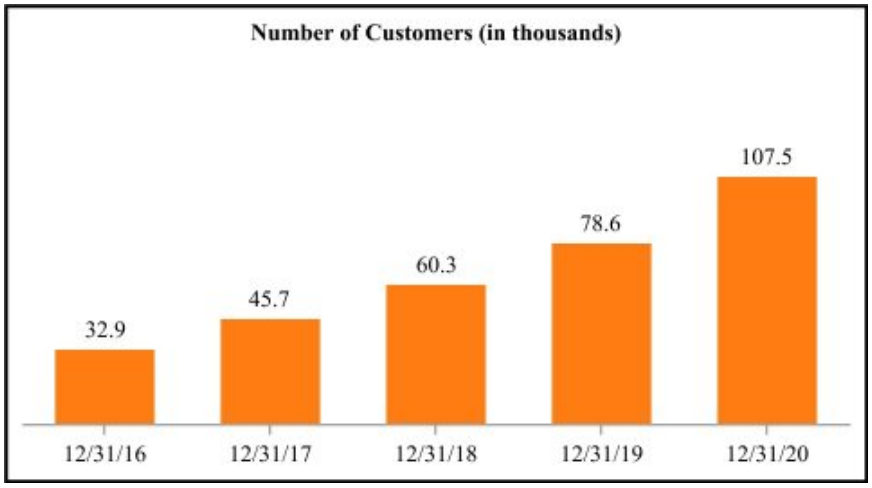
We offer customers products to power their homes with affordable solar energy. We are able to offer savings compared to utility-based retail rates with little to no up-front expense to the customer in conjunction with solar and solar plus energy storage, and in the case of the latter are able to also provide energy resiliency. We also make it possible in some states for a customer to obtain a new roof and other ancillary products as part of their solar loan. Our solar service agreements take the form of a lease, power purchase agreement ("PPA") or loan. The initial term of our solar service agreements is typically 10, 15 or 25 years. Service is an integral part of our agreements and includes operations and maintenance, monitoring, repairs and replacements, equipment upgrades, on-site power optimization for the customer (for both supply and demand), the ability to efficiently switch power sources among the solar panel, grid and energy storage system, as appropriate, and diagnostics. During the life of the contract we have the opportunity to integrate related and evolving home servicing and monitoring technologies to upgrade the flexibility and reduce the cost of our customers' energy supply.

In the case of leases and PPAs, we also currently receive tax benefits and other incentives from federal, state and local governments, a portion of which we finance through tax equity, non-recourse debt structures and hedging arrangements in order to fund our upfront costs, overhead and growth investments. We have an established track record of attracting capital from diverse sources. From our inception through December 31, 2020, we have raised more than $6.7 billion in total capital commitments from equity, debt and tax equity investors.

In addition to providing ongoing service as a standard component of our solar service agreements, we also offer ongoing energy services to customers who purchased their solar energy system through third parties. Under these arrangements, we agree to provide monitoring, maintenance and repair services to these customers for the life of the service contract they sign with us. We believe the quality and scope of our comprehensive energy service offerings, whether to customers that obtained their solar energy system through us or through another party, is a key differentiator between us and our competitors.

We commenced operations in January 2013 and began providing solar energy services under our first solar energy system in April 2013. Since then, our brand, innovation and focused execution have driven significant rapid growth in our market share and in the number of customers on our platform. We operate one of the largest fleets of residential solar energy systems in the U.S., comprising more than 790 megawatts of generation capacity and serving more than 107,000 customers. We define number of customers to include each unique customer that is party to a solar service agreement or purchased a solar energy system from us outright, which we subsequently placed in service. For further discussion of how we define number of customers, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Financial and*

Operational Metrics". The following chart illustrates the growth in our number of customers from December 31, 2016 through December 31, 2020.



Our Dealer Network Model

While many of our competitors maintain a large, geographically diverse base of employees in local markets, including a direct sales force comprised of home improvement installers, we limit the cost associated with that structure by utilizing a network of local, independent dealers to market, sell and install solar energy systems and energy storage systems on our behalf. Our dealers typically reside and work within the markets they serve and provide a localized, customer-focused marketing, installation and servicing process. These dealers are often leading local solar installation companies that serve customers who are actively searching for solar power or who were referred by existing customers. When entering new markets, our dealer model immediately provides scale by enabling us to develop relationships with existing local businesses and avoiding the delay and expense required to establish new sales and installation offices. Similarly, because we do not typically maintain local offices, we can quickly refocus our origination efforts and capital deployment strategy to different markets in response to changing dynamics and regulatory developments. Furthermore, because of the low marginal cost to maintain relationships with individual dealers in currently unfavorable markets, we can maintain a strategic presence in anticipation of future developments that may make the economics of distributed residential solar energy in those markets more attractive.

Our dealers realize value in partnering with us for a variety of reasons. Although each of our dealer relationships is unique, we believe our dealers choose to work with us because:

- we do not compete with our dealers;
- we receive preferred equipment pricing as a result of our strong supplier relationships;
- we offer a wide variety of product structures;
- we provide easy-to-use software to dealers to assist with the installation process and to price potential solar energy systems and energy storage systems;
- dealers can leverage our brand and reputation for customer service to support their businesses;
- we provide comprehensive training to dealers; and
- we are a stable counterparty our dealers can trust to make payments on time.

Origination, Installation, Monitoring and Servicing Processes

Through our dealer network model, we provide a streamlined approach for the origination of solar service agreements and the installation of solar energy systems and energy storage systems. The principal elements of our origination, installation, monitoring and servicing processes are described below:

- *Customer Origination and Consultation.* Our dealers serve as a local, direct-to-home sales force providing in-person and virtual consultations to source potential customers in each geographic market where we operate. Our dealers reach potential customers through various means, including online, telemarketing, in-store sales, cross-marketing with complementary products and door-to-door canvasing. Using our technology platform and proprietary pricing tool, the dealer and the customer select one of our standard-form solar service agreements for the relevant market and the dealer

submits its proposal to us for approval. Before proceeding to the design phase, we confirm that every customer understands the terms of their contract with us as well as the expected benefits of the system.

- *Design and Engineering*. Prior to the dealer's purchase and installation of the equipment, we and the dealers work together to design each solar energy system and, if applicable, energy storage system. All of our solar energy systems and energy storage systems are designed with equipment from a pre-approved list of manufacturers. We utilize our extensive tools and services platform, standardized procedures and existing databases to help our dealers comply with our pricing requirements, residential solar best practices, contract terms, and state, territorial and local regulations. For each solar service agreement, an individualized power production estimate is created by analyzing geographic, solar and weather data with the design's proposed orientation, components and shading. We continue to pursue technological innovation to streamline our review of design and engineering, to expedite installation and to lower costs for our dealers.

- *Installation, Commissioning and Interconnection*. The installation and commissioning phase requires the dealer to obtain all necessary permits for installation and complete our commissioning process for the solar energy system and energy storage system (if applicable), which entails submitting supporting documentation and photographs illustrating the installation of the solar energy system and energy storage system (if applicable) to our engineering team for review. Following completion of these steps and our approval of these materials, the dealer submits required paperwork to the applicable electric distribution utility to obtain permission to operate the equipment, schedule required regulatory inspections and arrange for interconnection of the solar energy system to the electrical grid.

- *Customer Billing Dates*. How soon we will begin billing the customer after the solar energy system has been placed in service will vary by product offering. Lease agreements will begin billing on the first cycle date after the solar energy system has been placed in service, generally within 30 days. PPAs will begin billing on the first cycle date in the next calendar month after the solar energy system has been placed in service, generally between 15 and 60 days after the solar energy system has been placed in service. Loan agreements require that the solar energy system must be in service at least 30 days prior to the date when billing can begin. As a result, billing on loan agreements generally begins the first cycle date in the next calendar month after the solar energy system has been placed in service.

- *Monitoring and Servicing*. Our monitoring systems utilize cellular connections that allow us to confirm the continuing operation of the solar energy system and energy storage system (if applicable) and identify and solve maintenance issues through our dealers, third-party service providers or our own personnel. We also collect performance data to improve our pricing, generation estimates and services for our customers.

Our Relationships With Our Dealers

We carefully recruit our dealers, who must meet and maintain our standards to be an approved dealer. Qualifications to be a dealer include: experience in the residential solar industry (or success in complementary industries such as home security, heating, ventilation and air-conditioning, electrical services, and satellite television), experienced and appropriately certified employees (including multiple installation teams) and possession of applicable licenses. We also perform a review of the prospective dealer's financial condition as part of our recruitment process as well as a background check on the principal owners of the organization. Upon engagement, the dealer enters into a standard dealer agreement with us, which may be amended from time to time, that sets ongoing standards for operations and payment obligations based on different milestones for each project. We provide training, field support and continuing education to help our dealers operate efficiently. This includes training related to our processes, standards and services platform, sales training and compliance education regarding applicable rules and regulations. We actively review our dealers' performance and compliance with our requirements to determine whether to terminate our relationship with any dealer that is unable to meet our performance standards.

We devote significant resources to maintaining and expanding our relationships with existing dealers. Although most of our dealer agreements allow the dealer to sell services and products from our competitors, we believe dealers find our proprietary technology and operations platform, established supply chain group, commitment to training, quality of service and prompt payment to be an incentive to prioritize selling our services. Furthermore, many of our dealers may be hesitant to work with our competitors that have developed internal sales and installation personnel that may compete with certain aspects of the dealers' business. Taken as a whole, we believe these considerations promote long-lasting relationships with our dealers.

For the years ended December 31, 2020 and 2019, Trinity Solar, Inc. ("Trinity") accounted for approximately 28% and 41% of our net originations for such periods, respectively. In March 2019, we amended our agreement with Trinity pursuant to which Trinity has agreed to perform services or work exclusively for us for four years, with certain exceptions, including (a) the sale of solar energy systems to individuals on a "cash" basis that do not involve any third-party financing, (b) the sale of solar

energy systems pursuant to customer agreements we do not elect to accept under the terms of the arrangement and (c) the sale of solar energy systems pursuant to customer agreements executed prior to the date of the amendment to the dealer agreement. In addition, Trinity may market, sell and install solar energy systems for our competitors in instances in which such competitor has provided the leads for such solar energy system customer directly to Trinity. Under this arrangement, we have agreed to provide annual bonuses to Trinity in the amount of $20 million in year one and $10 million each year thereafter, subject to clawback if minimum annual origination targets are not reached and additional per watt incentive payments if higher annual origination targets are exceeded. The minimum and higher origination targets increase by approximately 15% to 20% each year and limits competing work by Trinity to 10% of Trinity's annual gross revenues. Unlike most of our dealer agreements, the arrangement with Trinity does not permit the parties to terminate for convenience and only permits termination in specified circumstances including material breach (subject to applicable cure periods), prolonged force majeure events, a change of control, certain insolvency events or mutual agreement. For purposes of the Trinity agreement, "change of control" means (a) the sale of all or substantially all of the assets of a party or (b) any merger, acquisition, or other transaction or series of transactions that results in a change of ownership of more than fifty percent of the voting securities of a party (other than in connection with an initial public offering of either party or a transfer among Trinity's existing owners). Additionally, the arrangement provides for a $10 million liquidated damages payment by the applicable party in the event of termination for material breach, certain insolvency events of or wrongful termination by the other party.

We have similar contractual arrangements with several other key dealers. For certain other dealers, substantially all of the solar service agreements originated by such dealers are Sunnova agreements, although they are under no exclusivity arrangement. During the year ended December 31, 2020, Infinity Energy, Inc. accounted for 12% of our net originations. No dealer other than Trinity and Infinity Energy, Inc. accounted for more than 10% of our net originations during 2020 or 2019.

Platform of Tools and Services

We have developed a cloud-based technology platform for origination, installation, administration and servicing of our solar energy systems and energy storage systems. All of our dealers are trained in and use this platform. Our software platform includes a proprietary technology suite, including a contact center to assist dealers in lead generation, project tracking and service obligations, a quoting tool to standardize customer quotes and solar service agreements, and other services to manage payments, billing and monitoring. The technology suite also includes tools to streamline the approval process for the design and installation of solar energy systems and energy storage systems and establish a standard process for ongoing service and warranty management. The platform leverages cloud-based infrastructure and software capabilities using multiple third-party providers, including Salesforce, Amazon Web Services, Heroku and FinancialForce. It is compatible with multiple end-user device types, including smartphone, tablet and desktop/laptop interfaces.

We have invested in proprietary software systems and technology that have been designed to tie into third-party platforms and applications of our dealers and other systems. Our key software systems include:

- ***Pricing Tool***: Customer pricing and quoting is delivered by a combination of cloud-based technologies including Genability, PV Watts (a service of the National Renewable Energy Laboratory) and proprietary applications running on Amazon Web Services and Heroku. This collection of tools is made available to us and our dealers through a web, tablet or mobile device interface. We permit dealers to generate solar service agreement quotes and proposal documents on demand for presentation to prospective customers. Each completed quote is transferred into Salesforce for solar service agreement generation, customer access and reporting.

- ***MySunnova***: MySunnova is our online portal for customers that allows them to view their solar energy systems' production history, view energy storage system data, pay their bills, manage their online account and contact information, make referrals and contact our customer service team.

- ***Salesforce***: Salesforce is our central repository and system of record for all contracts, process documentation, customer account information, maintenance information and payment tracking for the life of the solar service agreement. This single system allows for integrated and comprehensive reporting for the entire life cycle of the customer, from quote to end of the solar service agreement term. Many of our other systems interact with the Salesforce platform.

- ***FinancialForce***: FinancialForce is a cloud-based accounting system built on the Salesforce platform. Because it shares similar architecture to our Salesforce system, FinancialForce allows for integration between our operations and accounting.

Customer Agreements

Sunnova Service	Agreement Type(s)	Sunnova Plan(s)	Description	Initial Term
Sunnova Home Solar Service	Lease	Easy Plan™ equipment lease	Lease of solar energy system	25 years
	PPA	Easy Plan™ PPA	Sale of solar energy production	25 years
	Loan	Easy Own Plan™ equipment purchase	Sale of solar energy system	10 or 25 years
Sunnova SunSafe® Solar + Battery Storage Service	Lease	Easy Plan™ equipment lease	Lease of energy storage system to be used with a solar energy system	25 years
	Loan	Easy Own Plan™ equipment purchase	Sale of energy storage system to be used with a solar energy system	10 or 25 years
Sunnova +SunSafe® Add-on Battery Service	Loan	Easy Own Plan™ equipment purchase	Sale of energy storage system to be used with a solar energy system	10 or 15 years
Sunnova Protect Service	Service Plan	Sunnova Protect Service	Monitoring and warranty services for non-Sunnova solar energy systems	1, 5, 10 or 20 years
Roof Replacement	Loan	Easy Own Plan™ equipment purchase	Roof replacement (partial or full) when combined with either a Home Solar Service or Sunnova SunSafe offering	10 or 25 years

We focus on growing a geographically diverse customer base with a strong credit profile. We perceive our recurring customer payments as high-quality assets given the broad and relatively inelastic demand for electricity and because our customers typically have high credit scores. As of December 31, 2020, our customers had, at the time of signing the solar service agreement, an average FICO® score of 740. The purpose of our stringent credit approval policy is to ensure reliability of collecting payment over the duration of the solar service agreements. As of December 31, 2020, approximately 1.0% of our customers were in default (over 120 days past due) under their solar service agreements.

Most of our solar service agreements have an initial term of 25 years with an opportunity for customers to renew for up to an additional 10 years via two five-year renewal periods. The customer is obligated to make payments to us on a monthly basis, and we operate and maintain the solar energy system and energy storage system, if applicable, in good condition throughout the duration of the agreement. Under our lease agreements and PPAs, the customer's monthly payment or price per kilowatt hour ("kWh") is set based on a calculation that takes into account expected solar energy generation. The customer has an option of choosing a flat rate without an escalator or a lower initial rate with an escalator. As of December 31, 2020, approximately 64% of our lease agreements and PPAs contained a price escalator, ranging from 0.9% to 3.0% annually.

Our home solar service agreements are designed to offer the customer energy cost savings and bill stability relative to centralized utility prices, often resulting in an immediate reduction in the customer's overall utility bill, with little or no upfront costs. We provide our services through long-term residential solar service agreements in the following formats:

- *Lease Agreements*. Under a lease agreement, or Easy Plan equipment lease, the customer leases a solar energy system from us at a fixed monthly rate that is typically subject to annual escalation. We own, operate and maintain the solar energy system under our lease agreements. In most cases, lease agreements include a performance guarantee under which we will refund payments or credit the customer if the solar energy system fails to meet a guaranteed minimum level of power production for specified time periods.

- *PPAs*. We offer PPAs with variable monthly payments or balanced monthly payments. We own, operate and maintain the solar energy system under our PPAs.

    - *Easy Plan PPA with variable billing*. The customer agrees to pay for all power generated by a solar energy system at a price per kWh that is generally lower than the local utility rate. The monthly payment will vary month to month based on the system's actual production. The monthly rate is generally subject to annual escalation.

    - *Easy Plan PPA with balanced billing*. This is similar to the variable billing option except the customer's payments are levelized over the course of a year based on an annual production estimate so the customer's payments are insulated from monthly fluctuations in energy production subject to a true-up at the end of such period. The fixed monthly rate is typically subject to annual escalation. Should the annual production estimate exceed actual

production, the customer will receive a bill credit at the end of the applicable period and we may decrease the estimated production (and corresponding monthly payments) for the subsequent year. Should actual production exceed the annual estimate, we may apply the overproduction to a subsequent year or increase the estimated annual production and corresponding monthly payments for the subsequent year. The estimated annual production will not increase more than 110% from the estimated annual production for the first year.

- *Loan Agreements*. Pursuant to an Easy Own Plan equipment purchase agreement, the customer purchases the solar energy system from a dealer using financing provided by us. The customer repays the amount financed plus a finance charge through monthly payments for a term of 10 or 25 years. We purchase the Easy Own Plan equipment purchase agreement from the dealer and agree to operate and maintain the solar energy system. We operate and maintain the solar energy system through our network of dealers. In most cases, Easy Own Plan equipment purchase agreements include a production guarantee under which we will refund payments or credit the customer if the solar energy system fails to meet a guaranteed minimum level of power production for specified time periods. Customers under our Easy Own Plan equipment purchase agreements have the option to prepay outstanding principal amounts, in part or in full, without penalty.

- *Energy Storage Systems*. Our Sunnova SunSafe program offers customers the option of a solar energy system integrated with a solar storage system. The customer can either choose an Easy Plan equipment lease or Easy Own Plan equipment purchase plan. These are similar to our Easy Plan equipment lease and Easy Own Plan equipment purchase for home solar services but include energy storage systems with the solar energy system. The customer may select a term of 10 or 25 years for the Easy Own Plan equipment purchase. These agreements have a production guarantee, similar to the home solar service Easy Plan equipment lease and Easy Own Plan equipment purchase plans, except in Guam, Saipan, Hawaii, Puerto Rico and Florida. Additionally, we introduced the Sunnova +SunSafe agreement to existing customers in several states and territories, under which the customer purchases the energy storage system from a dealer using financing provided by us. Under the Sunnova +SunSafe agreement, the customer repays the amount financed plus a finance charge through monthly payments for a term of 10 or 15 years.

- *Sunnova Protect Services*. For solar energy systems not owned or sold by us, our Sunnova Protect Services agreements provide customers maintenance and repairs as well as system monitoring and diagnostics. We provide three levels of service: (a) Basic, which is monitoring only; (b) Premium, which is monitoring plus repair and/or replacement of all equipment under a manufacturer's warranty; and (c) Platinum, which is monitoring, repair and/or replacement of all equipment under and outside the manufacturer's warranty and a production guarantee. The customer may select the level of service and a term of 1, 5, 10 or 20 years. Prior to commencing coverage, we will run a diagnostic evaluation on the customer's solar energy system and will identify any underperforming equipment and estimate production. The customer may elect to repair underperforming equipment, on a time and materials basis, so that it may be included in the coverage going forward. Should the underperforming equipment not be repaired, it will not be covered under the Sunnova Protect Services agreement.

- *Roof Replacement*. Our roof replacement program offers customers the option to bundle financing for a new roof (partial or full) with a new home solar service or Sunnova SunSafe Solar + Battery Storage Service agreement.

As of December 31, 2020, approximately 31% of our customers had lease agreements, approximately 51% had PPAs, and approximately 17% had loan agreements. Less than 1% of our customers had service plan agreements or roof replacement agreements.

We have developed a standardized protocol and set of policies to qualify potential customers. During the solar energy system origination phase, we review the customer's credit application for compliance with our credit standards. Solar service agreements that are accepted must comply with our underwriting standards, which emphasize the prospective customer's ability to pay and the value of the customer's estimated savings under the solar energy service agreement compared to traditional utility rates.

We maintain reporting and controls in place to monitor the timeliness of customer payments. As of December 31, 2020, approximately 92% of all payments received pursuant to our solar service agreements are collected via Automated Clearing House payments (i.e., the funds are deducted automatically on a monthly basis from the customer's bank account), approximately 4% are collected via automatic recurring credit card payments and approximately 4% are collected through non-recurring means. If a customer becomes delinquent on one or more monthly installment payments, we typically begin a collection process with respect to the customer.

In the event that a customer elects to sell his or her home, the customer's solar service agreement may be transferred to the prospective purchaser through prescribed reassignment procedures, subject to certain conditions related to the prospective purchaser's creditworthiness. To initiate the reassignment process, the customer must notify us of the pending sale, after which we will provide a copy of the solar service agreement, including any amendments, to the prospective purchaser. The prospective purchaser will then be required to complete a customer profile and a credit application. Each prospective purchaser's FICO® Score and Experian TEC Score (Telecommunications, Energy and Cable) will be evaluated on the same basis as a customer in a new origination and will be evaluated by our computer auto-decisioning system.

In the event that a prospective purchaser does not meet our credit criteria or elects not to be subject to such credit inquiry, the current customer will be required to prepay the solar service agreement in full or the prospective purchaser will be required to provide a security deposit in cash in accordance with such customer's solar service agreement or our transfer policy prior to the approval of the reassignment. Each such security deposit is held in a separate account until the earlier of (a) the time at which the prospective purchaser satisfies our established credit criteria or (b) upon 12 consecutive months of on-time payments following the date of reassignment.

On a case-by-case basis, we may remove a solar energy system and, if applicable, energy storage system from the property on which it is installed if, among other reasons, the solar service agreement is canceled or otherwise terminated, the customer or solar energy system and energy storage system is relocated, any of the component parts are damaged or the new homeowner rejects the reassignment of the solar service agreement upon home transfer, if applicable.

Monitoring and Maintenance Service and Warranties

Our residential solar service agreements typically are accompanied by a warranty and/or monitoring and service agreement. The warranty and monitoring services provided with each type of solar service agreement vary but can include operations and maintenance, equipment repairs, monitoring or site power controls and management for both supply and demand. Additionally, our Sunnova Protect program offers monitoring, service and production guarantees across three tiers of service for solar energy systems owned by the homeowner and installed by a third party.

Regardless of the type of our solar service agreement, we provide ongoing service during the entire term of the customer relationship, including monitoring, maintenance and warranty services of the solar energy system and energy storage system, if applicable. We have an operations and maintenance administration organization consisting of administration staff and a dedicated residential monitoring and production team that evaluates the solar energy systems' and energy storage systems' performance daily. When a performance or operation issue is detected via our monitoring system, we provide or arrange for troubleshooting or field services as necessary. We rely on our dealer network and our own personnel to complete the field services required to maintain the solar energy systems. After completion of the resolution steps, the maintenance administration organization verifies remotely the issue has been resolved and the system or energy service is performing as expected.

Additionally, customers under our solar service agreements receive a range of warranties on the related solar energy systems and energy storage systems, including warranties for module production and against defects in workmanship and against component or materials breakdown. We also provide the customers with a warranty on roof penetrations of up to 10 years in compliance with applicable state, territorial or local law. Through our agreements with our dealers, the dealer is obligated, at its sole cost and expense, to correct defects in its installation work for a period of 10 years and provide a roof warranty on roof penetrations of 5 to 10 years. Furthermore, we provide a pass-through of the solar photovoltaic panel manufacturers' warranty coverage to our customers, generally of 25 years, and of the inverter and energy storage system manufacturers' warranty coverage, typically of 10 to 25 years. We typically exercise our rights under the manufacturer's equipment warranties or dealer installation warranties before incurring direct charges or costs. Many service expenses are borne by our dealers and not us directly because of the workmanship warranty provided by the dealers to us. Additionally, many component costs are covered by manufacturer warranties.

Seasonality

The amount of electricity our solar energy systems produce is dependent in part on the amount of sunlight, or irradiation, where the assets are located. Because shorter daylight hours in winter months and poor weather conditions due to rain or snow results in less irradiation, the output of solar energy systems will vary depending on the season or the year. While we expect seasonal variability to occur, the geographic diversity in our assets helps to mitigate our aggregate seasonal variability.

Our Easy Plan PPAs with variable billing are subject to seasonality because we sell all the solar energy system's energy output to the customer at a fixed price per kWh. Our Easy Plan PPAs with balanced billing are not subject to seasonality (from a cash flow perspective or the customer's perspective) within a given year because the customer's payments are levelized on an

annualized basis so we insulate the customer from monthly fluctuations in production. However, our Easy Plan PPAs with balanced billing are subject to seasonality from a revenue perspective because, similar to the Easy Plan PPAs with variable billing, we sell all the solar energy system's energy output to the customer. Our lease agreements are not subject to seasonality within a given year because we lease the solar energy system to the customer at a fixed monthly rate and the reference period for any production guarantee payments is a full year. Finally, our loan agreements are not subject to seasonality within a given year because the monthly installment payments for the financing of the customers' purchase of the solar energy system are fixed and the reference period for any production guarantee is a full year.

In addition, weather may impact our dealers' ability to install solar energy systems and energy storage systems. For example, the ability to install solar energy systems and energy storage systems during the winter months in the Northeastern U.S. is limited. This can impact the timing of when solar energy systems and energy storage systems can be installed and when we can acquire and begin to generate revenue from solar energy systems and energy storage systems.

Intellectual Property

We rely on intellectual property laws, primarily a combination of copyright and trade secret laws in the U.S., as well as license agreements and other contractual provisions, to protect our proprietary technology. We also rely on several registered and unregistered trademarks to protect our brand. In addition, we generally require our employees and independent contractors involved in the development of intellectual property on our behalf to enter into agreements to limit access to, and disclosure and use of, our confidential information and proprietary technology. We also continue to expand our technological capabilities through licensing technology and intellectual property from third parties.

Government Regulations

While we are not regulated as extensively as a public utility where our business is conducted in the U.S., we are subject to various national, state, territorial and other local regulatory regimes. For example, in California and New York, we are subject to regulations concerning marketing and contracting promulgated by state public utility commissions. In some states, such as Arizona and Florida, we are limited to offering only a lease agreement or a loan agreement to homeowners and are prohibited from offering a PPA, which is deemed a retail sale of electricity in such states and can only be made by a regulated utility. In Puerto Rico, we are subject to regulation as an electric power company by the Puerto Rico Energy Bureau and are required to comply with certain filing, certification, reporting and annual fee requirements. Regulation by the Puerto Rico Energy Bureau as an electric power company does not currently subject us to centralized utility-like regulation or require the Puerto Rico Energy Bureau's approval of charges to customers.

To operate the solar energy systems and energy storage systems, our dealers work with customers to obtain interconnection permission from the applicable local electric distribution utility. In many states and territories, by statute, regulations or administrative order, there are standardized procedures for interconnecting distributed residential solar energy and related energy storage systems to the electric utility's local distribution system. In some states, such as New Jersey and Massachusetts, certain utilities such as municipal utilities or electric cooperatives are exempt from some interconnection requirements. Provided that the system and energy, if applicable, qualify for the standardized procedures based upon size, use of industry-standard components, location on a suitable local network and other applicable requirements, utilities in some states or territories are required to interconnect qualifying solar energy systems and energy storage systems on an expedited basis relative to non-qualifying systems. Expedited procedures, when available, streamline the installation and interconnection process for solar energy systems and energy storage systems to begin operating. In the U.S. states and territories in which we operate, our dealers typically obtain interconnection permission on behalf of us and our customers using standardized interconnection procedures.

In certain states, such as California, independent solar energy producers who enter into solar service agreements with homeowners for residential solar energy systems are required to make certain disclosures to the homeowner regarding the solar energy system and the terms of the agreement and record a notice against the title to the real property on which the electricity is generated and against the title to any adjacent real property on which the electricity will be used. The notice does not constitute a title defect, lien or encumbrance against the real property.

In June 2019, the U.S. Environmental Protection Agency ("EPA") issued the final Affordable Clean Energy ("ACE") rule replacing the previous Clean Power Plan, which established standards to limit carbon dioxide emissions from existing power generation facilities and was expected to increase the cost of certain forms of fossil fuel-derived energy. We estimate the power generated by our solar energy systems has displaced more than 1.8 million metric tons of carbon emissions based on approximately 2.5 billion kWh of electricity produced since our inception and applying the EPA's online greenhouse gas equivalencies calculator (https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator). The ACE rule would establish

emission guidelines for states to develop plans to limit greenhouse gas emissions from existing coal-fired power plants but does not have the expected increase in cost for fossil fuel-derived energy. We cannot predict what effects, if any, the ACE rule may have on photovoltaic solar markets.

Our operations, as well as the operation of our dealers, are subject to stringent and complex federal, state, territorial and local laws, including regulations governing the occupational health and safety of employees, wage regulations and environmental protection. For example, we and our dealers are subject to the regulations of the U.S. Department of Labor, Occupational Safety and Health Administration ("OSHA"), the U.S. Department of Transportation ("DOT"), the EPA and comparable state and territorial entities that protect and regulate employee health and safety and the environment. These include, for example, regulations regarding the disposal of solid and hazardous wastes from the solar energy systems we own. In addition, environmental laws can result in the imposition of liability in connection with end-of-life system disposal, such as in connection with disposal and recycling of batteries.

We and our dealers are also subject to laws and regulations relating to interactions with residential consumers, including those pertaining to sales and trade practices, privacy and data security, equal protection, consumer financial and credit transactions, consumer collections, mortgages and re-financings, home improvements, trade and professional licensing, warranties and various means of customer solicitation, as well as specific regulations pertaining to solar installations.

For a discussion of these and other regulatory requirements, see "*Risk Factors—Risks Related to Regulations*".

Government Incentives

U.S. federal, state, territorial and local governments have established various incentives and financial mechanisms to reduce the cost of solar energy and to accelerate the adoption of solar energy. These incentives come in various forms, including rebates, tax credits and other financial incentives such as payments for renewable energy credits associated with renewable energy generation, exclusion of solar energy systems and energy storage systems from property tax assessments, system performance payments, accelerated depreciation and net energy metering, or net metering, programs. These incentives make solar energy system and energy storage system ownership more attractive to some homeowners and enable us to charge our customers lower prices to purchase energy generated by our solar energy systems and energy storage systems or to lease or purchase our solar energy systems and energy storage systems than they would normally be expected to pay for utility-provided energy. These incentives also help catalyze private sector investments in solar energy and efficiency measures, including the installation and operation of residential and commercial solar energy systems and energy storage systems.

Net metering is one of several key policies that have enabled the growth of distributed solar in the U.S., providing significant value to certain customers with solar energy systems for the electricity generated by their systems but not directly consumed on site. Net metering allows a customer to pay the local electric utility only for power usage net of excess production from the customer's solar energy system. Customers receive a credit for the energy an interconnected solar energy system generates in excess of that needed by the home, which is provided to the electrical grid. The credit offsets energy usage incurred by the customer at times when the customer requires more electricity than is generated by the solar energy system. In many markets, this credit is equal to the residential retail rate for electricity and in other markets the rate is less than the retail rate and may be based, for example, in whole or in part on the centralized electric utility's "avoided cost" for electricity that it would have had to generate or purchase at wholesale to meet the customer's demand. Furthermore, when coupled with a time of use rate program in certain electric utility territories, a homeowner may offset usage billed at lower rates with net metering credits provided at a higher rate.

For these reasons, net metering credits incentivize consumers to use distributed solar in certain jurisdictions, including some of those in which we operate. In some electric utility territories, any excess credits are rolled over to the next billing period and may also be cashed out later at a rate lower than the retail rate. Most states, the District of Columbia, Puerto Rico and Guam have adopted some form of net metering by statute, regulation, administrative order or a combination thereof, although some of these jurisdictions provide for a credit at less than the retail rate. In some jurisdictions, centralized electric utilities have also adopted net metering on a voluntary basis. Some of the states in which we operate, including New Jersey, Maryland, Massachusetts, Rhode Island, Delaware, Illinois and Hawaii, have in place policies that limit or permit utilities to limit the amount of total electricity generated through net metering and/or solar energy systems, and some of these states, as well as other states or territories, including Pennsylvania, Nevada, New Mexico and Guam, have policies that limit or place conditions on the size of individual solar energy systems.

Net metering and other incentive programs are subject to legislative and regulatory review in many states and territories in which we operate and the availability and value of these programs could be limited, reduced or phased out. Some states such as Arizona, Nevada and Kentucky have reduced their net metering credits. Further reviews by these states and others are

anticipated and the subsequent amount of net metering credits will continue to be assessed over the next few years in states that have net metering policies. For example, net metering rates in California, Connecticut, Puerto Rico and South Carolina are up for consideration over the next few years. New York is working on developing an alternative to net metering through a Value of Distributed Energy Resources credit that would allow certain customers to receive direct monetary compensation as opposed to a net metering credit. This program was expected to be implemented in 2021 but has been delayed due to not enough utilities having deployed smart meters that would enable an accurate valuation of distributed energy production. New York is keeping net metering in place with a nominal customer benefit charge added for solar customers installing solar energy systems after January 1, 2022. Other states such as California have implemented non-bypassable fees for customers enrolled in a net metering program, which requires customers to pay certain fees regardless of whether they are drawing energy from the electrical grid. California has also initiated a proceeding to review its current net metering policies and adopt a successor program by the end of 2021. As a result of the Definitive Restructuring Support Agreement ("DRSA") between the Puerto Rico Electric Power Authority ("PREPA") and its creditors submitted in May 2019, which is currently pending before the U.S. District Court for the District of Puerto Rico, net metering customers in Puerto Rico may be impacted by transition charges and other requirements. Several legislators publicly oppose the DRSA and negotiations on the DRSA will continue in 2021.

In September 2020, the Federal Energy Regulatory Commission ("FERC") issued Order 2222 directing regional transmission operators ("RTO") and independent system operators ("ISO") to remove barriers to the participation of distributed energy resources ("DERs") in wholesale electricity markets on an aggregated basis. While the FERC's order is subject to challenge as well as further proceedings concerning the implementation of the order's directives in each of the RTOs/ISOs, Order 2222 provides a framework that once implemented will allow for aggregated DERs to be compensated through the wholesale market for the capacity, energy and ancillary services they provide. In late 2020, Sunnova began offering its lease storage customers participation in the ConnectedSolutions demand response program through EverSource and National Grid utilities in Massachusetts. Sunnova expects to expand these offerings for its Connecticut, Rhode Island and New Hampshire customers in early 2021. Further, Sunnova will seek to participate in market specific opportunities and negotiate bilateral agreements where appropriate, to enroll systems and customers in energy management and demand response programs.

Many states and territories have adopted renewable portfolio energy production requirements. The majority of states, the District of Columbia and Puerto Rico have adopted a renewable portfolio standard ("RPS") that requires regulated electric utilities to generate or procure a specified percentage of total electricity delivered to customers in the state or territory from eligible renewable energy sources, such as solar energy systems, by a series of specified dates. In addition, several other states have set voluntary goals for renewable generation.

Roughly one-third of states with RPS policies require a minimum portion of the RPS be met by electric generation from solar energy systems, with substantial penalties for non-compliance. To demonstrate compliance with such RPS mandates, electric generation providers must submit state renewable energy certificates ("SRECs") to the applicable authority. One SREC is produced by one megawatt-hour of energy generated by an eligible solar energy system. The specified amount of energy is dependent on system size and when the solar energy system receives a "permission to operate" order. Electric generation providers can either generate their own SRECs through solar energy systems they own or they can purchase SRECs owned by other parties.

SRECs are a distinct product, separate from the electricity generated by solar energy systems. We and our customers apply for and receive SRECs in certain jurisdictions for power generated by the solar energy systems we own. As a distinct product from the electricity generated by solar energy systems, SRECs represent a separate source of cash flow from the sale of electricity. SRECs can be sold with or without the actual electricity associated with the renewable-based generation. Solar energy system owners are typically able to sell SRECs to electric generation providers, such as electric utilities, or in the SREC commodity market. We have hedged a portion of our expected SREC production under fixed price forward contracts. The forward contracts require us to physically deliver the SRECs upon settlement.

Several states have an energy storage mandate or policies designed to encourage the adoption of storage. For example, California offers a cash rebate for storage installations through the Self Generation Incentive Program and Massachusetts and New York offer performance-based financial incentives for storage. Storage installations also are supported in certain states by state public utility commission policies that require utilities to consider alternatives such as storage before they can build new generation. In February 2018, the FERC issued Order 841 directing RTOs and ISOs to remove barriers to the participation of storage in wholesale electricity markets and to establish rules to help ensure storage resources are compensated for the services they provide. An appeal of Order 841 filed by utility trade associations and other parties challenging the extent of the FERC's jurisdiction over storage resources connected to distribution systems was rejected by the U.S. Court of Appeals for the D.C. Circuit in July 2020.

Some state and territorial governments, centralized electric utilities, municipal utilities and co-operative utilities offer a cash rebate or other payment incentive for the installation and operation of a solar energy or energy storage system or to customers undertaking other energy efficiency measures. Capital cost or "up-front" rebates provide funds to solar customers or developers or solar energy system owners, such as us, based on the cost, size or expected production of a customer's solar energy system. Performance-based incentives and tariff-based incentives provide payments to solar customers or a solar energy system owner based on the energy generated by the solar energy system during a pre-determined period. These rebates and payment incentives, when available, improve the economics of distributed solar to both us and our customers.

The economics of purchasing a solar energy system and energy storage system are also improved by eligibility for accelerated depreciation, which allows for the depreciation of equipment according to an accelerated schedule set forth by the IRS. This accelerated schedule allows a taxpayer to recognize the depreciation of tangible solar property on a five-year basis even though the useful life of such property is greater than five years. The acceleration of depreciation creates a valuable tax benefit that increases the return on investment from a solar energy system and energy storage systems. We benefit from accelerated depreciation on the solar energy systems and energy storage systems we own.

The federal government currently provides business investment tax credits under Section 48(a) (the "Section 48(a) ITC") and residential energy credits under Section 25D (the "Section 25D Credit") of the U.S. Internal Revenue Code of 1986, as amended (the "Code"). In December 2020, the U.S. enacted the Taxpayer Certainty and Disaster Tax Relief Act of 2020 (the "TCDTR Act") featuring significant tax provisions, including certain extensions and modifications of the Section 48(a) ITC and the Section 25D Credit. Starting January 1, 2020, the Section 48(a) ITC allows taxpayers to claim a federal tax credit equal to 30% of the basis of eligible solar property that began construction before 2020 if placed in service before 2026. Under the TCDTR, the Section 48(a) ITC percentage decreases to 26% for eligible solar property that begins construction during 2020, 2021 or 2022, 22% for 2023 and 10% if construction begins after 2023 or if the property is placed into service after 2025. IRS guidance as to when construction is considered to begin for such purposes includes a safe harbor that may apply when a taxpayer pays or incurs (or in certain cases, a contractor of the taxpayer pays or incurs) 5% or more of the costs of a solar energy system before the end of the applicable year (the "5% ITC Safe Harbor"), even though the solar energy system is not placed in service until after the end of that year. We are also able to claim the Section 48(a) ITC for energy storage systems installed in conjunction with solar energy systems as long as they are only charged by on-site solar. A reduced Section 48(a) ITC may be available for energy storage systems charged in part from sources other than on-site solar as long as the solar energy systems are charged at least 75% by on-site solar.

Until 2023, the Section 25D Credit allows an individual to claim a federal tax credit equal to 26% of qualified expenditures with respect to a residential solar energy system that is owned by the homeowner. This 26% rate was reduced from 30% for solar energy systems placed in service prior to 2020 and, under the TCDTR, is scheduled to be reduced to 22% for solar energy systems placed in service during 2023. The Section 25D Credit is scheduled to expire under the TCDTR effective January 1, 2024. The Section 25D Credit reduces the cost of consumer ownership of solar energy systems, such as under loan agreements.

Certain states and territories in which we operate offer a personal and/or corporate investment or production tax credit for solar energy. Further, most of the states and local jurisdictions have established sales and/or property tax incentives for renewable energy systems that include exemptions, exclusions, abatements and credits. For a discussion of these and other governmental incentives, see "*Risk Factors—Risks Related to Regulations*".

Competition

We believe our primary competitors are centralized electric utilities that supply electricity to our potential customers. We compete with these centralized electric utilities primarily based on price (cents per kWh), predictability of future prices (by providing pre-determined annual price escalations, where applicable), reliability and the ease by which customers can switch to electricity generated by solar energy systems. We believe we compete favorably with centralized electric utilities based on these factors in the states and territories where our solar service agreements are offered.

We also compete with retail electric providers and independent power producers that are not regulated like centralized electric utilities but have access to the centralized utilities' electricity transmission and distribution infrastructure pursuant to state, territorial and local pro-competitive and consumer choice policies. Furthermore, we compete with solar companies with vertically integrated business models, such as Sunrun Inc. and Sunlight Financial LLC. In addition, we compete with other solar companies who sell or finance products directly to consumers, inclusive of programs like Property-Assessed Clean Energy, such as Loanpal, LLC and Mosaic, Inc. For example, we face competition from solar installation businesses that seek financing from external parties or utilize competitive loan products or state and local programs. In the future, we may also compete with solar companies that have business models similar to our own, some of which are marketed to potential customers by our

dealers. We compete with these companies based on the competitiveness of the products, the overall customer relationship and the commissions we are willing to pay dealers for the origination of new customers.

Suppliers

The major components of the solar energy systems include solar photovoltaic panels that turn sunlight into direct current ("DC") electricity, inverters that convert solar-generated DC electricity into alternating current ("AC") electricity, the form of energy used by most standard household appliances, racking systems that attach the solar photovoltaic panels to the roof or ground, a remote monitoring system that measures and monitors all energy generated by the solar energy system and provides alerts about system performance and, in some cases, an energy storage system that stores excess energy generated by the photovoltaic panels to supplement energy supply during hours when energy consumption exceeds energy produced by the photovoltaic panels. The solar energy system may also be connected to the electrical grid or other supplemental energy sources, such as fuel cells and generators, with additional wiring and electrical hardware.

We require our dealers to choose all major components of the solar energy system or energy storage system from a pre-approved list of manufacturers and models. By allowing dealers to choose from several manufacturers and models without direct supplier obligations, we have greater flexibility to satisfy customer demand, ensure competitive pricing and adequate supply of components and reduce the concentration of warranty risks. We have entered into master contractual arrangements with each vendor on our pre-approved list of vendors that defines the general terms and conditions of our purchases and those of our dealers, including warranties, product specifications, indemnities, delivery and certain other terms. Our dealers typically purchase solar panels and inverters on an as-needed basis from our pre-approved suppliers at then-prevailing prices pursuant to purchase orders having the benefit of our master contractual arrangements. At times, we will also procure equipment directly and sell it to our dealers.

We evaluate and qualify our manufacturers and their product offerings based on total cost of ownership, reliability, warranty coverage, credit quality and other factors. All equipment must be listed on the California Energy Commission's SB1 List of Eligible Equipment. All approved solar photovoltaic panels must have a minimum 25-year power warranty and 10-year workmanship warranty. We also require approved solar photovoltaic panels to undergo extended reliability testing as an indication of a 25-year or greater lifetime. Beginning in April 2016, we required all our manufacturers carry a 25-year warranty, or offer a warranty extension to 25 years, on all product offerings to be eligible for inclusion on our approved vendor list. Prior to April 2016, we sourced inverter manufacturers offering a warranty of no less than 10 years. All approved racking systems are required to be solar energy system Fire Class Rated "A" with a Type 1 module per recent California Fire requirements. Additionally, the racking system must have a Professional Engineers stamp as proof of structural analysis and wind speed certification and the racking system must be certified as conforming to the integrated grounding and bonding requirements of UL Subject 2703. All replacement parts and components must meet or exceed the same standards as those of the original installation.

In September 2018, the Office of the United States Trade Representative ("USTR") determined to modify its prior actions in its investigation into certain acts, policies and practices of the government of China related to technology transfer, intellectual property and innovation pursuant to Section 301 of the Trade Act of 1974 by imposing an additional 10% duty on $200 billion worth of products from China, including inverters. In May 2019, the tariffs were increased from 10% to 25% and may be raised by the USTR in the future. If inverter production is not shifted to other countries before any tariff rate increase on these products, the price of inverters could increase. However, the cost of solar photovoltaic panels and inverters generally do not comprise a meaningful portion of our operating expenses. In addition, many of the solar photovoltaic panel and inverter manufacturers on our approved vendor list are from countries other than China, including Canada, the U.S., Vietnam and Malaysia. See "*Risk Factors—Increases in the cost of our solar energy systems due to tariffs imposed by the U.S. government could have a material adverse effect on our business, financial condition and results of operations*". These tariffs have not had a material impact on our business or our operations.

For the year ended December 31, 2020, Hanwha Q-Cells and Longi Solar supplied approximately 49% and 20%, respectively, of our solar photovoltaic panels installed and no other supplier represented more than 10% of our solar photovoltaic panels installed. For the year ended December 31, 2019, Hanwha Q-Cells and Yingli Green Energy supplied approximately 50% and 17%, respectively, of our solar photovoltaic panels installed and no other supplier represented more than 10% of our solar photovoltaic panels installed. For the year ended December 31, 2020, Enphase Energy, Inc. and SolarEdge Technologies Inc. accounted for approximately 73% and 27%, respectively, of the inverters used in our solar energy system installations. For the year ended December 31, 2019, Enphase Energy, Inc. and SolarEdge Technologies Inc. accounted for approximately 58% and 42%, respectively, of the inverters used in our solar energy system installations. For the year ended December 31, 2020, Tesla, Inc. and Enphase Energy, Inc. accounted for approximately 82% and 18%, respectively, of our energy storage system purchases. For the year ended December 31, 2019, Tesla, Inc. accounted for 100% of our energy storage

system purchases. Our dealers generally source the additional equipment and parts needed for installation of the solar energy systems, such as fasteners, wiring and electrical fittings, through distributors or direct purchase procurement from manufacturers.

Human Capital Management

Our core company values are service, synergy and sustainability. Our core value of service reflects our belief in providing a better energy service to the communities we serve. Our core value of sustainability reflects our belief we do well by doing good. Our core value of synergy reflects our belief we can achieve more by working together. We are focused on collectively advancing Sunnova and the energy industry through collaboration, integrity, respect and long-term trusted relationships, which includes our relationship with our employees.

Oversight and Management

We recognize the diversity of our customers, employees and communities, and believe in creating an inclusive and equitable environment that represents a broad spectrum of backgrounds and cultures. Working under these principles, our human resources department is tasked with managing employment-related matters, including recruiting and hiring, onboarding and training, retention, employee relations, compensation and benefits planning, performance management and professional development. Our Board of Directors ("Board") and Board committees provide oversight on certain human capital matters, including our inclusion and diversity programs and initiatives. Our management team regularly reports to the Board regarding programs and initiatives, including compensation, healthcare and other benefits, turnover and retention, as well as our management development and succession planning practices and strategies. Our audit committee works closely with our enterprise risk management function to monitor current and emerging labor and human capital management risks and to mitigate exposure to those risks. Our nominating and corporate governance committee has oversight of our environmental, social and corporate governance practices and procedures and regularly evaluates the effectiveness of our social responsibility policies, goals and programs, which also include employee-related issues. Our compensation committee has oversight of the development, implementation and effectiveness of all pay and benefit programs, as well as succession planning. These reports and recommendations to the Board and its committees and their oversight are part of the broader framework that guides how Sunnova attracts, retains and develops a workforce that aligns with our values and strategies.

We regularly conduct anonymous surveys to seek feedback from our employees on a variety of topics, including but not limited to, confidence in company leadership, competitiveness of our compensation and benefits package, career growth opportunities and improvements on how we could make our company an employer of choice. The results are shared with our employees and reviewed by senior leadership, who analyze areas of progress or deterioration and prioritize actions and activities in response to this feedback to drive meaningful improvements in employee engagement. Our management and cross-functional teams also work closely to evaluate human capital management issues, such as retention, harassment and bullying and safety, as well as to implement measures to mitigate these risks. Our CEO regularly holds townhalls with employees to discuss operating results, announce important initiatives (for example, our recent adoption of a diversity day) and respond to employee questions. Employees are also encouraged to report compliance and ethics issues through our anonymous hotline if they feel uncomfortable speaking directly to their supervisor or management.

Comprehensive Benefits

We believe in investing in our workforce by offering competitive salaries and wages. We also offer comprehensive and competitive benefits to protect the health, wellbeing and financial security of our employees. To foster a stronger sense of ownership and align the interests of employees with our stockholders, eligible non-executive employees are able to participate in our broad-based stock incentive program.

Training and Support

To help our employees succeed in their roles, we emphasize continuous training and development opportunities. These opportunities are offered through e-learning, online/classroom training, online performance management and goal setting, one-on-one coaching, individual development planning and group training initiatives.

Safety

We take our responsibility to ensure the health and safety of our employees very seriously. Our objective is for all employees and contractors to be free of work-related injuries, which are costly and often preventable. It is our goal every person goes home each day free from accidents and injuries. To that end, we have developed a detailed safety program that includes,

but is not limited to, working at heights and roof safety protocols, motor vehicle safe driving operations, electric shock mitigation procedures and pre-storm weather hazard monitoring in the areas in which we operate.

With respect to the COVID-19 pandemic and as a designated essential service, we have adopted safety guidelines and practices that have enabled us to maintain business continuity and keep our employees safe. These practices have included retaining the services and assistance of a reputable health, safety and security advisory consulting firm, ongoing safety and health training for existing and new employees, remote working, adjusted attendance policies, health screening of employees for reported exposure or symptoms, enforcing mandatory periods of self-isolation, contact tracing, provisions for mask wearing, modifications to the in-office work environment, social distancing, increased sanitation stations and increased cleaning of offices and workstations. Please refer to "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Company Overview—Recent Developments"* for additional information regarding our response to the COVID-19 pandemic.

Employee Base

As of December 31, 2020, we had 394 full-time employees and 398 total employees. We also engage independent contractors and consultants. We are not party to any collective bargaining agreements and have not experienced any strikes or work stoppages.

Insurance

We maintain the types and amounts of insurance coverage we believe are consistent with customary industry practices. Our insurance policies cover employee and contractor-related accidents and injuries, property damage, business interruption, storm damage, inventory, vehicles, fixed assets, facilities, cyber risk, crime and general liability deriving from our activities. Our insurance policies also cover directors, officers, employment practices and fiduciary liabilities. We may also be covered for certain liabilities by insurance policies owned by third parties, including, but not limited to, our dealers and vendors.

Available Information

We file annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to reports filed or furnished pursuant to Sections 13(a) and 15(d) of the Exchange Act. The Securities and Exchange Commission ("SEC") maintains a website at www.sec.gov that contains reports, proxy and information statements and other information we file with the SEC electronically. Copies of our reports on Form 10-K, Form 10-Q, Form 8-K and amendments to those reports may also be obtained, free of charge, electronically on the investor relations page on our website located at investors.sunnova.com as soon as reasonably practical after we file such material with, or furnish it to, the SEC.

We also use the investor relations page on our website as a channel of distribution for important company information. Important information, including press releases, analyst presentations and financial information regarding us, as well as corporate governance information, is routinely posted and accessible on the investor relations page on our website. Information on or that can be accessed through our website is not part of this Annual Report on Form 10-K and the inclusion of our website address is an inactive textual reference only.

Item 1A. Risk Factors.

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below together with all of the other information included in this Annual Report on Form 10-K, including the section titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and our consolidated financial statements and related notes, before deciding to invest in our common stock. We may experience additional risks and uncertainties not currently known to us; or, as a result of developments occurring in the future, conditions that we currently deem to be immaterial may also materially and adversely affect our business, financial condition, cash flows and results of operations. If any of the risks actually occur, they may materially and adversely affect our business, financial condition, cash flows and results of operations. In this event, the trading price of our common stock could decline and you could lose all or part of your investment in us.

Risks Related to Our Business

The ongoing COVID-19 pandemic could adversely affect our business, financial condition and results of operations.

The ongoing COVID-19 pandemic continues to be a rapidly evolving situation. The COVID-19 pandemic and efforts to respond to it have resulted in and may continue to result in widespread adverse impacts on the global economy. We have experienced some resulting disruptions to our business operations as the COVID-19 pandemic has continued to spread through the states and U.S. territories in which we operate. For example, social distancing guidelines, stay-at-home orders and similar government measures associated with the COVID-19 pandemic, as well as actions by individuals to reduce their potential exposure to the virus, contributed to a decline in origination, with new contract origination, net of cancelations, declining in each of March and April 2020 from the previous month. This decline reflected an inability by our dealers to perform in-person sales calls based on the stay-at-home orders in some locations.

We and our dealers modified certain business and workforce practices (including those related to new contract origination, installation and servicing of solar energy systems and employee work locations) to conform to government restrictions and best practices encouraged by governmental and regulatory authorities. As a result, new contract origination, net of cancelations, increased in May through November 2020, with each of the months from June 2020 to November 2020 exceeding the number of new contracts originated, net of cancelations, in February 2020. Such modifications have allowed our dealers to continue to install and us to continue to service solar energy systems, but may also disrupt our operations, impede productivity or otherwise be ineffective in the future. If there are additional outbreaks of the COVID-19 virus or other viruses or more stringent health and safety guidelines are adopted, our and our dealers' ability to continue performing installations and service calls may be adversely impacted. A significant or extended decline in new contract origination may have a material adverse effect on our business, cash flows, liquidity, financial condition and results of operations.

Our future success also depends on our ability to raise capital from third-party investors and commercial sources. In the initial weeks of the COVID-19 pandemic, we saw access to capital markets reduced generally. By June 2020, the terms of and access to capital had improved significantly and by the fourth quarter of 2020, capital market conditions had reached levels comparable to those prior to the COVID-19 pandemic. However, if we are unable to continue accessing the capital markets or are unable to raise funds through our tax equity and warehouse financing transactions at competitive terms, it would adversely impact our ability to finance the deployment of our solar energy systems and energy storage systems and may have a material adverse effect on our business, cash flows, liquidity, financial condition and results of operations.

There is considerable uncertainty regarding the extent and duration of governmental and other measures implemented to try to slow the spread of the COVID-19 virus, such as large-scale travel bans and restrictions, border closures, quarantines, shelter-in-place orders and business and government shutdowns. Some states that had begun taking steps to reopen their economies experienced a subsequent surge in cases of COVID-19, causing these states to cease such reopening measures in some cases and reinstitute restrictions in others. Restrictions of this nature have caused, and may continue to cause, us and our dealers to experience operational delays and may cause milestones or deadlines relating to our exclusivity arrangements to be missed. To date, we have not received notices from our dealers regarding performance delays resulting from the COVID-19 pandemic; however, we have seen delays in most jurisdictions from whom we must receive permission to operate for our solar energy systems to be placed in service. Worsening economic conditions could result in less favorable outcomes over time, which would impact our future financial performance. Further, the effects of the economic downturn associated with the COVID-19 pandemic may increase unemployment and reduce consumer credit ratings and credit availability, which may adversely affect new customer origination and our existing customers' ability to make payments on their solar service agreements. Periods of high unemployment and a lack of availability of credit may lead to increased delinquency and default rates. If existing economic conditions continue for a prolonged period of time or worsen, delinquencies on solar service agreements could increase, which would also negatively impact our future financial performance and the price of our common stock. Finally, if supply chains become significantly disrupted due to additional outbreaks of the COVID-19 virus or other viruses or more stringent health and safety guidelines are implemented, our ability to install and service solar energy systems could become adversely impacted.

We cannot predict the full impact the COVID-19 pandemic or the significant disruption and volatility currently being experienced in the capital markets will have on our business, cash flows, liquidity, financial condition and results of operations at this time due to numerous uncertainties. The ultimate impact will depend on future developments, including, among other things, the ultimate duration of the COVID-19 virus, the distribution, acceptance and efficacy of the vaccine, the depth and duration of the economic downturn and other economic effects of the COVID-19 pandemic, the consequences of governmental and other measures designed to prevent the spread of the COVID-19 virus, actions taken by governmental authorities, customers, dealers and other third parties, our ability and the ability of our customers, potential customers and dealers to adapt to operating in a changed environment and the timing and extent to which normal economic and operating conditions resume.

Historically, we have incurred operating and net losses and we may be unable to achieve or sustain profitability in the future.

We incurred operating losses of $35.8 million, $22.3 million and $13.7 million and net losses of $307.8 million, $133.4 million and $68.4 million for the years ended December 31, 2020, 2019 and 2018, respectively. These historical operating and net losses were due to a number of factors, including increased expenses to fund our growth and related financing needs. We expect to incur significant expenses as we finance the expansion of our operations and implement additional internal systems and infrastructure to support our growth. In addition, as a public company, we incur significant additional legal, accounting and other expenses we did not incur as a private company. We do not know whether our revenue will grow rapidly enough to absorb these costs. Our ability to achieve profitability depends on a number of factors, including:

- growing our customer base and originating new solar service agreements on economic terms;
- maintaining or lowering our cost of capital;
- reducing operating costs by optimizing our operations and maintenance processes;
- maximizing the benefits of our dealer network;
- finding additional tax equity investors and other sources of institutional capital; and
- the continued availability of various governmental incentives for the solar industry.

Even if we do achieve profitability, we may be unable to sustain or increase our profitability in the future.

If our allowance for credit losses is not enough to cover actual credit losses from our customer notes receivable portfolio, our results of operations and financial condition could be negatively affected.

We maintain an allowance for credit losses, which is a reserve that represents our best estimate of actual credit losses we may experience in our existing customer notes receivable portfolio. The level of the allowance reflects our continuing evaluation of factors including the financial asset type, customer credit rating, contractual term, vintage, volume and trends in delinquencies, nonaccruals, write-offs and present economic, political and regulatory conditions. The determination of the appropriate level of the allowance for credit losses inherently involves subjectivity in our modeling and requires us to make estimates of current credit risks and future trends, all of which may undergo material changes or vary from our historical experience. Deterioration in economic conditions affecting our customers, new information regarding existing loans and other factors, both within and outside of our control, may require an increase in the allowance for credit losses. Furthermore, if write-offs in future periods exceed the allowance for credit losses we will need to increase the allowance for credit losses in future periods. Any increases in the allowance for credit losses will result in an increase in net loss and could have a material adverse effect on our business, financial condition and results of operations.

We adopted Accounting Standards Update No. 2016-13, *Financial Instruments—Credit Losses*, in January 2020, which requires entities to use a forward-looking expected loss approach, referred to as the current expected credit loss ("CECL") methodology in place of the previously-used incurred loss model. This resulted in an increase to the allowance for credit losses of $9.9 million. In future periods, CECL may result in increased reserves during or in advance of an economic downturn. If we are required to materially increase our level of allowance for credit losses for any reason, such increase could have a material adverse effect on our business, financial condition and results of operations.

Certain of our key operational metrics, including estimated gross contracted customer value, are based on various assumptions and estimates we make that cover an extended period of time. Actual experience may vary materially from these estimates and assumptions and therefore undue reliance should not be placed on these metrics.

Our key operational metrics include a number of assumptions and estimates we make that cover an extended period of time (up to 35 years) and may not prove accurate. In calculating estimated gross contracted customer value, we estimate projected monthly customer payments over the remaining life of our solar service agreements, which are typically 10, 15 or 25 years in length with an opportunity for customers to renew for up to an additional 10 years, and from the future sale of related SRECs. These estimated future cash flows depend on various factors including but not limited to solar service agreement type, contracted rates, customer loss rates, expected sun hours and the projected production capacity of the solar equipment installed. Additionally, in calculating estimated gross contracted customer value we also estimate cash distributions to tax equity fund investors and operating, maintenance and administrative expenses associated with the solar service agreements, including expenses related to accounting, reporting, audit, insurance, maintenance and repairs over the remaining life of our solar service agreements.

Furthermore, in calculating estimated gross contracted customer value, we discount our future net cash flows at 6% based on industry practice and at 4%, which is based in part on the interest rate on certain recent securitizations. This discount rate might not be the most appropriate discount rate based on interest rates in effect from time to time and industry or company-specific risks associated with these cash flows and the appropriate discount rate for these estimates may change in the future due to the level of inflation, rising interest rates, our cost of capital, customer default rates and consumer demand for solar energy systems, among other things. We also assume customer losses of 0% in calculating these metrics even though we expect to have some minimal level of customer losses over the life of our contracts. To illustrate the way in which actual results may change, we present sensitivities around the discount rate and the rate of customer losses, although these sensitivities may not capture the most appropriate discount rate or the rate of customer losses we will experience. For a discussion of estimated gross contracted customer value and the related discount rate and such sensitivities, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Financial and Operational Metrics—Estimated Gross Contracted Customer Value*".

PricewaterhouseCoopers LLP has not audited, reviewed, examined, compiled nor applied agreed-upon procedures with respect to these operational metrics or their components. The estimates discussed above are based on a combination of assumptions that may prove to be inaccurate over time. Such inaccuracies could be material, particularly given the estimates relate to cash flows up to 35 years in the future.

Our growth strategy depends on the continued origination of solar service agreements by us and our dealers.

Our growth strategy depends on the continued origination of solar service agreements by us and our dealers. We may be unable to originate additional solar service agreements and related solar energy systems and energy storage systems in the numbers or at the pace we currently expect for a variety of reasons, including, among other things, the following:

- demand for solar energy systems and energy storage systems failing to develop sufficiently or taking longer than expected to develop;
- residential solar energy technology being available at economically attractive prices as a result of factors outside of our control, including utility prices not rising as quickly as anticipated;
- issues related to identifying, engaging, contracting, compensating and maintaining relationships with dealers and the negotiation of dealer agreements;
- issues related to financing, construction, permitting, the environment, governmental approvals and the negotiation of solar service agreements;
- a reduction in government incentives or adverse changes in policy and laws for the development or use of solar energy, including net metering, SRECs and tax credits;
- other government or regulatory actions that could impact our business model;
- negative developments in public perception of the solar energy industry; and
- competition from other solar companies and energy technologies, including the emergence of alternative renewable energy technologies.

If the challenges of originating solar service agreements and related solar energy systems and energy storage systems increase, our pool of available opportunities may be limited, which could have a material adverse effect on our business, financial condition, cash flows and results of operations.

If sufficient additional demand for residential solar energy systems does not develop or takes longer to develop than we anticipate, our ability to originate solar service agreements may decrease.

The distributed residential solar energy market is at a relatively early stage of development in comparison to fossil fuel-based electricity generation. If additional demand for distributed residential solar energy systems fails to develop sufficiently or takes longer to develop than we anticipate, we may be unable to originate additional solar service agreements and related solar energy systems and energy storage systems to grow our business. In addition, demand for solar energy systems and energy storage systems in our targeted markets may not develop to the extent we anticipate. As a result, we may be unsuccessful in broadening our customer base through origination of solar service agreements and related solar energy systems and energy storage systems within our current markets or in new markets we may enter.

Many factors may affect the demand for solar energy systems, including the following:

- availability, substance and magnitude of solar support programs including government targets, subsidies, incentives, renewable portfolio standards and residential net metering rules;

- the relative pricing of other conventional and non-renewable energy sources, such as natural gas, coal, oil and other fossil fuels, wind, utility-scale solar, nuclear, geothermal and biomass;
- performance, reliability and availability of energy generated by solar energy systems compared to conventional and other non-solar renewable energy sources;
- availability and performance of energy storage technology, the ability to implement such technology for use in conjunction with solar energy systems and the cost competitiveness such technology provides to customers as compared to costs for those customers reliant on the conventional electrical grid; and
- general economic conditions and the level of interest rates.

The residential solar energy industry is constantly evolving, which makes it difficult to evaluate our prospects. We cannot be certain if historical growth rates reflect future opportunities or whether growth anticipated by us will be realized. The failure of distributed residential solar energy to achieve, or its being significantly delayed in achieving, widespread adoption could have a material adverse effect on our business, financial condition and results of operations.

If we fail to manage our operations and growth effectively, we may be unable to execute our business plan, maintain high levels of customer service or adequately address competitive challenges.

We have experienced significant growth in recent periods measured by our number of customers and we intend to continue our efforts to expand our business within existing and new markets. This growth has placed, and any future growth may place, a strain on our management, operational and financial infrastructure. Our growth requires our management to devote a significant amount of time and effort to maintain and expand our relationships with customers, dealers and other third parties, attract new customers and dealers, arrange financing for our growth and manage our expansion into additional markets.

In addition, our current and planned operations, personnel, information technology and other systems and procedures might be inadequate to support our future growth and may require us to make additional unanticipated investments in our infrastructure. Our success and ability to further scale our business will depend, in part, on our ability to manage these changes in a cost-effective and efficient manner.

If we cannot manage our operations and growth, we may be unable to meet our expectations regarding growth, opportunity and financial targets, take advantage of market opportunities, execute our business strategies, meet our tax equity financing commitments or respond to competitive pressures. This could also result in declines in quality or customer satisfaction, increased costs, difficulties in introducing new offerings or other operational difficulties. Any failure to effectively manage our operations and growth could adversely impact our reputation, business, financial condition, cash flows and results of operations.

A material reduction in the retail price of electricity charged by electric utilities or other retail electricity providers would harm our business, financial condition and results of operations.

Decreases in the retail price of electricity from electric utilities or from other retail electric providers, including other renewable energy sources such as larger-scale solar energy systems, could make our offerings less economically attractive. The price of electricity from utilities could decrease as a result of:

- the construction of a significant number of new power generation plants, whether generated by natural gas, nuclear power, coal or renewable energy;
- the construction of additional electric transmission and distribution lines;
- a reduction in the price of natural gas or other natural resources as a result of increased supply due to new drilling techniques or other technological developments, a relaxation of associated regulatory standards or broader economic or policy developments;
- less demand for electricity due to energy conservation technologies and public initiatives to reduce electricity consumption or to recessionary economic conditions; and
- development of competing energy technologies that provide less expensive energy.

A reduction in electric utilities' rates or changes to peak hour pricing policies or rate design (such as the adoption of a fixed or flat rate) could also make our offerings less competitive with the price of electricity from the electrical grid. If the cost of energy available from electric utilities or other providers were to decrease relative to solar energy generated from residential solar energy systems or if similar events impacting the economics of our offerings were to occur, we may have difficulty attracting new customers or existing customers may default or seek to terminate, cancel or otherwise avoid the obligations under their solar service agreements. For example, large utilities in California have started transitioning customers to time-of-use rates and also have adopted a shift in the peak period for time-of-use rates to later in the day. Unless grandfathered under a different rate, residential customers with solar energy systems are required to take service under time-of-use rates with the later

peak period. Moving utility customers to time-of-use rates or the shift in the timing of peak rates for utility-generated electricity to include times of day when solar energy generation is less efficient or non-operable could also make our offerings less competitive. Time-of-use rates could also result in higher costs for our customers whose electricity requirements are not fully met by our offerings during peak periods.

Additionally, the price of electricity from utilities may grow less quickly than the escalator feature in certain of our solar service agreements, which could also make our solar energy systems less competitive with the price of electricity from the electrical grid and result in a material adverse effect on our business, financial condition and results of operations.

Our growth is dependent on our dealer network and our failure to retain or replace existing dealers or to grow our dealer network could adversely impact our business.

Our dealer network is an integral component of our business strategy and serves as the means by which we are able to originate solar service agreements and related solar energy systems and energy storage systems in existing and prospective markets. Poor performance by our dealers in originating solar service agreements could have a material adverse effect on our business, financial condition and results of operations. We have in the past had disputes and litigation with certain of our dealers over their performance.

As we grow, particularly in new jurisdictions, we will need to expand our dealer network. We are subject to significant competition for the recruitment and retention of dealers from our competitors and we may not be able to recruit new or replacement dealers in the future. We compete for our dealers with other solar service providers primarily based on the amount and timing of payments for originating solar service agreements, financial ability and our suite of technology tools.

Most of our dealers are not restricted in their ability to work with our competitors and are not obligated to continue working with us. In the past, some of our dealers have chosen to work with competitors of ours or terminated their relationships with us and dealers may reduce or terminate their work with us in the future. The departure of a significant number of our dealers for any reason, or the failure to replace departing dealers in the event of such departures, could reduce our potential origination opportunities and could have a material adverse effect on our business, financial condition and results of operations. As we develop and expand our Sunnova Protect services, dealers may view us as a competitor and choose to end their relationship with us.

Additionally, dependence on any one dealer or small group of dealers further concentrates our exposure to risks related to termination of the dealer arrangement, poor service provided by such dealer, the deterioration in financial condition of the dealer and other risks inherent in such a relationship. For the years ended December 31, 2020, 2019 and 2018, Trinity accounted for approximately 28%, 41% and 52% of our net originations for such periods, respectively. Although we have entered into a four-year exclusivity agreement with Trinity, pursuant to which Trinity may only originate solar service agreements for us, there are various exceptions to this obligation. For a discussion of exclusivity arrangements with certain of our dealers, see "*Business—Our Relationships with Our Dealers*".

If we or our dealers fail to hire and retain a sufficient number of employees and service providers in key functions, our growth and our ability to timely complete customer projects and successfully manage customer accounts would be constrained.

To support our growth, we and our dealers need to hire, train, deploy, manage and retain a substantial number of skilled employees, engineers, installers, electricians and sales and project finance specialists. Competition for qualified personnel in our industry has increased substantially, particularly for skilled personnel involved in the installation of solar energy systems. We and our dealers also compete with the homebuilding and construction industries for skilled labor. These industries are cyclical and when participants in these industries seek to hire additional workers, it puts upward pressure on our and our dealers' labor costs. Companies with whom our dealers compete to hire installers may offer compensation or incentive plans that certain installers may view as more favorable. As a result, our dealers may be unable to attract or retain qualified and skilled installation personnel. The further unionization of our industry's labor force or the homebuilding and construction industries' labor forces, either in response to the COVID-19 pandemic or otherwise, could also increase our dealers' labor costs. Shortages of skilled labor could significantly delay a project or otherwise increase our dealers' costs. Further, we need to continue to increase the training of our customer service team to provide high-end account management and service to homeowners before, during and following the point of installation of our solar energy systems. Identifying and recruiting qualified personnel and training them requires significant time, expense and attention. It can take several months before a new customer service team member is fully trained and productive at the standards we have established. If we are unable to hire, develop and retain talented customer service or other personnel, we may not be able to grow our business.

We need to obtain substantial additional financing arrangements to provide working capital and growth capital and if financing is not available to us on acceptable terms when needed, our ability to continue to grow our business would be materially adversely impacted.

Distributed residential solar power is a capital-intensive business that relies heavily on the availability of debt and equity financing sources to fund solar energy system purchase, design, engineering and other capital expenditures. From our inception through December 31, 2020, we have raised more than $6.7 billion in total capital commitments from equity, debt and tax equity investors.

Our future success depends in part on our ability to raise capital from third-party investors and commercial sources, such as banks and other lenders, on competitive terms to help finance the deployment of our solar energy systems. We seek to minimize our cost of capital in order to improve profitability and maintain the price competitiveness of the electricity produced by, the payments for and the cost of our solar energy systems. We rely on access to capital, including through tax equity financing and indebtedness in the form of debt facilities and asset-backed securities, to cover the costs related to bringing our solar energy systems and energy storage systems in service, although our customers ultimately bear responsibility for those costs pursuant to our solar service agreements.

To meet the capital needs of our growing business, we will need to obtain additional debt or equity financing from current and new investors. If any of our current debt or equity investors decide not to invest in us in the future for any reason, or decide to invest at levels inadequate to support our anticipated needs or materially change the terms under which they are willing to provide future financing, we will need to identify new investors and financial institutions to provide financing and negotiate new financing terms. In addition, our ability to obtain additional financing through the asset-backed securities market or other secured debt markets is subject to our having sufficient assets eligible for securitization as well as our ability to obtain appropriate credit ratings. If we are unable to raise additional capital in a timely manner, our ability to meet our capital needs and fund future growth may be limited.

Delays in obtaining financing could cause delays in expansion in existing markets or entering into new markets and hiring additional personnel. Any future delays in capital raising could similarly cause us to delay deployment of a substantial number of solar energy systems for which we have signed solar service agreements with customers. Our future ability to obtain additional financing depends on banks' and other financing sources' continued confidence in our business model and the renewable energy industry as a whole. It could also be impacted by the liquidity needs of such financing sources themselves. We face intense competition from a variety of other companies, technologies and financing structures for such limited investment capital. If we are unable to continue to offer a competitive investment profile, we may lose access to these funds or they may only be available to us on terms less favorable than those received by our competitors. For example, if we experience higher customer default rates than we currently experience, it could be more difficult or costly to attract future financing. Any inability to secure financing could lead us to cancel planned installations, impair our ability to accept new customers or increase our borrowing costs, any of which could have a material adverse effect on our business, financial condition and results of operations.

Our ability to provide our solar service offerings to homeowners on an economically viable basis depends in part on our ability to finance these solar energy systems with tax equity investors that depend on particular tax and other benefits.

Historically, there have been a limited number of investors that generate sufficient profits and possess the requisite financial sophistication to benefit from the tax benefits our tax equity vehicles provide, and a lack of depth in this market may limit our ability to complete such tax equity financing. Potential investors seeking tax-advantaged financing must remain satisfied the structures we offer qualify for the tax benefits associated with solar energy systems available to these investors, which depends both on the investors' assessment of tax law and the absence of any unfavorable interpretations of that law. Changes in existing law and interpretations by the IRS and the courts could reduce the willingness of tax equity investors to invest in tax equity vehicles associated with these solar energy system investments or cause these investors to require a larger allocation of customer payments. We are not certain this type of financing will continue to be available to us as the legal and regulatory landscape may shift in a manner that reduces or eliminates the attractiveness of such financing opportunities. For example, a step down of Section 48(a) ITCs is scheduled to occur in 2023. Additionally, we may be unable to identify investors interested in engaging in this type of financing with us. As of December 31, 2020, we have formed eleven tax equity vehicles to which investors such as banks and other large financial investors have committed to invest approximately $789.5 million. The undrawn committed capital for these tax equity vehicles as of December 31, 2020 is approximately $135.8 million. We plan to continue to form new tax equity vehicles as long as existing tax law and regulations make such financing attractive. See "*—Risks Related to Regulations—Our business currently depends in part on the availability of rebates, tax credits and other financial incentives. The expiration, elimination or reduction of these rebates, credits or incentives or our ability to monetize them could adversely impact our business*".

The contractual terms in certain of our tax equity vehicle documents impose conditions on our ability to draw on financing commitments from the tax equity investors, including if an event occurs that could reasonably be expected to have a material adverse effect on the tax equity vehicle or on us. The terms and conditions of our tax equity vehicles can vary and may require us to alter our products, services or product mix. If we do not satisfy such conditions due to events related to our business or a specific tax equity vehicle or developments in our industry or otherwise, and as a result we are unable to draw on existing commitments, it could have a material adverse effect on our business, financial condition, results of operations and liquidity. In addition to our inability to draw on the investors' commitments, we may incur financial penalties for non-performance, including delays in the installation process and interconnection to the power grid of solar energy systems and other factors. Based on the terms of the tax equity vehicle agreements, we will either reimburse a portion of the tax equity investor's capital or pay the tax equity investor a non-performance fee.

Under the terms of certain of our tax equity vehicles, we may be required to make payments to the tax equity investors if certain tax benefits allocated to such tax equity investors are not realized as expected. Our financial condition may be adversely impacted if a tax equity vehicle is required to make any tax-related payments.

Our tax equity vehicles require that, prior to a date that is at least five years after the last project was placed in service, the tax equity investor receives substantially all the non-cash value attributable to the solar energy systems; however, in all but one of our current funds we receive a majority of the cash distributions. In the event the tax equity investor has tax liability as a result of its investment and the cash distributions payable to the tax equity investor are not sufficient to pay such tax liability, the amount of distributions payable to us will be reduced. The amounts of potential tax liability (and the potential for a reduced distribution to us) depend on the tax benefits that accrue to such investors from the tax equity vehicles' activities and may be impacted by changes in tax law.

Additionally, we may have payment obligations to our tax equity investors under indemnity obligations contained in those financings. See "*—Risks Related to Taxation—If the IRS makes a determination that the fair market value of our solar energy systems is materially lower than what we have reported in our tax equity vehicles' tax returns, we may have to pay significant amounts to our tax equity vehicles, our tax equity investors and/or the U.S. government. Such determinations could have a material adverse effect on our business and financial condition*" and "*—Risks Related to Taxation—If our solar energy systems either cease to be qualifying property or undergo certain changes in ownership within five years of the applicable placed in service date, we may have to pay significant amounts to our tax equity vehicles, our tax equity investors and/or the U.S. government. Such recapture could have a material adverse effect on our business and financial condition*".

Due to uncertainties associated with estimating the timing and amounts of cash distributions and allocations of tax benefits to such investors, we cannot determine the potential impact on our cash flows under current or future arrangements. Any significant reductions in the cash we expect to receive from these structures could adversely affect our financial condition.

We enter into securitization structures, warehouse financings and other debt financings that may limit our ability to access the cash of our subsidiaries and include acceleration events that, if triggered, could adversely impact our financial condition.

Since April 2017, we have pooled and transferred eligible solar energy systems and the related asset receivables into seven special purpose entities, which sold solar asset-backed notes and solar loan-backed notes to institutional investors, the net proceeds of which were distributed to us. We intend to monetize additional solar energy systems in the future through contributions to new special purposes entities for cash. There is a risk the institutional investors that have purchased the notes issued by these special purpose entities will be unwilling to make further investments in our solar energy systems at attractive prices. Although the creditors of these special purpose entities have no recourse to our other assets except as expressly set forth in the terms of the notes, the special purpose entities are typically required to maintain a liquidity reserve account, a reserve account for equipment replacements, as well as, in certain cases, reserve accounts to finance purchase option/withdrawal right exercises, storage system replacement or payment of liquidated damages for the benefit of the lenders under the applicable series of notes, each of which are funded from initial deposits or cash flows to the levels specified therein.

The securitization structures, warehouse financings and other debt financings often include certain other features designed to protect investors. The primary feature relates to the availability and adequacy of cash flows in the pool of assets to meet contractual requirements, the insufficiency of which triggers an early repayment of the indebtedness. We refer to this as "early amortization", which may be based on, among other things, a debt service coverage ratio falling or remaining below certain levels. In the event of an early amortization, the notes issuer would be required to repay the affected indebtedness using available collections received from the asset pool. However, the period of ultimate payment would be determined based on the amount and timing of collections received and, in limited circumstances, early amortization may be cured prior to full

repayment. An early amortization event would impair our liquidity and may require us to utilize other available contingent liquidity or rely on alternative funding sources, which may not be available at the time. Certain of the securitizations, warehouse financings and other debt financings also contain a "cash trap" feature, which requires excess cash flow to be held in an account based on, among other things, a debt service coverage ratio falling or remaining below certain levels. If the cash trap conditions are not cured within a specified period, then the cash in the cash trap account must be applied to repay the indebtedness. If the cash trap conditions are timely cured, the cash is either released back to the borrower or used to repay the indebtedness at the borrower's option. The indentures of our securitizations also typically contain customary events of default for solar securitizations that may entitle the noteholders to take various actions, including the acceleration of amounts due and foreclosure on the issuer's assets. Any significant payments we may be required to make as a result of these arrangements could adversely affect our financial condition. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financing Arrangements*".

Servicing our existing debt requires a significant amount of cash. We may not have sufficient cash flow from our business to timely pay our interest and principal obligations and may be forced to take other actions to satisfy our payment obligations.

As of December 31, 2020, our total indebtedness was approximately $2.0 billion and the available borrowing capacity under our credit facilities was $402.4 million. Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness depends on our future performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not generate cash flow from operations sufficient to service our debt and make necessary capital expenditures to operate our business. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as slowing or ceasing the origination of new solar service agreements, selling assets, restructuring debt or obtaining additional debt and equity capital on terms that may be onerous or highly dilutive. Our securitizations are structured in that cash flows generated by the pool of solar energy systems, energy storage systems and related solar service agreements are initially used to repay outstanding principal amounts based on the priority of payments in the agreement. However, should these cash flows decrease below applicable thresholds, all excess cash flows from such asset pool must be applied to pay down the related indebtedness, which would reduce the cash available to otherwise fund our business. Our ability to timely repay or otherwise refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

Furthermore, we and our subsidiaries expect to incur additional debt in the future, subject to the restrictions contained in our debt instruments. Increases in our existing debt obligations would further heighten the debt related risk discussed above. In addition, we may not be able to enter into new debt instruments on acceptable terms or at all. If we were unable to satisfy financial covenants and other terms under existing or new instruments, or obtain waivers or forbearance from our lenders, or if we were unable to obtain refinancing or new financings for our working capital, equipment and other needs on acceptable terms if and when needed, our business would be adversely affected.

We are exposed to the credit risk of our customers.

Our customers purchase solar energy or lease solar energy systems from us pursuant to one of two types of long-term contracts: a PPA or a lease. The PPA and lease terms are typically for 25 years. In addition, under our loan agreements the customer finances the purchase of a solar energy system and we agree to operate and maintain the solar energy system throughout the 25-year term of the agreement. Our solar service agreements require the customer to make monthly payments to us throughout the term of the contract, unless prepaid. Because we have long-term, contractual relationships with our customers, we are subject to the credit risk of our customers and screen our customers based upon their credit rating in an attempt to mitigate the risk of customer default. As of December 31, 2020, the average FICO® score of our customers was 740 at the time of signing the solar service agreement. The accuracy of independent third-party information provided to the credit reporting agency cannot be verified. A FICO® score purports only to be a measurement of the relative degree of risk a borrower represents to a lender, i.e., a borrower with a higher score may be less likely to default in payment than a borrower with a lower score.

As of December 31, 2020, approximately 1.0% of our customers were in default under their solar service agreements. However, as we grow our business, the risk of customer defaults may increase as credit scores are dynamic and may deteriorate over a 25-year period. During an economic downturn, the risk of customer defaults may increase. In addition, our customers may assign their solar service agreements to other customers who have lower credit scores or we may enter into new solar service agreements in the future with customers who have lower credit scores than our current customers. In addition, future developments, including competition from other renewables, could decrease the attractiveness of our current contracts. Although our solar service agreements grant us the ability to terminate the agreement with the customer and repossess the

defaulting customers' solar energy system in certain circumstances, enforcement of these rights under the solar service agreement may be difficult, expensive and time-consuming.

Restrictive covenants in certain of our debt agreements could limit our growth and our ability to finance our operations, fund our capital needs, respond to changing conditions and engage in other business activities that may be in our best interests.

Our debt agreements impose operating and financial restrictions on us. These restrictions limit our ability and that of our subsidiaries to, among other things:

- incur additional indebtedness;
- make investments or loans;
- create liens;
- consummate mergers and similar fundamental changes;
- make restricted payments;
- make investments in unrestricted subsidiaries;
- enter into transactions with affiliates; and
- use the proceeds of asset sales.

We may be prevented from taking advantage of business opportunities that arise because of the limitations imposed on us by the restrictive covenants under certain of our debt agreements. The restrictions contained in the covenants could:

- limit our ability to plan for or react to market conditions, to meet capital needs or otherwise to restrict our activities or business plan; and
- adversely affect our ability to finance our operations, enter into acquisitions or divestitures to engage in other business activities that would be in our interest.

A breach of any of these covenants or our inability to comply with the required financial ratios or financial condition tests could result in a default under our debt agreements that, if not cured or waived, could result in acceleration of all indebtedness outstanding thereunder and cross-default rights under our other debt. In addition, in the event of an event of default under one of the credit facilities, the affected lenders could foreclose on the collateral securing such credit facility and require repayment of all borrowings outstanding thereunder. If the amounts outstanding under the credit facilities or any of our other indebtedness were to be accelerated, our assets may not be sufficient to repay in full the amounts owed to the lenders or to our other debt holders.

Rising interest rates may adversely impact our business.

Rising interest rates will increase our cost of capital. Our future success depends in part on our ability to raise capital from investors and obtain secured lending to help finance the deployment of our solar service agreements. As a result, rising interest rates may have an adverse impact on our ability to offer attractive pricing on our solar service agreements to our customers.

The majority of our cash flows to date have been from solar service agreements monetized under various tax equity fund structures and secured lending arrangements. One of the components of this monetization is the present value of the payment streams from customers who enter into these long-term solar service agreements. If the rate of return required by capital providers, including debt providers, rises as a result of a rise in interest rates, it will reduce the present value of the customer payment stream and consequently reduce the total value derived from this type of monetization. Any measures we could take to mitigate the impact of rising interest rates on our ability to secure third-party financing could ultimately have an adverse impact on the value proposition we offer our customers or our profitability.

The phase-out of the London Interbank Offered Rate ("LIBOR") may adversely affect a portion of our outstanding debt.

In July 2017, the United Kingdom's Financial Conduct Authority, which regulates LIBOR, announced that it intends to phase out LIBOR by the end of 2021. In November 2020, ICE Benchmark Administration, the administrator of LIBOR, with the support of the United States Federal Reserve and the United Kingdom's Financial Conduct Authority, announced plans to consult on ceasing publication of USD LIBOR on December 31, 2021 for only the one week and two month USD LIBOR tenors, and on June 30, 2023 for all other USD LIBOR tenors. While this announcement extends the transition period to June 2023, the United States Federal Reserve concurrently issued a statement advising banks to stop new USD LIBOR issuances by the end of 2021. In light of these recent announcements, the future of LIBOR at this time is uncertain and any changes in the methods by which LIBOR is determined or regulatory activity related to LIBOR's phaseout could cause LIBOR to perform

differently than in the past or cease to exist. Changes in the method of determining LIBOR, or the replacement of LIBOR with an alternative floating borrowing rate, may adversely affect our borrowing costs. Certain of our debt instruments have interest rates that are LIBOR based and will not have matured prior to the phase-out of LIBOR. We cannot predict the effect of the potential changes to LIBOR or the establishment and use of alternative floating borrowing rates on the portion of our outstanding debt that is LIBOR based. Challenges in changing to a different borrowing rate may result in less favorable pricing on certain of our debt instruments and could have an adverse effect on our financial results and cash flows.

Our business has benefited from the declining cost of solar energy system components and our business may be harmed to the extent the cost of such components stabilize or increase in the future.

Our business has benefited from the declining cost of solar energy system components and to the extent such costs stabilize, decline at a slower rate or increase, our future growth rate may be negatively impacted. The declining cost of solar energy system components and the raw materials necessary to manufacture them has been a key driver in the price of solar energy systems we own, the prices charged for electricity and customer adoption of solar energy. Solar energy system component and raw material prices may not continue to decline at the same rate as they have over the past several years or at all. In addition, growth in the solar industry and the resulting increase in demand for solar energy system components and the raw materials necessary to manufacture them may also put upward pressure on prices. An increase of solar energy system components and raw materials prices could slow our growth and cause our business and results of operations to suffer. Further, the cost of solar energy system components and raw materials has increased and could increase in the future due to tariff penalties, duties, the loss of or changes in economic governmental incentives or other factors. See "*—Increases in the cost of our solar energy systems due to tariffs imposed by the U.S. government could have a material adverse effect on our business, financial condition and results of operations*".

We do not directly control certain costs related to our business, which could put us at a disadvantage relative to companies who have a vertically integrated business model.

We do not have direct control over the costs our suppliers charge for the components of our solar energy systems and energy storage systems or the costs to our dealers of installing and marketing such products. This may lead us to charge higher prices for our solar energy systems and energy storage systems than our competitors with a vertically integrated business model, causing us to be unable to maintain or increase market share.

We may be unsuccessful in introducing new service and product offerings, including our distributed energy storage services and energy storage management systems.

We intend to introduce new offerings of services and products to both new and existing customers in the future, including home automation products and additional home technology solutions. We may be unsuccessful in significantly broadening our customer base through the addition of these services and products within our current markets or in new markets we may enter. Additionally, we may not be successful in generating substantial revenue from any additional services and products we may introduce in the future and may decline to initiate new product and service offerings.

We face competition from centralized electric utilities, retail electric providers, independent power producers and renewable energy companies.

The solar energy and renewable energy industries are both highly competitive and continually evolving as participants strive to distinguish themselves within their markets and compete with large centralized electric utilities. We believe our primary competitors are the centralized electric utilities that supply electricity to our potential customers. We compete with these centralized electric utilities primarily based on price (cents per kWh), predictability of future prices (by providing pre-determined annual price escalations) and the ease by which customers can switch to electricity generated by our solar energy systems. We may also compete based on other value-added benefits, such as reliability and carbon-friendly power. If we cannot offer compelling value to our customers based on these factors, our business may not grow.

Centralized electric utilities generally have substantially greater financial, technical, operational and other resources than we do. As a result, these competitors may be able to devote more resources to the research, development, promotion and sale of their products or services or respond more quickly to evolving industry standards and changes in market conditions than we can. Centralized electric utilities could also offer other value-added products or services that could help them to compete with us even if the cost of electricity they offer is higher than ours. In addition, a majority of utilities' sources of electricity is non-solar, which may allow utilities to sell electricity more cheaply than electricity generated by our solar energy systems. Centralized electric utilities could also offer customers the option of purchasing electricity obtained from renewable energy resources, including solar, which would compete with our offerings.

We also compete with retail electric providers and independent power producers not regulated like centralized electric utilities but which have access to the centralized utilities' electricity transmission and distribution infrastructure pursuant to state, territorial and local pro-competition and consumer choice policies. These retail electric providers and independent power producers are able to offer customers electricity supply-only solutions that are competitive with our solar energy system options on both price and usage of renewable energy technology while avoiding the long-term agreements and physical installations our current business model requires. This may limit our ability to acquire new customers, particularly those who wish to avoid long-term agreements or have an aesthetic or other objection to putting solar panels on their roofs.

We also compete with solar companies with vertically integrated business models, including sales, financing, engineering, manufacturing, installation, maintenance and monitoring services. If the integrated approach of our competitors is successful, it may limit our ability to originate solar energy systems. Many of our vertically integrated competitors are larger than we are. As a result, these competitors may be able to devote more resources to the research, development, promotion and sale of their products or services or respond more quickly to evolving industry standards and changes in market conditions than we can. Solar companies with vertically integrated business models could also offer other value-added products or services that could help them to compete with us. Larger competitors may also be able to access financing at a lower cost of capital than we are able to obtain.

In addition, we compete with other solar companies who sell or finance products directly to consumers, inclusive of programs like Property-Assessed Clean Energy financing programs established by local governments. For example, we face competition from solar installation businesses that seek financing from external parties or utilize competitive loan products or state and local programs.

We also compete with solar companies with business models similar to our own, some of which are marketed to potential customers by our dealers. Some of these competitors specialize in the distributed residential solar energy market and some may provide energy at lower costs than we do. Some of our competitors offer or may offer similar services and products as we do, such as leases, PPAs and direct outright sales of and consumer loan products for solar energy systems. Many of our competitors also have significant brand name recognition and have extensive knowledge of our target markets.

We also compete with solar companies that offer community solar products and utility companies that provide renewable power purchase programs. Some customers might choose to subscribe to a community solar project or renewable subscriber programs instead of installing a solar energy system on their home, which could affect our sales. Additionally, some utility companies (and some utility-like entities, such as community choice aggregators in California) have generation portfolios that are increasingly renewable in nature. In California, for example, due to recent legislation, utility companies and community choice aggregators in that state are required to have generation portfolios comprised of 60% renewable energy by 2030 and state regulators are planning for utility companies and community choice aggregators to sell 100% greenhouse gas free electricity to retail customers by 2045. As utility companies offer increasingly renewable portfolios to retail customers, those customers might be less inclined to install a solar energy system at their home, which could adversely affect our growth.

We have historically provided our services only to residential customers and do not currently intend to expand to commercial, industrial or governmental customers. We compete with companies who sell solar energy systems and services in the commercial, industrial and government markets, in addition to the residential market, in the U.S. and foreign markets. There is intense competition in the residential solar energy sector in the markets in which we operate. As new entrants continue to enter into these markets, we may be unable to grow or maintain our operations and we may be unable to compete with companies that earn revenue in both the residential market and non-residential markets. Further, because we provide our services exclusively to residential customers, we have a less diverse market presence and are more exposed to potential adverse changes in the residential market than our competitors that sell solar energy systems and services in the commercial, industrial, government and utility markets.

As the solar industry grows and evolves, we will also face new competitors and technologies who are not currently in the market. Our industry is characterized by low technological barriers to entry and well-capitalized companies, including utilities and integrated energy companies, could choose to enter the market and compete with us. Our failure to adapt to changing market conditions and to compete successfully with existing or new competitors will limit our growth and will have a material adverse effect on our business, financial condition and results of operations.

Developments in technology or improvements in distributed solar energy generation and related technologies or components may materially adversely affect demand for our offerings.

Significant developments in technology, such as advances in distributed solar power generation, energy storage solutions such as batteries, energy storage management systems, the widespread use or adoption of fuel cells for residential or commercial properties or improvements in other forms of distributed or centralized power production may materially and adversely affect demand for our offerings and otherwise affect our business. Future technological advancements may result in reduced prices to consumers or more efficient solar energy systems than those available today, either of which may result in current customer dissatisfaction. We may not be able to adopt these new technologies as quickly as our competitors or on a cost-effective basis.

Due to the length of our solar service agreements, the solar energy system deployed on a customer's residence may be outdated prior to the expiration of the term of the related solar service agreement, reducing the likelihood of renewal of our solar service agreement at the end of the applicable term and possibly increasing the occurrence of customers seeking to terminate or cancel their solar service agreements or defaults. If current customers become dissatisfied with the price they pay for their solar energy system under our solar service agreements relative to prices that may be available in the future or if customers become dissatisfied by the output generated by their solar energy systems relative to future solar energy system production capabilities, or both, this may lead to customers seeking to terminate or cancel their solar service agreements or higher rates of customer default and have an adverse effect on our business, financial condition and results of operations. Additionally, recent technological advancements may impact our business in ways we do not currently anticipate. Any failure by us to adopt or have access to new or enhanced technologies or processes, or to react to changes in existing technologies, could result in product obsolescence or the loss of competitiveness of and decreased consumer interest in our solar energy services, which could have a material adverse effect on our business, financial condition and results of operations.

The value of our solar energy systems at the end of the associated term of the lease or PPA may be lower than projected, which may adversely affect our financial performance and valuation.

We depreciate the costs of our solar energy systems over their estimated useful life of 35 years. At the end of the initial term (typically 10, 15 or 25 years) of the lease or PPA, customers may choose to purchase their solar energy systems, ask us to remove the solar energy system at our cost or renew their lease or PPA. Homeowners may choose to not renew or purchase for any reason, such as pricing, decreased energy consumption, relocation of residence, switching to a competitor product or technological obsolescence of the solar energy system. We are also contractually obligated to remove, store and reinstall the solar energy systems, typically for a nominal fee, if customers need to replace or repair their roofs. Furthermore, it is difficult to predict how future environmental regulations may affect the costs associated with the removal, disposal or recycling of our solar energy systems. If the residual value of the solar energy systems is less than we expect at the end of the customer contract, after giving effect to any associated removal and redeployment costs, we may be required to accelerate the recognition of all or some of the remaining unamortized costs. This could materially impair our future results of operations.

We and our dealers depend on a limited number of suppliers of solar energy system components and technologies to adequately meet demand for our solar energy systems. Due to the limited number of suppliers in our industry, the acquisition of any of these suppliers by a competitor or any shortage, delay, price change, imposition of tariffs or duties or other limitation in our or our dealers' ability to obtain components or technologies we use could result in sales and installation delays, cancelations and loss of customers.

We rely on our dealers to install solar energy systems and energy storage systems, each of whom has direct supplier arrangements. Our dealers purchase solar panels, inverters, energy storage systems and other system components and instruments from a limited number of suppliers, approved by us, making us susceptible to quality issues, shortages and price changes. For the year ended December 31, 2020, Hanwha Q-Cells and Longi Solar supplied approximately 49% and 20%, respectively, of our solar photovoltaic panels installed and no other supplier represented more than 10% of our solar photovoltaic panels installed. For the year ended December 31, 2019, Hanwha Q-Cells and Yingli Green Energy supplied approximately 50% and 17%, respectively, of our solar photovoltaic panels installed and no other supplier represented more than 10% of our solar photovoltaic panels installed. Yingli Green Energy is currently undergoing a restructuring of its debt. There is no guarantee Yingli Green Energy will honor its existing warranty coverage or will continue to supply us with solar photovoltaic panels in the future following the completion of this restructuring. For the year ended December 31, 2020, Enphase Energy, Inc. and SolarEdge Technologies Inc. accounted for approximately 73% and 27%, respectively, of the inverters used in our solar energy system installations. For the year ended December 31, 2019, Enphase Energy, Inc. and SolarEdge Technologies Inc. accounted for approximately 58% and 42%, respectively, of the inverters used in our solar energy system installations. For the year ended December 31, 2020, Tesla, Inc. and Enphase Energy, Inc. accounted for approximately 82% and 18%, respectively, of our energy storage system purchases. For the year ended December 31, 2019, Tesla, Inc.

accounted for 100% of our energy storage system purchases. If one or more of the suppliers we and our dealers rely upon to meet anticipated demand ceases or reduces production due to its financial condition, acquisition by a competitor or otherwise, is unable to increase production as industry demand increases or is otherwise unable to allocate sufficient production to us and our dealers, it may be difficult to quickly identify alternative suppliers or to qualify alternative products on commercially reasonable terms and our ability and the ability of our dealers to satisfy this demand may be adversely affected. There are a limited number of suppliers of solar energy system components, instruments and technologies. While we believe there are other sources of supply for these products available, a dealer's need to transition to a new supplier may result in additional costs and delays in originating solar service agreements and deploying our related solar energy systems or energy storage systems, which in turn may result in additional costs and delays in our acquisition of such solar service agreements and related solar energy systems and energy storage systems. These issues could have a material adverse effect on our business, financial condition and results of operations.

There have also been periods of industry-wide shortages of key components and instruments, including batteries and inverters, in times of rapid industry growth. The manufacturing infrastructure for some of these components has a long lead-time, requires significant capital investment and relies on the continued availability of key commodity materials, potentially resulting in an inability to meet demand for these components. The solar industry is currently experiencing rapid growth and, as a result, shortages of key components or instruments, including solar panels, may be more likely to occur, which in turn may result in price increases for such components. Even if industry-wide shortages do not occur, suppliers may decide to allocate key components or instruments with high demand or insufficient production capacity to more profitable customers, customers with long-term supply agreements or customers other than us, our dealers or other third parties from whom we may originate solar energy systems and our ability to originate solar service agreements and related solar energy systems and energy storage systems may be reduced as a result.

Our supply chain and operations (or those of our dealers) could be subject to natural disasters and other events beyond our control, such as earthquakes, wildfires, flooding, hurricanes, tsunamis, typhoons, volcanic eruptions, droughts, tornadoes, power outages or other natural disasters, the effects of climate change and related extreme weather, public health issues and pandemics, war, terrorism, government restrictions or limitations on trade, and geo-political unrest and uncertainties. Human rights and forced labor issues in foreign countries and the U.S. government's response to them could disrupt our supply chain and our operations could be adversely impacted. For example, proposed legislation in both the U.S. House of Representatives and the Senate seeks to ban the import of all goods from China's Xinjiang Uygur autonomous region, a major producer of polysilicon used by manufacturers of solar panels, over allegations of widespread, state-backed forced labor in the region. Additionally, if the impacts of the coronavirus outbreak, including the accompanying travel restrictions and business closures, continue for an extended period of time or worsen, the supply and pricing of our inverters and other goods and therefore the ability of our dealers to install new solar energy systems could be adversely affected. The extent of the impact of the coronavirus on our business and operations will depend on, among other factors, the duration and severity of the outbreak, travel restrictions and business closures imposed in China or other countries, the ability of our suppliers to increase their production of goods in jurisdictions other than China, our ability to contract for supply from other sources on acceptable terms and the willingness of our lenders to permit us to switch suppliers.

Increases in the cost of our solar energy systems due to tariffs imposed by the U.S. government could have a material adverse effect on our business, financial condition and results of operations.

China is a major producer of solar cells and other solar products. Certain solar cells, modules, laminates and panels from China are subject to various U.S. antidumping and countervailing duty rates, depending on the exporter supplying the product, imposed by the U.S. government as a result of determinations that the U.S. was materially injured as a result of such imports being sold at less than fair value and subsidized by the Chinese government. While historically our dealers have purchased a number of these products from manufacturers in China, currently such purchases are immaterial and sourced from manufacturers in other jurisdictions. If these alternative sources are no longer available on competitive terms in the future, we and our dealers may seek to purchase these products from manufacturers in China. In addition, tariffs on solar cells, modules and inverters in China may put upwards pressure on prices of these products in other jurisdictions from which our dealers currently purchase equipment, which could reduce our ability to offer competitive pricing to potential customers.

The antidumping and countervailing duties discussed above are subject to annual review and may be increased or decreased. Furthermore, under Section 301 of the Trade Act of 1974, the U.S. Trade Representative imposed tariffs on $200 billion worth of imports from China, including inverters and certain AC modules and non-lithium-ion batteries, effective September 24, 2018. In May 2019, the tariffs were increased from 10% to 25% and may be raised by the U.S. Trade Representative in the future. Since these tariffs impact the purchase price of the solar products, these tariffs raise the cost associated with purchasing these solar products from China and reduce the competitive pressure on providers of solar cells not subject to these tariffs.

In addition, in January 2018, the President of the U.S. announced, effective February 7, 2018, the imposition of a global 30% ad valorem tariff, with certain qualifications and exceptions, on certain imported solar cells and modules, which steps down by five percentage points each year and then phases out in 2022. Since such actions increase the cost of imported solar products, to the extent we or our dealers use imported solar products or domestic producers are able to raise their prices for their solar products, the overall cost of the solar energy systems will increase, which could reduce our ability to offer competitive pricing in certain markets.

We cannot predict what additional actions the U.S. may adopt with respect to tariffs or other trade regulations or what actions may be taken by other countries in retaliation for such measures. If additional measures are imposed or other negotiated outcomes occur, our ability or the ability of our dealers to purchase these products on competitive terms or to access specialized technologies from other countries could be further limited, which could adversely affect our business, financial condition and results of operations.

Warranties provided by the manufacturers of equipment for our assets and maintenance obligations of our dealers may be limited by the ability of a supplier and/or dealer to satisfy its warranty or performance obligations or by the expiration of applicable time or liability limits, which could reduce or void the warranty protections or may be limited in scope or magnitude of liabilities and thus, the warranties and maintenance obligations may be inadequate to protect us.

We agree to maintain the solar energy systems and energy storage systems installed on our customers' homes during the length of the term of our solar service agreements, which is typically 10, 15 or 25 years. We are exposed to any liabilities arising from the solar energy systems' failure to operate properly and are generally under an obligation to ensure each solar energy system remains in good condition during the term of the agreement. We are the beneficiary of the panel manufacturers' warranty coverage, typically of 10 years for material and workmanship and 25 years for performance, the inverter manufacturers' warranty coverage, typically from 10 to 25 years and the energy storage manufacturers' warranty coverage, typically of 10 years. Furthermore, our dealers provide warranties as to their workmanship. In the event that such warranty providers or dealers file for bankruptcy, cease operations or otherwise become unable or unwilling to fulfill their warranty or maintenance obligations, we may not be adequately protected by such warranties or maintenance obligations. Even if such warranty or maintenance providers or dealers fulfill their obligations, the warranty or maintenance obligations may not be sufficient to protect us against all of our losses. In addition, our warranties are of limited duration, ranging from one year, in the case of certain solar energy system and transformer warranties, to 25 years, in the case of certain panel performance warranties, after the date each equipment item is delivered or commissioned, although the useful life of our solar energy systems is 35 years. These warranties are subject to liability and other limits. If we seek warranty protection and a warranty provider is unable or unwilling to perform its warranty obligations, or if a dealer is unable or unwilling to perform its maintenance obligations, whether as a result of its financial condition or otherwise, or if the term of the warranty or maintenance obligation has expired or a liability limit has been reached, there may be a reduction or loss of protection for the affected assets, which could have a material adverse effect on our business, financial condition and results of operations.

Our failure to accurately predict future liabilities related to material quality or performance expenses could result in unexpected volatility in our financial condition. Because of the long estimated useful life of our solar energy systems, we have been required to make assumptions and apply judgments regarding a number of factors, including our anticipated rate of warranty claims and the durability, performance and reliability of our solar energy systems. We made these assumptions based on the historic performance of similar solar energy systems or on accelerated life cycle testing. Our assumptions could prove to be materially different from the actual performance of our solar energy systems, causing us to incur substantial expense to repair or replace defective solar energy systems in the future or to compensate customers for solar energy systems that do not meet their performance guarantees. Equipment defects, serial defects or operational deficiencies also would reduce our revenue from solar service agreements because the customer payments under such agreements are dependent on solar energy system production or would require us to make refunds under performance guarantees. Any widespread product failures or operating deficiencies may damage our market reputation and adversely impact our financial results. For further discussion of these potential charges and related proposals, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Components of Results of Operations*".

Our operating results and our ability to grow may fluctuate from quarter to quarter and year to year, which could make our future performance difficult to predict and could cause our operating results for a particular period to fall below expectations.

Our quarterly and annual operating results and our ability to grow are difficult to predict and may fluctuate significantly in the future. We have experienced seasonal and quarterly fluctuations in the past and expect to experience such fluctuations in the

future. In addition to the other risks described in this "*Risk Factors*" section, the following factors could cause our operating results to fluctuate:

- expiration or initiation of any governmental rebates or incentives;
- significant fluctuations in customer demand for our solar energy services, solar energy systems and energy storage systems;
- our dealers' ability to complete installations in a timely manner;
- our and our dealers' ability to gain interconnection permission for an installed solar energy system from the relevant utility;
- the availability, terms and costs of suitable financing;
- the amount, timing of sales and potential decreases in value of SRECs;
- our ability to continue to expand our operations and the amount and timing of expenditures related to this expansion;
- announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures or capital-raising activities or commitments;
- changes in our pricing policies or terms or those of our competitors, including centralized electric utilities;
- actual or anticipated developments in our competitors' businesses, technology or the competitive landscape; and
- natural disasters or other weather or meteorological conditions.

For these or other reasons, the results of any prior quarterly or annual periods should not be relied upon as indications of our future performance.

If we are unable to make acquisitions on economically acceptable terms, our future growth would be limited, and any acquisitions we may make may reduce, rather than increase, our cash flows.

We may make acquisitions of solar energy systems, energy storage systems and related businesses and joint ventures. The consummation and timing of any future acquisitions will depend upon, among other things, whether we are able to:

- identify attractive acquisition candidates;
- negotiate acceptable purchase agreements;
- obtain any required governmental or third party consents;
- obtain financing for these acquisitions on economically acceptable terms, which may be more difficult at times when the capital markets are less accessible; and
- outbid any competing bidders.

Additionally, any acquisition involves potential risks, including, among other things:

- mistaken assumptions about assets, revenues and costs of the acquired company, including synergies and potential growth;
- an inability to secure adequate customer commitments to use the acquired systems or facilities;
- an inability to successfully integrate the assets or businesses we acquire;
- coordinating geographically disparate organizations, systems and facilities;
- the assumption of unknown liabilities for which we are not indemnified or for which our indemnity is inadequate;
- mistaken assumptions about the acquired company's suppliers or dealers or other vendors;
- the diversion of management's and employees' attention from other business concerns;
- unforeseen difficulties operating in new geographic areas and business lines;
- customer or key employee losses at the acquired business; and
- poor quality assets or installation.

If we consummate any future acquisitions, our capitalization, results of operations and future growth may change significantly and our stockholders will not have the opportunity to evaluate the economic, financial and other relevant information we will consider in deciding to engage in these future acquisitions, which may not improve our results of operations or cash flow to the extent we projected.

The solar energy systems we own or may originate have a limited operating history and may not perform as we expect.

Many of the solar energy systems we currently own or may originate in the future have not commenced operations, have recently commenced operations or otherwise have a limited operating history. Of the solar energy systems we owned as of December 31, 2020, 24%, 15% and 12% were placed into service in 2020, 2019 and 2018, respectively. The ability of our solar energy systems to perform as we expect will also be subject to risks inherent in newly constructed renewable energy assets,

including breakdowns and outages, latent defects, equipment that performs below our expectations, system failures and outages. As a result, our assumptions and estimates regarding the performance of these solar energy systems are, and will be, made without the benefit of a meaningful operating history, which may impair our ability to accurately assess the potential profitability of the solar energy systems and, in turn, our results of operations, financial condition and cash flows.

The cost of maintenance or repair of solar energy systems or energy storage systems throughout the term of the associated solar service agreement or the removal of solar energy systems at the end of the term of the associated solar service agreement may be higher than projected today and adversely affect our financial performance and valuation.

If we incur repair and maintenance costs on our solar energy systems or energy storage systems after the individual component warranties have expired and if they then fail or malfunction, we will be liable for the expense of repairing these solar energy systems or energy storage systems without a chance of recovery from our suppliers. In addition, we typically bear the cost of removing the solar energy systems at the end of the term of the lease or PPA if the customer does not renew his or her agreement or elect to purchase the solar energy system at the end of its term. Furthermore, it is difficult to predict how future environmental regulations may affect the costs associated with the repair, removal, disposal or recycling of our solar energy systems. This could materially impair our future operating results.

Problems with performance of our solar energy systems may cause us to incur expenses, may lower the value of our solar energy systems and may damage our market reputation and adversely affect our business.

Our long-term leases and loan agreements contain a performance guarantee in favor of the customer. Solar service agreements with performance guarantees require us to provide a bill credit (or in limited cases, refund money) to the customer if the solar energy system fails to generate the minimum amount of electricity, as specified in the solar service agreement, in a given term, beginning with the first three year period after execution of the solar service agreement and annually thereafter. We may also suffer financial losses associated with such credit and refunds if significant performance guarantee payments are triggered. For a description of our performance guarantee obligations, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Components of Results of Operations—Revenue*".

We and our dealers are subject to risks associated with installation and other contingencies.

Our dealers design and install solar energy systems and energy storage systems on our behalf. Because the solar service agreement is entered into between us and the customer, we may be liable to our customers for any damage our dealers cause to our customers' homes, belongings or property during the installation of our solar energy systems and energy storage systems or otherwise.

For example, dealers may penetrate our customers' roofs during the installation process and we may incur liability for the failure to adequately weatherproof such penetrations following the completion of installation of solar energy systems. In addition, because our solar energy systems and energy storage systems are high-voltage energy systems, we may incur liability for a dealer's failure to comply with electrical standards and manufacturer recommendations. Furthermore, prior to obtaining permission to operate our solar energy systems and energy storage systems, the solar energy systems and energy storage systems must pass various inspections. Any delay in passing, or inability to pass, such inspections, would adversely affect our results of operations. Because our profit on a particular solar service agreement and related solar energy system and energy storage system, if applicable, is based in part on assumptions as to the ongoing cost of the related solar energy system and energy storage system, if applicable, cost overruns, delays or other execution issues may cause us to not achieve our expected results or cover our costs for that solar service agreement and related solar energy system and energy storage systems, if applicable.

Product liability claims against us or accidents could result in adverse publicity and potentially significant monetary damages.

It is possible our solar energy systems or energy storage systems could injure our customers or other third parties or our solar energy systems or energy storage systems could cause property damage as a result of product malfunctions, defects, improper installation, fire or other causes. Any product liability claim we face could be expensive to defend and may divert management's attention. The successful assertion of product liability claims against us could result in potentially significant monetary damages, potential increases in insurance expenses, penalties or fines, subject us to adverse publicity, damage our reputation and competitive position and adversely affect sales of solar energy systems or energy storage systems. In addition, product liability claims, injuries, defects or other problems experienced by other companies in the residential solar industry could lead to unfavorable market conditions to the industry as a whole and may have an adverse effect on our ability to expand

our portfolio of solar service agreements and related solar energy systems and energy storage systems, thus affecting our business, financial condition and results of operations.

Inflation could result in decreased value from future contractual payments and higher expenses for labor and equipment, which, in turn, could adversely impact our reputation, business, financial condition, cash flows and results of operations.

Any future increase in inflation may adversely affect our costs, including our dealers' cost of labor and equipment, and may result in a decrease in value in our future contractual payments. Many of our solar service agreements, which generally have a term of 10, 15 or 25 years, do not contain any pricing escalators. The pricing escalators we do have may not keep pace with inflation, which would result in the agreement yielding decreased value over time. These factors could adversely impact our reputation, business, financial condition, cash flows and results of operations.

We are not able to insure against all potential risks and we may become subject to higher insurance premiums.

We are exposed to numerous risks inherent in the operation of solar energy systems and energy storage systems, including equipment failure, manufacturing defects, natural disasters such as hurricanes, fires and earthquakes, terrorist attacks, sabotage, vandalism and environmental risks. Furthermore, components of our solar energy systems and energy storage systems, such as panels, inverters and batteries, could be damaged by severe weather, such as tsunamis, hurricanes, tornadoes, hailstorms or lightning. If our solar energy systems or energy storage systems are damaged in the event of a natural disaster beyond our control, losses could be outside the scope of insurance policies or exceed insurance policy limits and we could incur unforeseen costs that could harm our business and financial condition. We may also incur significant additional costs in taking actions in preparation for, or in reaction to, such events.

Our insurance policies also cover legal and contractual liabilities arising out of bodily injury, personal injury or property damage to third parties and are subject to policy limits. We also maintain coverage for physical damage to our solar energy assets.

However, such policies do not cover all potential losses and coverage is not always available in the insurance market on commercially reasonable terms. In addition, we may have disagreements with our insurers on the amount of our recoverable damages and the insurance proceeds received for any loss of, or any damage to, any of our assets may be claimed by lenders under our financing arrangements or otherwise may not be sufficient to restore the loss or damage without a negative impact on our results of operations. Furthermore, the receipt of insurance proceeds may be delayed, requiring us to use cash or incur financing costs in the interim. To the extent we experience covered losses under our insurance policies, the limit of our coverage for potential losses may be decreased or the insurance rates we have to pay increased. Furthermore, the losses insured through commercial insurance are subject to the credit risk of those insurance companies. While we believe our commercial insurance providers are currently creditworthy, we cannot assure you such insurance companies will remain so in the future.

We may not be able to maintain or obtain insurance of the type and amount we desire at reasonable rates. The insurance coverage we do obtain may contain large deductibles or fail to cover certain risks or all potential losses. In addition, our insurance policies are subject to annual review by our insurers and may not be renewed on similar or favorable terms, including coverage, deductibles or premiums, or at all. If a significant accident or event occurs for which we are not fully insured or we suffer losses due to one or more of our insurance carriers defaulting on their obligations or contesting their coverage obligations, it could have a material adverse effect on our business, financial condition and results of operations.

We typically bear the risk of loss and the cost of maintenance, repair and removal on solar energy systems that are owned by our subsidiaries and included in securitization and tax equity vehicles.

We typically bear the risk of loss and are generally obligated to cover the cost of maintenance, repair and removal for any solar energy system we sell to subsidiaries and include in securitization and tax equity vehicles. At the time we enter into a tax equity or securitization transaction, we enter into a maintenance services agreement where we agree to operate and maintain the solar energy system for a fixed fee calculated to cover our future expected maintenance costs. If our solar energy systems require an above-average amount of repairs or if the cost of repairing the solar energy systems were higher than our estimate, we would need to perform such repairs without additional compensation. If our solar energy systems are damaged as the result of a natural disaster beyond our control, losses could exceed or be excluded from our insurance policy limits and we could incur unforeseen costs that could harm our business and financial condition. We may also incur significant costs for taking other actions in preparation for, or in reaction to, such events. We purchase property insurance with industry standard coverage and limits approved by an investor's third-party insurance advisors to hedge against such risk, but such coverage may not cover our losses.

Certain of our solar energy systems are located in, and we conduct business in, Puerto Rico and weakness in the fiscal health of the government and PREPA, the damage caused by Hurricane Maria in September 2017, a series of earthquakes that affected the island in December 2019 and early 2020 and potential tax increases that may increase our cost of conducting business in Puerto Rico, create uncertainty that may adversely impact us. In addition, we are subject to administrative proceedings instituted by the Puerto Rico Energy Bureau.

Puerto Rico is a significant market for our business, representing 15% and 12% of our solar energy systems as of December 31, 2020 and 2019, respectively, and has suffered from significant economic difficulties in recent years. As a result of the continued weakness of the Puerto Rico economy, liquidity constraints and a lack of market access, the credit ratings of the Puerto Rico government's general obligation bonds and guaranteed bonds, as well as the ratings of most of the Puerto Rico public corporations, including PREPA, are non-investment grade by Moody's, S&P and Fitch Ratings.

Puerto Rico has also enacted certain measures that could increase the cost of solar energy systems. In 2015, the Puerto Rico government increased the sales and use tax from 7% to 11.5%. Although leases are currently exempt from such sales and use tax pursuant to Act No. 83-2010, the increase in sales tax is applicable to repair and maintenance services. Additionally, in October 2015, Puerto Rico enacted a 4% sales tax to previously exempt business-to-business transactions. Should our current exemption expire or additional taxes be imposed, the tax increase may impose greater costs on our future and current customers, which may hinder our future origination efforts and adversely impact our business, financial condition, results of operations and future growth. Future changes in Puerto Rico tax law could affect our tax position and adversely impact our business.

Although Puerto Rico had already suffered from economic difficulties in recent years, Hurricanes Irma and Maria in 2017, catastrophic weather events whose effects have been long enduring, earthquakes in the southwest of the island beginning in 2019 and continuing through 2020 and the COVID-19 pandemic have caused significant additional disruption to the island's electric grid and economic activity. The continued weakness of the Puerto Rico economy has strained the fiscal health of the government, which may create uncertainty that may adversely impact us. Furthermore, the future financial condition and prospects of PREPA are uncertain, which could negatively impact the availability and the reliability of Puerto Rico's electrical grid and adversely impact our operations on the island.

In 2018, the government of Puerto Rico enacted legislation that set in motion the privatization of PREPA. Said legislation governs the establishment of public-private partnerships ("P3") with respect to the concession for the distribution and transmission assets, services and facilities of PREPA, including its generation assets. In the summer of 2020, the government of Puerto Rico signed a 15-year P3 agreement with LUMA Energy, LLC to operate, maintain and modernize PREPA's electric transmission and distribution system. Moreover, in November 2020, the government announced that several companies had been qualified as part of the procurement process related to the Request for Qualifications for the management and operation of PREPA's legacy generation assets. The Request for Proposals is currently underway but the awardee has not been announced.

Legislation enacted in April 2019 requires a study of net metering to be completed within five years, which may result in revisions to the existing rules. However, no changes can be made to retail net metering for five years after the date the legislation was enacted. Meanwhile, "true" net metering will continue to apply, meaning the credit for energy exported by net metering clients will equal the value of such energy under the rate applicable to those clients and accordingly, their charges will be based on their net consumption. Customers subject to this regime would be grandfathered for a period of 20 years from the date of their net metering agreements.

Net metering customers in Puerto Rico may be impacted by transition charges and other requirements contemplated in a restructuring agreement between PREPA and its creditors, currently pending before the U.S. District Court for the District of Puerto Rico in bankruptcy-like proceedings under Title III of the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA"). PROMESA provides PREPA with access to a workout process similar to bankruptcy. In response to the effects of the COVID-19 pandemic, however, the approval of the restructuring agreement has been stayed, and the government announced in December 2020 that it continues to conduct diligence to determine whether, among other things, the terms of the restructuring agreement should be renegotiated and the parameters for doing so.

While we do not currently contract directly with the Puerto Rico government or PREPA, continued weakness in the Puerto Rico economy or the failure of the Puerto Rico government to manage its fiscal challenges in an orderly manner could result in policy decisions we do not anticipate and may directly or indirectly adversely impact our business, financial condition and results of operations. In addition, it is unclear whether the selection of private concessionaires for PREPA's transmission and distribution system and legacy generation assets may have an impact on our business.

The Puerto Rico Energy Bureau has instituted administrative proceedings regarding customer complaints about our Puerto Rican operations, the operations of some of our dealers in Puerto Rico and certain Sunnova policies and procedures relating to contract disclosures and invoice disputes in Puerto Rico. At this time, we are unable to determine whether the Puerto Rico Energy Bureau will seek penalties against us in the future in connection with these proceedings or require a change in our practices and procedures. Based on this matter, the U.S. Better Business Bureau listed Sunnova as not accredited. We have not experienced a material impact as a result of the listing.

Our business is concentrated in certain markets, putting us at risk of region-specific disruptions.

As of December 31, 2020, approximately 22%, 24% and 15% of our solar energy systems were located in New Jersey, California and Puerto Rico, respectively. In addition, we expect much of our near-term future growth to occur in these same markets, further concentrating our customer base and operational infrastructure. Accordingly, our business and results of operations are particularly susceptible to adverse economic, regulatory, political, weather and other conditions in such markets and in other markets that may become similarly concentrated. See "*—We are not able to insure against all potential risks and we may become subject to higher insurance premiums*" and "*—Certain of our solar energy systems are located in, and we conduct business in, Puerto Rico and weakness in the fiscal health of the government and PREPA, the damage caused by Hurricane Maria in September 2017, a series of earthquakes that affected the island in December 2019 and early 2020 and potential tax increases that may increase our cost of conducting business in Puerto Rico, create uncertainty that may adversely impact us. In addition, we are subject to administrative proceedings instituted by the Puerto Rico Energy Bureau*". Any of these conditions, even if only in one such market, could have a material adverse effect on our business, financial condition and results of operations. In addition, all of our current solar energy systems are located in the U.S. and its territories, which makes us particularly susceptible to adverse changes in U.S. tax laws. See "*—Risks Related to Taxation—Recent tax legislation and future changes in law could adversely affect our business*".

Dealer and marketplace confidence in our liquidity and long-term business prospects is important for building and maintaining our business.

Our financial condition, operating results and business prospects may suffer materially if we are unable to establish and maintain confidence about our liquidity and business prospects among dealers, consumers and within our industry. Our dealer network is an integral component of our business strategy and serves as the means by which we are able to rapidly and successfully expand within existing and prospective markets. Dealers and other third parties will be less likely to enter into dealer agreements with us or originate new solar service agreements if they are uncertain we will be able to make payments on time, our business will succeed or our operations will continue for many years.

Our solar energy systems and energy storage systems require ongoing maintenance and support. If we were to reduce operations, even years from now, buyers of our solar energy systems and energy storage systems from years earlier might have difficulty having us provide or arrange repairs or other services to our and their solar energy systems and energy storage systems, which remain our responsibility under the terms of our solar service agreements. As a result, consumers may be less likely to enter into solar service agreements with us if they are uncertain our business will succeed or our operations will continue for many years.

Accordingly, in order to build and maintain our business, we must maintain confidence among dealers, customers and other parties in our liquidity and long-term business prospects. We may not succeed in our efforts to build this confidence.

Damage to our brand and reputation or change or loss of use of our brand could harm our business and results of operations.

We depend significantly on our reputation for high-quality products, excellent customer service and the brand name "Sunnova" to attract new customers and grow our business. If we fail to continue to deliver our solar energy systems or energy storage systems within the planned timelines, if our offerings do not perform as anticipated or if we damage any of our customers' properties or delay or cancel projects, our brand and reputation could be significantly impaired. Future technological improvements may allow us to offer lower prices or offer new technology to new customers; however, technical limitations in our current solar energy systems and energy storage systems may prevent us from offering such lower prices or new technology to our existing customers. The inability of our current customers to benefit from technological improvements could cause our existing customers to lower the value they perceive our existing products offer and impair our brand and reputation.

In addition, given the sheer number of interactions our personnel or dealers operating on our behalf have with customers and potential customers, it is inevitable that some customers' and potential customers' interactions with our company or dealers operating on our behalf will be perceived as less than satisfactory. This has led to instances of customer complaints, some of

which have affected our digital footprint on rating websites and social media platforms. If we cannot manage our hiring and training processes to avoid or minimize these issues to the extent possible, our reputation may be harmed and our ability to attract new customers would suffer.

In addition, if we were to no longer use, lose the right to continue to use or if others use the "Sunnova" brand, we could lose recognition in the marketplace among customers, suppliers and dealers, which could affect our business, financial condition, results of operations and would require financial and other investment and management attention in new branding, which may not be as successful.

The installation and operation of solar energy systems and energy storage systems depends heavily on suitable solar and meteorological conditions. If meteorological conditions are unexpectedly unfavorable, the electricity production from our solar energy systems may be substantially below our expectations and our ability to timely deploy new solar energy systems and energy storage systems may be adversely impacted.

The energy produced and the revenue and cash receipts generated by a solar energy system depend on suitable solar, atmospheric and weather conditions, all of which are beyond our control. Our economic model and projected returns on our solar energy systems require achievement of certain production results from our systems and, in some cases, we guarantee these results to our consumers. If the solar energy systems underperform for any reason, our business could suffer. For example, the amount of revenue we recognize in a given period from our PPAs and the amount of our obligations under the performance guarantees of our solar service agreements are dependent in part on the amount of energy generated by solar energy systems under such solar service agreements. As a result, revenue derived from our standard PPAs is impacted by seasonally shorter daylight hours in winter months. In addition, the ability of our dealers to install solar energy systems and energy storage systems is impacted by weather. For example, the ability to install solar energy systems and energy storage systems during the winter months in the Northeastern U.S. is limited. Such solar, atmospheric and weather conditions can delay the timing of when solar energy systems and energy storage systems can be installed and when we can originate and begin to generate revenue from solar energy systems. This may increase our expenses and decrease revenue and cash receipts in the relevant periods. Furthermore, prevailing weather patterns could materially change in the future, making it harder to predict the average annual amount of sunlight striking each location where we install a solar energy system and energy storage system. This could make our solar energy systems less economical overall or make individual solar energy systems less economical. Any of these events or conditions could harm our business, financial condition and results of operations.

The loss of one or more members of our senior management or key employees may adversely affect our ability to implement our strategy.

We depend on our experienced management team and the loss of one or more key executives could have a negative impact on our business. In particular, we are dependent on the services of our founder and CEO, William J. Berger. We also depend on our ability to retain and motivate key employees and attract qualified new employees. None of our key executives are bound by employment agreements for any specific term. We may be unable to replace key members of our management team and key employees if we lose their services. Integrating new employees into our team could prove disruptive to our operations, require substantial resources and management attention and ultimately prove unsuccessful. An inability to attract and retain sufficient managerial personnel who have critical industry experience and relationships could limit or delay our strategic efforts, which could have a material adverse effect on our business, financial condition and results of operations.

The requirements of being a public company may strain our resources, divert management's attention and affect our ability to attract and retain qualified board members and officers.

As a public company, we are subject to the reporting requirements of the Exchange Act, the listing requirements of the New York Stock Exchange ("NYSE") and other applicable securities rules and regulations. Complying with these rules and regulations has increased and will continue to increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources. The Exchange Act requires, among other things, that we file annual, quarterly and current reports with respect to our business and operating results and maintain effective disclosure controls and procedures and internal control over financial reporting. To maintain and, if required, improve our disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required. As a result, management's attention may be diverted from other business concerns that could harm our business and operating results. Although we have already hired additional employees to comply with these requirements, we may need to hire more employees in the future that will increase our costs and expenses.

As a public company, our director and officer liability insurance expense increased significantly and we may be required to accept reduced coverage or incur substantially higher costs to maintain coverage. These factors could also make it more

difficult for us to attract and retain qualified executive officers and members of our Board, particularly to serve on our audit committee.

Our inability to protect our intellectual property could adversely affect our business. We may also be subject to intellectual property rights claims by third parties, which are extremely costly to defend, could require us to pay significant damages and could limit our ability to use certain technologies.

Any failure to protect our proprietary rights adequately could result in our competitors offering similar residential solar technology or energy storage services more quickly than anticipated, potentially resulting in the loss of some of our competitive advantage and a decrease in our revenue that would adversely affect our business prospects, financial condition and operating results. Our success depends, at least in part, on our ability to protect our core technology and intellectual property. We rely on intellectual property laws, primarily a combination of copyright and trade secret laws in the U.S., as well as license agreements and other contractual provisions, to protect our proprietary technology and brand. We cannot be certain our agreements and other contractual provisions will not be breached, including a breach involving the use or disclosure of our trade secrets or know-how, or that adequate remedies will be available in the event of any breach. In addition, our trade secrets may otherwise become known or lose trade secret protection.

We cannot be certain our products and our business do not or will not violate the intellectual property rights of a third party. Third parties, including our competitors, may own patents or other intellectual property rights that cover aspects of our technology or business methods. Such parties may claim we have misappropriated, misused, violated or infringed third-party intellectual property rights and if we gain greater recognition in the market, we face a higher risk of being the subject of claims we have violated others' intellectual property rights. Any claim we violated a third party's intellectual property rights, whether with or without merit, could be time-consuming, expensive to settle or litigate and could divert our management's attention and other resources, all of which could adversely affect our business, results of operations, financial condition and cash flows. If we do not successfully settle or defend an intellectual property claim, we could be liable for significant monetary damages and could be prohibited from continuing to use certain technology, business methods, content or brands. To avoid a prohibition, we could seek a license from third parties, which could require us to pay significant royalties, increasing our operating expenses. If a license is not available at all or not available on commercially reasonable terms, we may be required to develop or license a non-violating alternative, either of which could adversely affect our business, results of operations, financial condition and cash flows.

We currently use or plan to use software that is licensed under "open source", "free" or other similar licenses that may subject us to liability or require us to release the source code of our proprietary software to the public.

We currently use open source software that is licensed under "open source", "free" or other similar licenses. Open source software is made available to the general public on an "as-is" basis under the terms of a non-negotiable license. If we fail to comply with these licenses, we may be subject to certain conditions, including requirements that we offer our services that incorporate the open source software for no cost, we make available source code for modifications or derivative works we create based upon incorporating or using the open source software and we license such modifications or alterations under the terms of the particular open source license. We do not plan to integrate our proprietary software with this open source software in ways that would require the release of the source code of our proprietary software to the public. However, our use and distribution of open source software may entail greater risks than use of third-party commercial software. Our authorized developers may contribute to this open source software community but they will be prohibited from providing any proprietary process or proprietarily developed source code of ours. Open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. In addition, if we combine our proprietary software with open source software in a certain manner, we could, under certain open source licenses, be required to release the source code of our proprietary software to the public. This would allow our competitors to create similar offerings with lower development effort and time. We may also face claims alleging noncompliance with open source license terms or infringement or misappropriation of proprietary software.

These claims could result in litigation, require us to purchase a costly license or require us to devote additional research and development resources to change our software, any of which would have a negative effect on our business and operating results. In addition, if the license terms for open source software that we use change, we may be forced to re-engineer our technology platform or incur additional costs.

Although we monitor our use of open source software to avoid subjecting our technology platform to unintended conditions, few courts have interpreted open source licenses and there is a risk these licenses could be construed in a way that could impose unanticipated conditions or restrictions on our business. We cannot guarantee we have incorporated open source

software in our software in a manner that will not subject us to liability or in a manner consistent with our current policies and procedures.

We may be subject to interruptions or failures in our information technology systems.

We rely on information technology systems and infrastructure to support our business. Any of these systems may be susceptible to damage or interruption due to fire, floods, power loss, telecommunication failures, usage errors by employees, computer viruses, cyberattacks or other security breaches or similar events. A compromise of our information technology systems or those with which we interact could harm our reputation and expose us to regulatory actions and claims from customers and other persons, any of which could adversely affect our business, financial condition, cash flows and results of operations. If our information systems are damaged, fail to work properly or otherwise become unavailable, we may incur substantial costs to repair or replace them and we may experience a loss of critical information, customer disruption and interruptions or delays in our ability to perform essential functions.

Disruptions to our solar monitoring systems could negatively impact our revenues and increase our expenses.

Our ability to accurately charge our customers for the energy produced by our solar energy systems primarily depends on the cellular connection for the related monitoring system, which we are responsible for maintaining in a functional state so that we may receive data regarding the solar energy systems' production from their residences. We could incur significant expenses or disruptions of our operations in connection with failures of our solar monitoring systems, including failures of such connections, that would prevent us from accurately monitoring solar energy production. In addition, sophisticated hardware and operating system software and applications we procure from third parties may contain defects in design or manufacture, including "bugs" and other problems that could unexpectedly interfere with the operation of our solar energy systems or energy storage systems. The costs to us to eliminate or alleviate viruses and bugs, or any problems associated with failures of our cellular connections could be significant. We have in the past experienced periods where some of our cellular connections have been unavailable and, as a result, we have been forced to estimate the production of their solar energy systems. Such estimates may prove inaccurate and could cause us to underestimate the power being generated by our solar energy systems and undercharge our customers, thereby harming our results of operations.

Any unauthorized access to or disclosure or theft of personal information we gather, store or use could harm our reputation and subject us to claims or litigation.

We receive, store and use personal information of our customers, including names, addresses, e-mail addresses, credit information, credit card and financial account information and other housing and energy use information. We also store information of our dealers, including employee, financial and operational information. We rely on the availability of data collected from our customers and our dealers in order to manage our business and market our offerings. We take certain steps in an effort to protect the security, integrity and confidentiality of the personal information we collect, store or transmit, but there is no guarantee inadvertent or unauthorized use or disclosure will not occur or third parties will not gain unauthorized access to this information despite our efforts. We also rely on third-party suppliers or vendors to host certain of the systems we use. Although we take precautions to provide for disaster recovery, our ability to recover systems or data may be expensive and may interfere with our normal operations. Also, although we obtain assurances from such third parties they will use reasonable safeguards to secure their systems, we may be adversely affected by unavailability of their systems or unauthorized use or disclosure or our data maintained in such systems. Because techniques used to obtain unauthorized access or sabotage systems change frequently and generally are not identified until they are launched against a target, we, our suppliers or vendors and our dealers may be unable to anticipate these techniques or to implement adequate preventative or mitigation measures.

Cyberattacks in particular are becoming more sophisticated and include, but are not limited to, malicious software, attempts to gain unauthorized access to data and other electronic security breaches that could lead to disruptions in critical systems, disruption of our customers' operations, loss or damage to our data delivery systems, unauthorized release of confidential or otherwise protected information, corruption of data and increased costs to prevent, respond to or mitigate cybersecurity events. In addition, certain cyber incidents, such as advanced persistent threats, may remain undetected for an extended period.

Unauthorized use, disclosure of or access to any personal information maintained by us or on our behalf, whether through breach of our systems, breach of the systems of our suppliers, vendors or dealers by an unauthorized party or through employee or contractor error, theft or misuse or otherwise, could harm our business. If any such unauthorized use, disclosure of or access to such personal information were to occur, our operations could be seriously disrupted and we could be subject to demands, claims and litigation by private parties and investigations, related actions and penalties by regulatory authorities.

In addition, we could incur significant costs in notifying affected persons and entities and otherwise complying with the multitude of federal, state and local laws and regulations relating to the unauthorized access to, use of or disclosure of personal information. Finally, any perceived or actual unauthorized access to, use of or disclosure of such information could harm our reputation, substantially impair our ability to expand our portfolio of solar service agreements and related solar energy systems and energy storage systems and have an adverse impact on our business, financial condition and results of operations. The COVID-19 pandemic generally is increasing the attack surface available to criminals, as more companies and individuals work remotely and otherwise work online. Consequently, the risk of a cybersecurity incident suffered by us or our vendors or service providers is increased, and our investment in risk mitigations against cybersecurity incidents is evolving as the threat landscape changes. While we currently maintain cybersecurity insurance, such insurance may not be sufficient to cover us against claims, and we cannot be certain that cyber insurance will continue to be available to us on economically reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim.

Our business is subject to complex and evolving data protection laws. Many of these laws and regulations are subject to change and uncertain interpretation and could result in claims, increased cost of operations or otherwise harm our business.

Consumer personal privacy and data security have become significant issues and the subject of rapidly evolving regulation in the U.S. Furthermore, federal, state and local government bodies or agencies have in the past adopted, and may in the future adopt, more laws and regulations affecting data privacy. For example, the state of California enacted the California Consumer Privacy Act of 2018 ("CCPA") and California voters recently approved the California Privacy Rights Act ("CPRA"). The CCPA creates individual privacy rights for consumers and places increased privacy and security obligations on entities handling the personal data of consumers or households. The CCPA went into effect on January 1, 2020 and it requires covered companies to provide new disclosures to California consumers, provides such consumers, business-to-business contacts and employees new ways to opt-out of certain sales of personal information, and allows for a new private right of action for data breaches. The CPRA modifies the CCPA and imposes additional data protection obligations on companies doing business in California, including additional consumer rights processes and opt outs for certain uses of sensitive data. While the CPRA will not take full effect until January 2023, it establishes a new California privacy regulator before that date. The CCPA and the CPRA may significantly impact our business activities and require substantial compliance costs that adversely affect our business, operating results, prospects and financial condition. To date, we have not experienced substantial compliance costs in connection with fulfilling the requirements under the CCPA or CPRA. However, we cannot be certain that compliance costs will not increase in the future with respect to the CCPA and CPRA or any other recently passed consumer privacy regulation.

Any inability to adequately address privacy and security concerns, even if unfounded, or comply with applicable privacy and data security laws, regulations and policies, could result in additional cost and liability to us, damage our reputation, inhibit sales and adversely affect our business. Furthermore, the costs of compliance with, and other burdens imposed by, the laws, regulations and policies that are applicable to our business may limit the use and adoption of, and reduce the overall demand for, our solutions. If we are not able to adjust to changing laws, regulations and standards related to privacy or security, our business may be harmed.

We may become involved in the future in legal proceedings that could adversely affect our business.

We may, from time to time, be involved in litigation and claims, such as those relating to employees, customers, our dealers or other third parties with whom we contract, including consumer claims and class action lawsuits. In the ordinary course of business, we have disputes with dealers and customers. In general, litigation claims or regulatory proceedings can be expensive and time consuming to bring or defend against, may result in the diversion of management attention and resources from our business and business goals and could result in injunctions or other equitable relief, settlements, penalties, fines or damages that could significantly affect our results of operations and the conduct of our business. It is impossible to predict with certainty whether any resulting liability would have a material adverse effect on our financial position, results of operations or cash flows.

We intend to expand our operations to include international activities, which will subject us to a number of risks.

Our long-term strategic plans include international expansion, including expansion into jurisdictions that have characteristics similar to those in which we currently operate. Risks inherent to international operations include the following:

- the inability to work successfully with dealers with local expertise to originate international solar service agreements;
- multiple, conflicting and changing laws and regulations, including export and import laws and regulations, economic sanctions laws and regulations, tax laws and regulations, environmental regulations, labor laws and other government requirements, approvals, permits and licenses;

- laws and legal systems less developed or less predictable than those in the U.S.;
- changes in general economic and political conditions in the jurisdictions where we operate, including changes in government incentives relating to power generation and solar electricity;
- political and economic instability, including wars, acts of terrorism, political unrest, boycotts, curtailments of trade and other business restrictions;
- difficulties and costs in recruiting and retaining individuals skilled in international business operations;
- international business practices may conflict with U.S. customs or legal requirements, including anti-bribery and corruption regulations;
- financial risks, such as longer sales and payment cycles and greater difficulty collecting accounts receivable or executing self-help remedies, if necessary;
- deficient or unreliable records relating to real property ownership;
- potentially lower margins due to a lower average income level;
- fluctuations in currency exchange rates relative to the U.S. dollar; and
- the inability to obtain, maintain or enforce intellectual property rights, including inability to apply for or register material trademarks in foreign countries, which could make it easier for competitors to capture increased market position.

Doing business in foreign markets requires us to be able to respond to rapid changes in market, legal and political conditions in these countries. The success of our business will depend, in part, on our ability to succeed in differing legal, regulatory, economic, social and political environments. We may not be able to develop and implement policies and strategies that will be effective in each location where we do business.

Our future operations may subject us to risks associated with currency fluctuations.

Our future international operations may subject us to risks relating to currency fluctuations. Foreign currencies periodically experience rapid and/or large fluctuations in value against the U.S. dollar. A weakened U.S. dollar could increase the cost of procurement of raw materials, by our suppliers, from foreign jurisdictions and operating expenses in foreign locations, which could have a material adverse effect on our business and results of operations. Our planned international expansion further subjects us to currency risk.

Since the price at which we originate solar energy systems from our dealers is generated in U.S. dollars, we are mostly insulated from currency fluctuations. However, since suppliers of our dealers often incur a significant amount of their costs by purchasing raw materials and generating operating expenses in foreign currencies, if the value of the U.S. dollar depreciates significantly or for a prolonged period of time against these other currencies, this may cause those suppliers to raise the prices they charge us and our dealers, which in turn could harm our business and results of operations. Although the value of the U.S. dollar has been high relative to other currencies in recent periods, there is no guarantee this trend will continue.

Our actual financial results may differ materially from any guidance we may publish from time to time.

We may, from time to time, provide guidance regarding our future performance that represents our management's estimates as of the date such guidance is provided. Any such guidance would be based upon a number of assumptions with respect to future business decisions (some of which may change) and estimates, while presented with numerical specificity, are inherently subject to significant business, economic and competitive uncertainties and contingencies (many of which are beyond our control). Guidance is necessarily speculative in nature and it can be expected some or all the assumptions that inform such guidance will not materialize or will vary significantly from actual results. Our ability to meet any forward-looking guidance is impacted by a number of factors including, but not limited to, the number of our solar energy systems sold versus leased, changes in installation costs, the availability of additional financing on acceptable terms, changes in the retail prices of traditional utility-generated electricity, the availability of rebates, tax credits and other incentives, changes in policies and regulations including net metering and interconnection limits or caps, the availability of solar panels, inverters, batteries and other raw materials, as well as the other risks to our business described in this "Risk Factors" section. Accordingly, our guidance is only an estimate of what management believes is realizable as of the date such guidance is provided. Actual results may vary from such guidance and the variations may be material. Investors should also recognize the reliability of any forecasted financial data diminishes the farther into the future the data is forecast. In light of the foregoing, investors should not place undue reliance on our financial guidance and should carefully consider any guidance we may publish in context.

Terrorist or cyberattacks against centralized utilities could adversely affect our business.

Assets owned by utilities such as substations and related infrastructure have been physically attacked in the past and will likely be attacked in the future. These facilities are often protected by limited security measures, such as perimeter fencing. Any

such attacks may result in interruption to electricity flowing on the grid and consequently interrupt service to our solar energy systems not combined with an energy storage system, which could adversely affect our operations. Furthermore, cyberattacks, whether by individuals or nation states, against utility companies could severely disrupt their business operations and result in loss of service to customers, which would adversely affect our operations.

Risks Related to the Acquisition

We may not be successful in completing the Acquisition.

The consummation of the Acquisition is subject to certain conditions, including the receipt of regulatory approval under the Hart-Scott Rodino Antitrust Improvements Act, which may or may not be obtained. If the conditions to the consummation of the transactions contemplated by the Merger Agreement are not satisfied, or if the Merger Agreement is terminated prior to closing, the Acquisition will not be consummated. In addition, the Acquisition is subject to an outside termination date of September 1, 2021. If the Acquisition is not completed by the outside termination date, it will not be consummated except by mutual agreement of Sunnova and Len^{x} to extend the outside date.

We expect to incur significant transaction and acquisition-related costs in connection with the Acquisition.

We expect to incur significant costs associated with the Acquisition and combining our existing operations with those of SunStreet. The substantial majority of the expenses resulting from the Acquisition will be composed of transaction costs related to the Acquisition and business integration costs. Additional unanticipated costs may be incurred in the integration of the two businesses. Although we expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, should allow us to offset incremental transaction and acquisition-related costs over time, this net benefit may not be achieved in the near term, or at all.

The success of the Acquisition and our ability to derive our expected benefits from the Acquisition are subject to substantial risks.

The success of the proposed Acquisition and our ability to derive the expected benefits from the Acquisition involves potential risks, including, among other things:

- the validity of our assumptions and projections about the rate of solar adoption in new home construction and our ability to originate in such communities, revenues of the SunStreet business, anticipated capital expenditures and operating costs of SunStreet;
- our ability to successfully market and sell solar service agreements to existing Lennar Corporation customers;
- assumptions about achieving synergies with our existing business, including the solar service agreement origination process;
- the validity of our assessment of the ongoing maintenance and service requirements and costs of existing solar energy systems for which SunStreet continues to hold the ongoing service obligation;
- a failure to realize anticipated benefits, such as enhanced competitive position within the homebuilding space or new customer relationships through the exclusivity arrangements with Lennar Corporation; and
- the incurrence of other significant charges, such as impairment of goodwill or other intangible assets.

The success of the Acquisition will depend, in part, on our ability to realize the anticipated benefits from combining SunStreet and our business, including operational and other synergies that we believe the post-acquisition company will achieve. The anticipated benefits of the Acquisition may not be realized fully or at all, may take longer to realize than expected or could have other adverse effects that we do not currently foresee. Some of the assumptions we have made, such as the achievement of operating synergies, may not be realized.

The Acquisition is subject to substantial integration risks that could adversely affect our financial condition and results of operations.

Integration of SunStreet with our existing business will be a complex, time-consuming and costly process, and we may not be as successful as anticipated. The Acquisition involves numerous operational, strategic, financial, accounting, legal, tax and other risks. Difficulties in integrating SunStreet, particularly during the COVID-19 pandemic, and our ability to manage SunStreet after the closing of the Acquisition, may result in our performing differently than expected, in operational challenges or in the delay or failure to realize anticipated expense-related efficiencies, and could have an adverse effect on our financial

condition, results of operations or cash flows. Potential difficulties that may be encountered in the integration process include, among other things:

- the inability to successfully integrate SunStreet, operationally and culturally, in a manner that permits us to achieve the full anticipated origination benefits from the Acquisition;
- performance shortfalls as a result of integrating SunStreet's operations, which, if such shortfalls were to result in a loss of exclusivity arrangements with Lennar Corporation, would substantially reduce the benefits of the Acquisition to us;
- failure to obtain any necessary permits or licenses in connection with the operation of the SunStreet business;
- performance shortfalls due to the COVID-19 pandemic and related decline in demand for new home construction or solar energy services in new communities;
- complexities associated with managing a larger, more complex, integrated business, including the potential diversion of our management's attention;
- not realizing anticipated operating synergies;
- potential unknown liabilities and unforeseen expenses, delays or regulatory conditions associated with the Acquisition;
- integrating relationships with customers, dealers, homebuilders, vendors and business partners;
- the disruption of, or the loss of momentum in, each company's ongoing business or inconsistencies in standards, controls, procedures and policies;
- the maintenance of an effective system of internal controls and integrating internal controls, compliance under the Sarbanes-Oxley Act of 2002 and other regulatory compliance and corporate governance matters;
- difficulties integrating new technology systems for financial reporting;
- the inability to hire, train or retrain qualified personnel to manage and operate our growing business and assets; and
- an inability to complete other internal growth projects and/or acquisitions.

If we consummate the Acquisition and if any of these risks or unanticipated liabilities or costs were to materialize, then any desired benefits from the Acquisition may not be fully realized, if at all, and our future results of operations could be negatively impacted.

Our results may suffer if we do not effectively manage our expanded operations following the Acquisition.

Following completion of the Acquisition, the size of our business will increase beyond its current size and the nature of our business operations will shift from retrofitting solar energy systems and entering into solar service agreements with existing homeowners to also originating solar service agreements as an integrated step in the homebuilding process. Our future success will depend, in part, on our ability to manage this expanded business, which poses numerous risks and uncertainties, including the need to integrate SunStreet and their operations into our existing business in an efficient and timely manner, to combine systems and management controls and to integrate relationships with customers, dealers, homebuilders, vendors and business partners. Failure to successfully manage SunStreet may have an adverse effect on our financial condition, results of operations or cash flows.

Risks Related to Regulations

We are not currently regulated as an electric public utility under applicable law but may be subject to regulation as an electric utility in the future.

We are not currently regulated as an electric public utility in the U.S. under applicable national, state or other local regulatory regimes where we conduct business. As a result, we are not currently subject to the various federal, state and local standards, restrictions and regulatory requirements applicable to centralized public utilities. Any federal, state or local regulations that cause us to be treated as an electric utility or to otherwise be subject to a similar regulatory regime of commission-approved operating tariffs, rate limitations and related mandatory provisions, could place significant restrictions on our ability to operate our business and execute our business plan by prohibiting, restricting or otherwise regulating our sale of electricity. If we were subject to the same state or federal regulatory authorities as centralized electric utilities in the U.S. and its territories or if new regulatory bodies were established to oversee our business in the U.S. and its territories or in foreign markets we enter, our operating costs would materially increase or we might have to change our business in ways that could have a material adverse effect on our business, financial condition and results of operations.

While we are not regulated as extensively as an electric public utility, we are subject to certain utility-like regulations in California, New York, Arizona, Nevada, Florida and Puerto Rico. In New York, distributed energy providers are subject to regulation by the New York Public Service Commission (the "NYPSC") with respect to customer interactions (including contracting and marketing) and are required to comply with the NYPSC's Uniform Business Practices. In connection with approving the Uniform Business Practices, the NYPSC also established an oversight framework under which it could impose

other regulatory requirements on distributed energy providers. In Puerto Rico, we are regulated as an electric power company under applicable Puerto Rico Energy Bureau regulations in connection with the sale and invoicing of energy generated by distributed generation systems having an aggregate capacity of more than 1 megawatt. Among other requirements, these regulations impose certain filing, certification, reporting and annual fee requirements upon us but do not currently subject the companies to centralized utility-like regulation or require the Puerto Rico Energy Bureau's approval of their charges. In California, the California Public Utilities Commission ("CPUC") issued an order approving several consumer protection measures for solar customers, including a requirement for solar providers to provide customers with the California Solar Consumer Protection Guide, which provides customers with information regarding the selection of a contractor, solar financing, bill savings estimates, net energy metering and electric rates, low-income options and related matters. The CPUC order also requires the investor-owned utilities in California to adopt procedures to verify during the interconnection process that the customer received the California Solar Consumer Protection Guide and that the solar provider is licensed, and to collect and report on complaints regarding solar providers. If we become subject to new, additional regulatory requirements in these jurisdictions or other jurisdictions adopt similar regulatory requirements, our operating costs would materially increase or we might have to change our business in ways that could have a material adverse effect on our business, financial condition and results of operations.

Electric utility policies and regulations, including those affecting electric rates, may present regulatory and economic barriers to the purchase and use of solar energy systems that may significantly reduce demand for electricity from our solar energy systems and adversely impact our ability to originate new solar service agreements.

Federal, state and local government regulations and policies concerning the electric utility industry, utility rates and rate structures and internal policies and regulations promulgated by electric utilities, heavily influence the market for electricity generation products and services. These regulations and policies often relate to electricity pricing. Policies and regulations that promote renewable energy and distributed energy generation have been challenged by centralized electric utilities and questioned by those in government and others arguing for less governmental spending and involvement in the energy market. To the extent such views are reflected in government policies and regulations, the changes in such policies and regulations could adversely affect our business, financial condition and results of operations. Furthermore, any effort to overturn federal and state laws, regulations or policies that are supportive of solar energy generation or that remove costs or other limitations on other types of energy generation that compete with solar energy projects could materially and adversely affect our business.

In the U.S., governmental authorities and state public service commissions that determine utility rates, rate structures and the terms and conditions of electric service continuously modify these regulations and policies. These regulations and policies could result in a significant reduction in the potential demand for electricity from our solar energy systems and could deter customers from entering into solar service agreements with us.

With regard to rates, customers with residential solar energy systems may currently pay or be subject in the future to increased charges due to increased rates or changes in rate design and structures. Utilities in certain jurisdictions may assess fees that apply only to customers with distributed generation systems, including residential solar energy systems or impose charges on solar customers that are significantly higher than comparable charges billed to non-solar customers.

These fees may include demand, stand-by or departing load charges or monthly minimum charges. Certain jurisdictions may permit utilities to change their rate design and structures which could result in charges that would disproportionately impact customers with solar energy systems. For example, a reduction in the number of tiers of residential rates could result in increased charges for lower-demand customers, including many solar customers, by moving them to a new rate tier with higher rates. It could also result in lower charges for higher-demand customers, who may then become less incentivized to consider solar energy to meet their electricity needs. Similarly, a change in rate design to recover more costs from fixed charges as opposed to variable charges (i.e. "decoupled" rates, by which the utility's revenue requirement is "decoupled" from its level of electricity sales in designing rates) may have the same effect. Additionally, depending on the region, electricity generated by solar energy systems competes most effectively with the most expensive retail rates for electricity from the electrical grid, rather than the less expensive average price of electricity. Modifications to the centralized electric utilities' peak hour pricing policies or rate design could make our current product offerings less competitive with the price of electricity from the electrical grid. A shift in the timing of peak rates for utility-generated electricity to include times of day when solar energy generation is less efficient or non-operable could make our solar energy systems less competitive and reduce demand for our product offerings. Time-of-use rates could also result in higher costs for solar customers whose electricity requirements are not fully met by the solar energy system during peak periods.

Utilities in California, New Jersey and Puerto Rico, among other states and jurisdictions, have proposed or received approval by state regulators for such rate measures as described in this risk factor. Any such changes affecting rates could increase our customers' cost to use our solar energy systems and make our service and product offerings less desirable, thereby

harming our business, financial condition and results of operations. The imposition of any such rate measures could limit the ability of distributed residential solar power companies to compete with the price of electricity generated by centralized electric utilities, which may reduce the number of solar energy systems installed in those jurisdictions. Additionally, any such unaccounted for increases in the fees or charges applicable to existing customer agreements may increase the cost of energy to those customers and result in an increased rate of defaults, terminations or cancelations under our solar service agreements. In addition, changes to government or internal utility regulations and policies that favor centralized electric utilities could reduce our competitiveness and cause a significant reduction in demand for our product offerings.

Any of the foregoing results could limit our ability to expand our portfolio of solar service agreements and related solar energy systems and energy storage systems or harm our business, financial condition and results of operations.

We rely on net metering and related policies to offer competitive pricing to our customers in most of our current markets and changes to net metering policies may significantly reduce demand for electricity from residential solar energy systems.

Net metering is one of several key policies that have enabled the growth of distributed generation solar energy systems in the U.S., providing significant value to customers for electricity generated by their residential solar energy systems but not directly consumed on-site. Net metering allows a homeowner to pay his or her local electric utility for power usage net of production from the solar energy system or other distributed generation source. Homeowners receive a credit for the energy an interconnected solar energy system generates in excess of that needed by the home to offset energy purchases from the centralized utility made at times when the solar energy system is not generating sufficient energy to meet the customer's demand. In many markets, this credit is equal to the residential retail rate for electricity and in other markets, such as Hawaii and Nevada, the rate is less than the retail rate and may be set, for example, as a percentage of the retail rate or based upon a valuation of the excess electricity. In some states and utility territories, customers are also reimbursed by the centralized electric utility for net excess generation on a periodic basis.

Net metering programs have been subject to legislative and regulatory scrutiny in some states and territories including, but not limited to, New Jersey, California, Arizona, Nevada, Connecticut, Maine, Kentucky, Puerto Rico and Guam. These jurisdictions, by statute, regulation, administrative order or a combination thereof, have recently adopted or are considering new restrictions and additional changes to net metering programs either on a state-wide basis or within specific utility territories. Many of these measures were introduced and supported by centralized electric utilities. These measures vary by jurisdiction and may include a reduction in the rates or value of the credits customers are paid or receive for the power they deliver back to the electrical grid, caps or limits on the aggregate installed capacity of generation in a state or utility territory eligible for net metering, expiration dates for and phasing out of net metering programs, replacement of net metering programs with alternative programs that may provide less compensation and limits on the capacity size of individual distributed generation systems that can qualify for net metering. Net metering and related policies concerning distributed generation also received attention from federal legislators and regulators.

In New Jersey, the Board of Public Utilities has the option under state law of limiting participation in the retail rate net metering program if the aggregate capacity of owned and operating systems reaches 5.8% of total annual kWh sold in the state. As of December 31, 2020, that threshold had not yet been reached.

In California, the CPUC issued an order in 2016 retaining retail-based net metering credits for residential customers of California's major utilities as part of Net Energy Metering 2.0 ("NEM 2.0"). Under NEM 2.0, new distributed generation customers receive the retail rate for electricity exported to the grid, less certain non-bypassable fees. Customers under NEM 2.0 also are subject to interconnection charges and time-of-use rates. Existing customers who receive service under the prior net metering program, as well as new customers under the NEM 2.0 program, are grandfathered for a period of 20 years. On September 3, 2020, the CPUC opened a new proceeding to review its current net metering policies and to develop Net Energy Metering 3.0 ("NEM 3.0"), also referred to by the CPUC as the NEM 2.0 successor tariff, with the goal of implementing NEM 3.0 no later than December 31, 2021. While the outcome of this proceeding is uncertain, it could result in the reduction of the value of net metering credits, although customers under NEM 2.0 are expected to remain under that program for 20 years from enrollment. Proceedings on distributed energy policy and utility rates before the CPUC could also result in changes that affect customers with distributed generation systems.

Legislation enacted in April 2019 requires a study of net metering to be completed within five years, which may result in revisions to the existing rules. However, no changes can be made to retail net metering for five years after the date the legislation was enacted. Meanwhile, "true" net metering will continue to apply, meaning the credit for energy exported by net metering clients will equal the value of such energy under the rate applicable to those clients and accordingly, their charges will be based on their net consumption. Customers subject to this regime would be grandfathered for a period of 20 years from the date of their net metering agreements.

Net metering customers in Puerto Rico may be impacted by transition charges and other requirements contemplated in a restructuring agreement between PREPA and its creditors, currently pending before the U.S. District Court for the District of Puerto Rico in bankruptcy-like proceedings under Title III of the PROMESA. PROMESA provides PREPA with access to a workout process similar to bankruptcy. In response to the effects of the COVID-19 pandemic, however, the approval of the restructuring agreement has been stayed, and the government announced in December 2020 that it continues to conduct diligence to determine whether, among other things, the terms of the restructuring agreement should be renegotiated and the parameters for doing so.

In Guam, the Consolidated Commission on Utilities ("CCU") adopted a resolution in 2018 recommending retail rate net metering for customers of the Guam Power Authority ("GPA") be replaced with a "buy all/sell all" or similar program that provides for compensation to homeowners at a lower, avoided cost rate. The GPA is a public corporation that provides electricity in Guam and is overseen by the CCU and regulated by the Guam Public Utilities Commission ("GPUC"). In 2019, the GPUC, who has the authority to approve or reject the CCU's recommendations, rejected the resolution and instead voted to cap participation in the net metering program from 1,000 customers to 261 megawatts, which represents 10% of the GPA system's peak power demand. The GPA has also proposed to eliminate the option for customers to roll over any excess net metering credits to the next year or receive a payment for excess credits remaining at the end of the year. In May 2020, the GPUC approved the GPA's proposal to eliminate the option for customers to roll over any excess net metering credits or receive a payment for excess credits remaining at the end of the year. This change will go into effect on January 1, 2021. Customers will be able to receive a payment for excess credits at the end of 2020, but any excess credits remaining at the end of a year in the future will be surrendered to the utility without compensation. In February 2020, the CCU adopted a resolution requiring all new distributed generation that participates in net metering and is tied to the GPA power grid to have an energy storage system such as a battery. In lieu of having an energy storage system, the CCU resolution permits customers to instead select pay an additional charge under an energy storage service rate schedule that is under development. The GPUC has approved the CCU proposal, but requirements for implementation have not yet been finalized.

In other jurisdictions, replacing net metering with a "value of distributed energy", "feed-in", or "sell-all/ buy-all" tariff is also being considered or has been adopted. Under a "value of distributed energy" tariff, the customer would be compensated at a rate that accounts for the electricity, capacity, environmental and other attributes provided by distributed generation to the grid and the electricity market. Under a "feed-in" or "sell-all/ buy-all" tariff, all the solar energy system's generation is exported to the grid and purchased by the utility at an established rate and the customer is required to purchase all of its electricity requirements from the utility at the retail rate. In New York, the New York Public Service Commission adopted a "value of distributed energy" policy but grandfathered existing net metering customers and continuing net metering for new residential customers interconnected before January 1, 2022 for a period of 20 years. Residential customers otherwise still eligible for net metering may also elect to be compensated under a "value of distributed energy" tariff. New solar customers interconnecting after January 1, 2022 will continue to be eligible for net metering, but will be subject to a monthly fixed fee. Compensation for those customers covered by a "value of solar" tariff varies and may not favorably compare to that provided by net metering.

Net metering and related policies concerning distributed generation have received attention from federal legislators and regulators and challenge by various stakeholders. For example, in April 2020, the New England Ratepayers Association petitioned the FERC to declare its exclusive federal jurisdiction over distributed generation, including residential solar, and to establish new federal customer compensation rates for excess energy in lieu of state net metering programs. While the FERC rejected the petition on procedural grounds, further challenges to net metering based on federal law may occur. Changes in federal law, including those made by statute, regulation, rule or order, could negatively affect net metering or other related policies that otherwise promote and support solar energy and enhance the economic viability of distributed residential solar.

If net metering caps in certain jurisdictions are reached while they are still in effect, if the value of the credit that customers receive for net metering is significantly reduced, if net metering is discontinued or replaced by a different regime that values solar energy at a lower rate or if other limits or restrictions on net metering are imposed, current and future customers may be unable to recognize the same level of cost savings associated with net metering. The absence of favorable net metering policies or of net metering entirely, or the imposition of new charges that only or disproportionately impact customers that use net metering would likely significantly limit customer demand for distributed residential solar energy systems and the electricity they generate and result in an increased rate of defaults, terminations or cancelations under customer agreements. Our ability to lease, finance and sell our solar energy systems and services or sell the electricity generated from our solar energy systems may be adversely impacted by the failure to expand existing limits on the amount of net metering in states that have implemented it, the failure to adopt a net metering policy where it currently is not in place or reductions in the amount or value of credit customers receive through net metering. This could adversely impact our ability to expand our portfolio of solar service agreements and related solar energy systems and energy storage systems, our business, financial condition and results of operations.

Additionally, distributed residential solar customers in certain jurisdictions may be subject to higher charges from centralized electric utilities than non-solar customers and such charges should be evaluated together with the net metering policies in place. If such charges are imposed, the cost savings associated with switching to solar energy may be significantly reduced and our ability to expand our portfolio of solar service agreements and related solar energy systems and energy storage systems and compete with centralized electric utilities could be impacted.

For further discussion of these potential charges and related proposals, see "*—Electric utility policies and regulations, including those affecting electric rates, may present regulatory and economic barriers to the purchase and use of solar energy systems that may significantly reduce demand for electricity from our solar energy systems and adversely impact our ability to originate new solar service agreements*".

Our business currently depends in part on the availability of rebates, tax credits and other financial incentives. The expiration, elimination or reduction of these rebates, credits or incentives or our ability to monetize them could adversely impact our business.

Our business depends in part on current government policies that promote and support solar energy and enhance the economic viability of distributed residential solar. Revenues from SRECs constituted approximately 22%, 29% and 29% of our revenues for the years ended December 31, 2020, 2019 and 2018, respectively. U.S. federal, state and local governments established various incentives and financial mechanisms to reduce the cost of solar energy and to accelerate the adoption of solar energy. These incentives come in various forms, including rebates, tax credits and other financial incentives such as payments for renewable energy credits associated with renewable energy generation, exclusion of solar energy systems from property tax assessments or other taxes and system performance payments. However, these programs may expire on a particular date, end when the allocated funding is exhausted or be reduced or terminated as solar energy adoption rates increase. For example, New Jersey's SREC program closed due to legislation requiring that it be closed by the earlier of the share of electricity sold by the state's utilities supplied by solar reaching 5.1% or June 2021. Following the close of the program, customers became eligible for Transitional Renewable Energy Credits ("TRECS") under an interim transitional program replacing SRECs that will be in place until New Jersey adopts a long-term successor program. The TREC program provides a lower level of revenue than the SREC program. The financial value of certain incentives decreases over time. The value of SRECs in a market tends to decrease over time as the supply of SREC-producing solar energy systems installed in that market increases. If we overestimate the future value of these incentives, it could adversely impact our business, results of operations and financial results. See "*Business—Government Incentives*".

A loss or reduction in such incentives could decrease the attractiveness of new solar energy systems to customers, which could adversely impact our business and our access to capital. We also enter into hedges related to expected production of SRECs through forward contracts that require us to physically deliver the SRECs upon settlement. These arrangements may, depending on the instruments used and the level of additional hedges involved, limit any potential upside from SREC production increases. We may be exposed to potential economic loss should a counterparty be unable or unwilling to perform their obligations under the terms of a hedging agreement. In addition, we are exposed to risks related to changes in interest rates and may engage in hedging activities to mitigate related volatility. We may fail to properly hedge these SRECs or may fail to do so economically, which may also adversely affect our results of operations.

The economics of purchasing a solar energy system and energy storage system are also improved by eligibility for accelerated depreciation, also known as the modified accelerated cost recovery system ("MACRS"), which allows for the depreciation of equipment according to an accelerated schedule set forth by the IRS. This accelerated schedule allows a taxpayer, such as us and investors in tax equity financing arrangements, to recognize the depreciation of tangible solar property on a five-year basis even though the useful life of such property is generally greater than five years. We benefit from accelerated depreciation on the solar energy systems and energy storage systems we own. To the extent these policies are changed in a manner that reduces the incentives that benefit our business, we may experience reduced revenues and reduced economic returns, experience increased financing costs and encounter difficulty obtaining financing.

The federal government currently provides business investment tax credits under Section 48 and residential energy credits under Section 25D of the Code. Section 48(a) of the Code allows taxpayers to claim an investment tax credit equal to 30% of the qualified expenditures for certain commercially owned solar energy systems that began construction before 2020. The Section 48(a) ITC percentage decreases to 26% of the basis of a solar energy system that begins construction during 2020, 2021 or 2022, 22% for 2023 and 10% if construction begins after 2023 or if the solar energy system is placed into service after 2025. In June 2018, the IRS provided guidance as to when construction is considered to begin for such purposes, including the 5% ITC Safe Harbor that may apply when a taxpayer pays or incurs (or in certain cases, a contractor of the taxpayer pays or incurs) 5% or more of the costs of a solar energy system before the end of the applicable year.

We would be able to claim the Section 48(a) ITC when available for solar energy systems we originate under lease agreements or PPAs based on our ownership of the solar energy system at the time it is placed in service. We are also able to claim the Section 48(a) ITC for energy storage systems installed in conjunction with solar energy systems as long as they are only charged by on-site solar. A reduced Section 48(a) ITC may be available for energy storage systems charged in part from sources other than on-site solar as long as the energy storage systems are charged at least 75% by on-site solar.

Until 2023, Section 25D of the Code allows an individual to claim a 26% federal tax credit with respect to a residential solar energy system that is owned by the homeowner. As a result, the Section 25D Credit is claimed by customers who purchase solar energy systems. This 26% rate is scheduled to be reduced to 22% for solar energy systems placed in service during 2023. This credit is scheduled to expire effective January 1, 2024. The Section 25D Credit reduces the cost of consumer ownership of solar energy systems, such as under the loan program.

The Section 48(a) ITC has been a significant driver of the financing supporting the adoption of residential solar energy systems in the U.S. and the Section 25D Credit has been a significant driver of consumer demand for ownership of solar energy systems. The reduction in, or expiration of, these tax credits will likely impact the attractiveness of residential solar and could harm our business. For example, we expect the expiration of the Section 25D Credit will increase the cost of consumer ownership of solar energy systems, such as under the loan program.

The scheduled reductions in the Section 48(a) ITC could adversely impact our financing structures that monetize a substantial portion of such Section 48(a) ITC and provide financing for our solar energy systems, including if solar energy systems that incorporate our inventory are unsuccessful in claiming the 5% ITC Safe Harbor and therefore fail to qualify for a higher Section 48(a) ITC. To the extent we have a reduced ability to raise tax equity as a result of this reduction or an inability to continue to monetize such benefits in our financing arrangements, the rate of growth of installations of our residential solar energy systems and our ability to maintain such solar energy systems could be negatively impacted. In addition, future changes in existing law and interpretations by the IRS or the courts with respect to certain matters, including but not limited to, treatment of the Section 48(a) ITC, the 5% ITC Safe Harbor and our financing arrangements and the taxation of business entities including the deductibility of interest expense could affect the amount tax equity investors are willing to invest, which could reduce our access to capital. See "*Business—Government Incentives*".

Applicable authorities may adjust or decrease incentives from time to time or include provisions for minimum domestic content requirements or other requirements to qualify for these incentives. Reductions in, eliminations or expirations of or additional application requirements for governmental incentives could adversely impact our results of operations and ability to compete in our industry by increasing our cost of capital, causing distributed residential solar power companies to increase the prices of their energy and solar energy systems and reducing the size of our addressable market. In addition, this would adversely impact our ability to attract investment partners and lenders and our ability to expand our portfolio of solar service agreements and related solar energy systems and energy storage systems.

Our business depends in part on the regulatory treatment of third-party owned solar energy systems.

Our lease and PPA agreements are third-party ownership arrangements. Retail sales of electricity by third parties such as us face regulatory challenges in some states and jurisdictions, including states and jurisdictions we intend to enter where the laws and regulatory policies have not historically embraced competition to the service provided by the vertically integrated centralized electric utility. Some of the principal challenges pertain to whether third-party owned solar energy systems qualify for the same levels of rebates or other non-tax incentives available for customer-owned solar energy systems, whether third-party owned solar energy systems are eligible at all for these incentives and whether third-party owned solar energy systems are eligible for net metering and the associated significant cost savings. Furthermore, in some states and utility territories third parties are limited in the way they may deliver solar to their customers. In jurisdictions such as Arizona, Kentucky, North Carolina, Utah and Los Angeles, California, laws have been interpreted to prohibit the sale of electricity pursuant to PPAs, leading distributed residential solar energy system providers to use leases in lieu of PPAs, in addition to customer ownership. These regulatory constraints may, for example, give rise to various property tax issues. See "*Risks Related to Taxation*". Changes in law and reductions in, eliminations of or additional requirements for, benefits such as rebates, tax incentives and favorable net metering policies decrease the attractiveness of new solar energy systems to distributed residential solar power companies and the attractiveness of solar energy systems to customers, which could reduce our acquisition opportunities. Such a loss or reduction could also adversely impact our access to capital and reduce our willingness to pursue solar energy systems due to higher operating costs or lower revenues from leases and PPAs.

Technical and regulatory limitations regarding the interconnection of solar energy systems to the electrical grid may significantly reduce our ability to sell electricity from our solar energy systems in certain markets or delay interconnections and customer in-service dates, harming our growth rate and customer satisfaction.

Technical and regulatory limitations regarding the interconnection of solar energy systems to the electrical grid may curb or slow our growth in key markets. Utilities throughout the country follow different rules and regulations regarding interconnection and regulators or utilities have or could cap or limit the amount of solar energy that can be interconnected to the grid. Our solar energy systems generally do not provide power to homeowners until they are interconnected to the grid.

With regard to interconnection limits, the FERC, in promulgating the first form of small generator interconnection procedures, recommended limiting customer-sited intermittent generation resources, such as our solar energy systems, to a certain percentage of peak load on a given electrical feeder circuit. Similar limits have been adopted by many states as a de facto standard and could constrain our ability to market to customers in certain geographic areas where the concentration of solar installations exceeds this limit.

Furthermore, in certain areas, we benefit from policies that allow for expedited or simplified procedures related to connecting solar energy systems and energy storage systems to the electrical grid. We also are required to obtain interconnection permission for each solar energy system from the local utility. In many states and territories, by statute, regulations or administrative order, there are standardized procedures for interconnecting distributed residential solar energy systems and related energy storage systems to the electric utility's local distribution system. However, approval from the local utility could be delayed as a result of a backlog of requests for interconnection or the local utility could seek to limit the number of customer interconnections or the amount of solar energy on the grid. In some states, such as New Jersey and Massachusetts, certain utilities such as municipal utilities or electric cooperatives are exempt from certain interconnection requirements. If expedited or simplified interconnection procedures are changed or cease to be available, if interconnection approvals from the local utility are delayed or if the local utility seeks to limit interconnections, this could decrease the attractiveness of new solar energy systems and energy storage systems to distributed residential solar power companies, including us, and the attractiveness of solar energy systems and energy storage systems to customers. Delays in interconnections could also harm our growth rate and customer satisfaction scores. Such limitations or delays could also adversely impact our access to capital and reduce our willingness to pursue solar energy systems and energy storage systems due to higher operating costs or lower revenues from solar service agreements. Such limitations would negatively impact our business, results of operations, future growth and cash flows.

As adoption of solar distributed generation rises, along with the increased operation of utility-scale solar generation (such as in key markets including California), the amount of solar energy being contributed to the electrical grid may surpass the capacity anticipated to be needed to meet aggregate demand. Some centralized public utilities claim in less than five years, solar generation resources may reach a level capable of producing an over-generation situation, which may require some existing solar generation resources to be curtailed to maintain operation of the electrical grid. In the event such an over-generation situation were to occur, this could also result in a prohibition on the addition of new solar generation resources. The adverse effects of such a curtailment or prohibition without compensation could adversely impact our business, results of operations, future growth and cash flows.

We and our dealers are subject to risks associated with construction, regulatory compliance and other contingencies.

We utilize our growing dealer network to market, design, construct and install solar energy systems and energy storage systems in each of the markets in which we operate. The marketing and installation of solar energy systems and energy storage systems is subject to oversight and regulation in accordance with national, state and local laws and ordinances relating to consumer protection, building, fire and electrical codes, professional codes, safety, environmental protection, utility interconnection, metering and related matters. We also rely on certain of our dealers and third-party contractors to obtain and maintain permits and professional licenses, including as contractors, and other authorizations from various regulatory authorities and abide by their respective conditions and requirements in many of the jurisdictions in which we operate. A failure by us to obtain necessary permits or encounter delays in obtaining or renewing such permits or to use properly licensed dealers and third-party contractors could adversely affect our operations in those jurisdictions. Furthermore, we may become subject to similar regulatory requirements in some jurisdictions in which we operate. It is difficult and costly to track the requirements of every authority with jurisdiction over our operations and our solar energy systems. Separately, we are subject to regulations and potential liability under the Resource Conservation and Recovery Act and the Comprehensive Environmental Response, Compensation, and Liability Act related to the disposal of wastes generated in connection with our operations. Regulatory authorities may impose new government regulations or utility policies, change existing government regulations or utility policies, may seek expansive interpretations of existing regulations or policies pertaining to our services or solar energy systems and energy storage systems or may initiate associated investigations or enforcement actions or impose penalties or reject solar

energy systems and energy storage systems. Any of these factors may result in regulatory and/or civil litigation, significant additional expenses to us or our customers, cause delays in our or our dealers' ability to originate solar service agreement or install or interconnect solar energy systems and energy storage systems or cause other harm to our business. As a result, this could cause a significant reduction in demand for our services and solar energy systems and energy storage systems or otherwise adversely affect our business, financial condition and results of operations.

Compliance with occupational safety and health requirements and best practices can be costly and noncompliance with such requirements may result in potentially significant monetary penalties, operational delays and adverse publicity.

The installation and ongoing operations and maintenance of solar energy systems and energy storage systems requires individuals hired by us, our dealers or third-party contractors, potentially including our employees, to work at heights with complicated and potentially dangerous electrical systems. The evaluation and modification of buildings as part of the installation process requires these individuals to work in locations that may contain potentially dangerous levels of asbestos, lead, mold or other materials known or believed to be hazardous to human health. There is substantial risk of serious injury or death if proper safety procedures are not followed. Our operations are subject to regulation under OSHA, DOT regulations and equivalent state and local laws. Changes to OSHA or DOT requirements, or stricter interpretation or enforcement of existing laws or regulations, could result in increased costs. If we fail to comply with applicable OSHA or DOT regulations, even if no work-related serious injury or death occurs, we may be subject to civil or criminal enforcement and be required to pay substantial penalties, incur significant capital expenditures or suspend or limit operations. Because individuals hired by us or on our behalf to perform installation and ongoing operations and maintenance of our solar energy systems and energy storage systems, including our dealers and third-party contractors, are compensated on a per project basis, they are incentivized to work more quickly than installers compensated on an hourly basis. While we have not experienced a high level of injuries to date, this incentive structure may result in higher injury rates than others in the industry and could accordingly expose us to increased liability. Individuals hired by or on behalf of us may have workplace accidents and receive citations from OSHA regulators for alleged safety violations, resulting in fines. Any such accidents, citations, violations, injuries or failure to comply with industry best practices may subject us to adverse publicity, damage our reputation and competitive position and adversely affect our business.

A failure to comply with laws and regulations relating to interactions by us or our dealers with current or prospective residential customers could result in negative publicity, claims, investigations and litigation and adversely affect our financial performance.

Our business substantially focuses on solar service agreements and transactions with residential customers. We and our dealers must comply with numerous federal, state and local laws and regulations that govern matters relating to interactions with residential consumers, including those pertaining to consumer protection, marketing and sales, privacy and data security, consumer financial and credit transactions, mortgages and refinancings, home improvement contracts, warranties and various means of customer solicitation. These laws and regulations are dynamic and subject to potentially differing interpretations and various federal, state and local legislative and regulatory bodies may initiate investigations, expand current laws or regulations, or enact new laws and regulations regarding these matters. Changes in these laws or regulations or their interpretation could dramatically affect how we and our dealers do business, acquire customers and manage and use information collected from and about current and prospective customers and the costs associated therewith. We and our dealers strive to comply with all applicable laws and regulations relating to interactions with residential customers. It is possible, however, these requirements may be interpreted and applied in a manner inconsistent from one jurisdiction to another and may conflict with other rules or the practices of us or our dealers.

Although we require our dealers to meet our consumer compliance requirements and provide regular training to help them do so, we do not control our dealers and their suppliers or their business practices. Accordingly, we cannot guarantee they follow ethical business practices such as fair wage practices and compliance with environmental, safety and other local laws. A lack of demonstrated compliance could lead us to seek alternative dealers or suppliers, which could increase our costs and have a negative effect on our business and prospects for growth. Violation of labor or other laws by our dealers or suppliers or the divergence of a dealer or supplier's labor or other practices from those generally accepted as ethical in the U.S. or other markets in which we do or intend to do business could also attract negative publicity for us and harm our business.

Violations of anti-bribery, anti-corruption and/or international trade laws to which we are subject could have a material adverse effect on our business operations, financial position and results of operations.

We are subject to laws concerning our business operations and marketing activities in the U.S. and its territories where we conduct business. Further, we are subject to the U.S. Foreign Corrupt Practices Act, which generally prohibits companies and their intermediaries from making improper payments to non-U.S. government officials for the purpose of obtaining or retaining

business. We currently only operate in the U.S. and its territories. However, in the future we may conduct business outside of the U.S. and operate in parts of the world that experienced governmental corruption to some degree and, in certain circumstances, strict compliance with anti-bribery laws may conflict with local customs and practices. In addition, due to the level of regulation in our industry, our entry into new jurisdictions through internal growth or acquisitions requires substantial government contact where norms can differ from U.S. standards. Additionally, we regularly interact with domestic municipalities and municipal-owned centralized electric utilities. We will consider our interactions with these domestic governmental bodies when designing our policies and procedures and conducting training designed to facilitate compliance with domestic and international anti-bribery laws. Although we believe these policies and procedures will mitigate the risk of violations of such laws, our employees, dealers and agents may take actions in violation of our policies and anti-bribery laws. Any such violation, even if prohibited by our policies, could subject us to criminal or civil penalties or other sanctions, which could have a material adverse effect on our business, financial condition, cash flows and reputation.

Violations of export control and/or economic sanctions laws and regulations to which we are subject could have a material adverse effect on our business operations, financial position and results of operations.

Our products may be subject to export control regulations, including the Export Administration Regulations administered by the U.S. Department of Commerce's Bureau of Industry and Security. We are also subject to foreign assets control and economic sanctions regulations administered by the U.S. Department of the Treasury's Office of Foreign Assets Control, which restrict or prohibit our ability to transact with certain foreign countries, individuals and entities. We currently only operate in the U.S. and its territories. However, export control regulations may restrict our ability to exchange technical information with foreign manufacturers and suppliers and economic sanctions regulations may restrict our ability to source from certain suppliers. In addition, in the future we may conduct business outside of the U.S. We will consider these scenarios when designing our policies and procedures and conducting training designed to facilitate compliance with U.S. export control and economic sanctions laws and regulations. Although we believe these policies and procedures will mitigate the risk of violations of such laws, our employees, dealers and agents may take actions in violation of our policies or these laws. Any such violation, even if prohibited by our policies, could subject us to criminal or civil penalties or other sanctions, which could have a material adverse effect on our business, financial condition, cash flows and reputation.

Risks Related to Our Common Stock

We do not intend to pay, and our credit facilities currently prohibit us from paying, cash dividends on our common stock and, consequently, your only opportunity to achieve a return on your investment is if the price of our common stock appreciates.

We do not plan to declare dividends on shares of our common stock in the foreseeable future. Additionally, we are currently prohibited from making any cash dividends pursuant to the terms of certain of our credit facilities. Consequently, your only opportunity to achieve a return on your investment in us will be if you sell your common stock at a price greater than you paid for it. There is no guarantee the price of our common stock that will prevail in the market will ever exceed the price you paid for it.

The market price of our common stock could be materially adversely affected by sales of substantial amounts of our common stock in the public markets, including sales by entities affiliated with ECP and Newlight.

As of February 22, 2021, entities affiliated with ECP owned approximately 15.6% of our common stock and entities affiliated with Newlight, including QSIP LP, owned approximately 6.0% of our common stock. Sales by ECP, Newlight or other large stockholders or the perception that such sales might occur could have a material adverse effect on the price of our common stock or could impair our ability to obtain capital through an offering of equity securities.

The price of our common stock is volatile and may decline in value.

The market price of our common stock may be influenced by many factors, some of which are beyond our control, including:

- public reaction to our press releases, announcements and filings with the SEC;
- our operating and financial performance;
- fluctuations in broader securities market prices and volumes, particularly among securities of technology and solar companies;
- changes in market valuations of similar companies;
- departures of key personnel;

- commencement of or involvement in litigation;
- variations in our quarterly results of operations or those of other technology and solar companies;
- changes in general economic conditions, financial markets or the technology and solar industries;
- announcements by us or our competitors of significant acquisitions or other transactions;
- changes in accounting standards, policies, guidance, interpretations or principles;
- speculation in the press or investment community;
- actions by our stockholders;
- the failure of securities analysts to cover our common stock or changes in their recommendations and estimates of our financial performance;
- future sales of our common stock; and
- the other factors described in these "Risk Factors".

If securities or industry analysts do not publish research or reports about our business, or if they issue an adverse or misleading opinion regarding our common stock, our common stock price and trading volume could decline.

The trading market for our common stock is influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of the analysts currently covering our common stock ceases coverage of us, the trading price for our common stock would be negatively impacted. If any of the analysts who cover us issue an adverse or misleading opinion regarding us, our business model, our intellectual property or our common stock performance, or if our operating results fail to meet the expectations of analysts, our common stock price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our common stock price or trading volume to decline.

If we fail to comply with the reporting requirements under the Exchange Act or maintain adequate internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act, it could result in late or non-compliant filings or inaccurate financial reporting and have a negative impact on the price of our common stock or our business.

Effective internal controls are necessary for us to provide timely, reliable financial reporting and prevent fraud. Our accounting predecessor was not a public company and was not required to comply with the reporting requirements of the Exchange Act, or with the standards adopted by the Public Company Accounting Oversight Board in compliance with the requirements of Section 404 of the Sarbanes-Oxley Act regarding internal controls over financial reporting. As a public company, we are required to report our financial results on the timeline and in the form prescribed by the Exchange Act and to evaluate and report on our internal control over financial reporting. This requires management to certify financial and other information in our quarterly and annual reports and provide an annual management report on the effectiveness of internal control over financial reporting.

We are required to disclose material changes made in our internal controls and procedures on a quarterly basis and annually review and report on, and our independent registered public accounting firm must attest to, the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act. Material weaknesses and significant deficiencies may exist when we report on the effectiveness of our internal control over financial reporting as required by reporting requirements under Section 404 of the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act.

The process of documenting and further developing our internal controls to become compliant with Section 404 has taken a significant amount of time and effort to complete and required significant attention of management. We are continuing to improve our internal controls over financial reporting. We have expended, and anticipate we will continue to expend, significant resources in order to maintain and enhance existing effective disclosure controls and procedures and internal controls over financial reporting. Our current controls and any new controls we develop may become inadequate because of changes in conditions in our business. We may experience higher than anticipated operating expenses, as well as increased independent auditor and other fees and expenses during the implementation of these changes and thereafter.

Certain of our directors have significant duties with, and spend significant time serving, entities that may compete with us in seeking business opportunities and, accordingly, may have conflicts of interest in allocating time or pursuing business opportunities.

Certain of our directors, who are responsible for managing the direction of our operations and acquisition activities, hold positions of responsibility with other entities whose businesses are similar to our business. The existing positions held by these directors may give rise to fiduciary or other duties in conflict with the duties they owe to us. These directors may become aware of business opportunities that may be appropriate for presentation to us as well as to the other entities with which they are or may become affiliated. Due to these existing and potential future affiliations, they may present potential business opportunities

to other entities prior to presenting them to us, which could cause additional conflicts of interest. They may also decide certain opportunities are more appropriate for other entities with which they are affiliated and as a result, they may elect not to present those opportunities to us. These conflicts may not be resolved in our favor.

Conflicts of interest could arise in the future between us, on the one hand, and any of our stockholders and its affiliates and affiliated funds and its and their current and future portfolio companies on the other hand, concerning, among other things, potential competitive business activities or business opportunities.

Conflicts of interest could arise in the future between us, on the one hand, and any of our stockholders and its affiliates and affiliated funds and its and their current and future portfolio companies, on the other hand, concerning, among other things, potential competitive business activities or business opportunities. For example, certain of our existing investors and their affiliated funds may invest in companies that operate in the traditional energy industry and solar and other renewable industries. As a result, our existing investors and their affiliates' and affiliated funds' current and future portfolio companies they control may now, or in the future, directly or indirectly, compete with us for investment or business opportunities.

Our governing documents provide that our stockholders and their affiliates and affiliated funds are not restricted from owning assets or engaging in businesses that compete directly or indirectly with us and will not have any duty to refrain from engaging, directly or indirectly, in the same or similar business activities or lines of business as us, including those business activities or lines of business deemed to be competing with us, or doing business with any of our clients, customers or vendors. In particular, subject to the limitations of applicable law, our certificate of incorporation, among other things:

- permits stockholders or their affiliates and affiliated funds and our non-employee directors to conduct business that competes with us and to make investments in any kind of property in which we may make investments; and
- provides that if any of our stockholders or any of its affiliates who is also one of our non-employee directors becomes aware of a potential business opportunity, transaction or other matter, they will have no duty to communicate or offer that opportunity to us.

Our stockholders or their affiliates or affiliated funds may become aware, from time to time, of certain business opportunities (such as acquisition opportunities) and may direct such opportunities to other businesses in which they have invested, in which case we may not become aware of or otherwise have the ability to pursue such opportunity. Further, such businesses may choose to compete with us for these opportunities, possibly causing these opportunities to not be available to us or causing them to be more expensive for us to pursue. In addition, our stockholders or their affiliates and affiliated funds may dispose of their interests in energy infrastructure or other renewable companies or other assets in the future, without any obligation to offer us the opportunity to purchase any of those assets. As a result, our renouncing our interest and expectancy in any business opportunity that may be from time to time presented to any of our stockholders or their affiliates and affiliated funds could adversely impact our business or prospects if attractive business opportunities are procured by such parties for their own benefit rather than for ours.

In any of these matters, the interests of our existing stockholders and their affiliates and affiliated funds may differ or conflict with the interests of our other shareholders. Any actual or perceived conflicts of interest with respect to the foregoing could have an adverse impact on the trading price of our common stock.

Ownership of our common stock by current stockholders is expected to remain significant.

Due to their ownership percentages, certain key stockholders may have the ability to exercise significant influence over matters submitted to our stockholders for approval. This concentration of ownership may also have the effect of delaying or preventing a change of control of our company or discouraging others from making tender offers for our shares, which could prevent our stockholders from receiving an offer premium for their shares.

So long as the key stockholders continue to own a significant amount of our common stock, they will continue to be able to strongly influence all matters requiring stockholder approval, regardless of whether or not other stockholders believe a potential transaction is in their own best interests. In any of these matters, the interests of the key stockholders may differ or conflict with the interests of our other stockholders. In addition, certain of the key stockholders may, from time to time, acquire interests in businesses that directly or indirectly compete with our business, as well as businesses that are significant existing or potential customers. Certain of the key stockholders may acquire or seek to acquire assets we seek to acquire and, as a result, those acquisition opportunities may not be available to us or may be more expensive for us to pursue.

Provisions of our charter documents and Delaware law may inhibit a takeover, which could limit the price investors might be willing to pay in the future for our common stock.

Our charter documents authorize our board of directors to issue preferred stock without stockholder approval and, relatedly, may have the effect of delaying or preventing an acquisition of us or a merger in which we are not the surviving company and may otherwise prevent or slow changes in our board of directors and management. In addition, some provisions of our certificate of incorporation, amended and restated bylaws and stockholders' agreement could make it more difficult for a third party to acquire control of us, even if the change of control would be beneficial to our stockholders, including:

- limitations on changes of control and business combinations;
- limitations on the removal of directors;
- limitations on the ability of our stockholders to call special meetings;
- establishing advance notice provisions for stockholder proposals and nominations for elections to the board of directors to be acted upon at meetings of stockholders;
- providing that the board of directors is expressly authorized to adopt, or to alter or repeal our bylaws; and
- establishing advance notice and certain information requirements for nominations for election to our board of directors or for proposing matters that can be acted upon by stockholders at stockholder meetings.

These provisions could discourage an acquisition of us or other change in control transactions and thereby negatively affect the price that investors might be willing to pay in the future for our common stock.

Our amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware and, to the extent enforceable, the federal district courts of the United States of America as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers, employees or agents.

Our amended and restated certificate of organization provides that, unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum for (a) any derivative action or proceeding brought on our or our stockholders' behalf, (b) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, employees, agents and stockholders to us or our stockholders, (c) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws, (d) any action as to which the Delaware General Corporation Law confers jurisdiction to the Court of Chancery of the State of Delaware, or (e) any other action asserting a claim that is governed by the internal affairs doctrine shall be the Court of Chancery of the State of Delaware. Our amended and restated certificate of incorporation also provides that, to the fullest extent permitted by applicable law, the federal district courts of the United States are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act, subject to and contingent upon a final adjudication in the State of Delaware of the enforceability of such exclusive forum provision.

Notwithstanding the foregoing, the exclusive forum provision does not apply to suits brought to enforce any liability or duty created by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Any person or entity purchasing or otherwise acquiring an interest in any shares of our capital stock shall be deemed to have notice of and to have consented to the forum provisions in our amended and restated certificate of incorporation. These choice-of-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that he, she or it believes to be favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits. Alternatively, if a court were to find these provisions of our amended and restated certificate of incorporation inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could materially adversely affect our business, financial condition and results of operations and result in a diversion of the time and resources of our management and board of directors. For example, the Court of Chancery of the State of Delaware recently determined a provision stating that U.S. federal district courts are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act is not enforceable.

Future sales of our common stock in the public market, or the perception that such sales may occur, could reduce our stock price, and any additional capital raised by us through the sale of equity or convertible securities may dilute your ownership in us.

We may raise additional capital through the issuance of equity or debt in the future. In that event, the ownership of our existing stockholders would be diluted and the value of the stockholders' equity in common stock could be reduced. If we raise more equity capital from the sale of common stock, institutional or other investors may negotiate terms more favorable than the current prices of our common stock. If we issue debt securities, the holders of the debt would have a claim to our assets that

would be prior to the rights of stockholders until the debt is paid. Interest on these debt securities would increase costs and could negatively impact operating results.

In accordance with Delaware law and the provisions of our charter documents, we may issue preferred stock that ranks senior in right of dividends, liquidation or voting to our common stock. The issuance by us of such preferred stock may (a) reduce or eliminate the amount of cash available for payment of dividends to our holders of common stock, (b) diminish the relative voting strength of the total shares of common stock outstanding as a class, or (c) subordinate the claims of our holders of common stock to our assets in the event of our liquidation. Our amended and restated Certificate of Incorporation does not provide stockholders the pre-emptive right to buy shares from us. As a result, stockholders will not have the automatic ability to avoid dilution in their percentage ownership of us.

We cannot predict the size of future issuances of our common stock or securities convertible into common stock or the effect, if any, that future issuances and sales of shares of our common stock will have on the market price of our common stock. Sales of substantial amounts of our common stock (including shares issued in connection with an acquisition), or the perception that such sales could occur, may adversely affect prevailing market prices of our common stock.

Risks Related to Taxation

Our ability to use NOLs and tax credit carryforwards to offset future income taxes is subject to limitation and the amount of such carryforwards may be subject to challenge or reduction.

As of December 31, 2020, we had approximately $1.2 billion of U.S. federal NOLs, a portion of which will begin to expire in 2032 and approximately $267.5 million of U.S. federal tax credit carryforwards, which begin to expire in 2033. Utilization of our NOLs and tax credit carryforwards depends on many factors, including having current or future taxable income, which cannot be assured. In addition, Section 382 of the Code generally imposes an annual limitation on the amount of NOLs that may be used to offset taxable income by a corporation that has undergone an "ownership change" (as determined under Section 382). An ownership change generally occurs if one or more stockholders (or groups of stockholders, including one or more groups of public stockholders) that are each deemed to own at least 5% of our stock increase their ownership percentage by more than 50 percentage points over their lowest ownership percentage during a rolling three-year period. Similar rules under Section 383 of the Code impose an annual limitation on the amount of tax credit carryforwards, including carryforwards of Section 48(a) ITCs, that may be used to offset U.S. federal income taxes.

We experienced an "ownership change" in August 2020 as defined by Sections 382 and 383 of the Code, which limits our future ability to utilize NOLs and tax credits generated before the "ownership change". While we are presently evaluating the impact of Sections 382 and 383 on our deferred tax assets as a result of the aforementioned "ownership change", we maintain a full valuation allowance to reduce our deferred tax assets to the amount expected to be realized. Another "ownership change" could occur as a result of transactions that increase the ownership percentage of any of our 5% stockholders during a rolling three-year period, including redemptions of our stock, sales of our stock by other deemed 5% stockholders or issuances of stock by us, whether in additional public offerings or otherwise. If such another ownership change occurs, our ability to utilize NOLs and tax credit carryforwards may be subject to further limitation under Sections 382 and 383 of the Code. The application of the aforementioned limitations may cause U.S. federal income taxes to be paid by us earlier than they otherwise would be paid if such limitations were not in effect and could cause such NOLs and tax credit carryforwards to expire unused, in each case reducing or eliminating the benefit of such NOLs and tax credit carryforwards. To the extent we are not able to offset our future taxable income with our NOLs or offset future taxes with our tax credit carryforwards, this would adversely affect our operating results and cash flows if we have taxable income in the future. These same risks can arise in the context of state income and franchise tax given many states conform to federal law and rely on federal authority for determining state NOLs.

Furthermore, the IRS or other tax authorities could successfully challenge one or more tax positions we take, such as the classification of assets under the income tax depreciation rules or the characterization of expenses for income tax purposes, which could reduce the NOLs we generate and/or are able to use.

Our tax positions are subject to challenge by the relevant tax authority.

Our federal and state tax positions may be challenged by the relevant tax authority. The process and costs, including potential penalties for nonpayment of disputed amounts, of contesting such challenges, administratively or judicially, regardless of the merits, could be material. Future tax audits or challenges by tax authorities to our tax positions may result in a material increase in our estimated future income tax or other tax liabilities, which would negatively impact our financial condition.

For example, many of our solar energy systems are located in states or territories that exempt such assets from state, territorial and local sales and property taxes. We believe these solar energy systems are and should continue to be exempt from certain state, territorial and local sales and property taxes; however, some of our solar energy systems are located in certain jurisdictions where the applicability of these exemptions to solar energy systems is the subject of ongoing litigation and possible legislative change or else the jurisdiction's law is uncertain regarding the effect on property and sales tax exemptions of certain complex business reorganizations undergone by us and our subsidiaries. As such, some tax authorities could challenge the availability of these exemptions. If our solar energy systems are determined to be subject to state, territorial or local sales or property taxes, it could negatively impact our financial condition.

Changes in tax law could adversely affect our business.

U.S. tax law is always subject to change. Potential changes to the Code include changes to the U.S. corporate income tax rate and provisions limiting or eliminating various deductions, credits or tax preferences. Interpretations of the Code and regulations promulgated by the IRS are likewise subject to change. As states elect to conform (or else have rolling conformity) to the Code, such interpretations and regulations (including those promulgated by state authorities) could likewise affect our state income and franchise tax obligations. Any future changes in tax law, including changes to U.S. federal, state, territorial or local tax law, could affect our tax position and adversely impact our business.

If the IRS or the U.S. Treasury Department makes a determination that the fair market value of our solar energy systems is materially lower than what we have reported in our tax equity vehicles' tax returns, we may have to pay significant amounts to our tax equity vehicles, our tax equity investors and/or the U.S. government. Such determinations could have a material adverse effect on our business and financial condition.

The basis of our solar energy systems we report in our tax equity vehicles' tax returns to claim the Section 48(a) ITC is based on the appraised fair market value of our solar energy systems. The IRS continues to scrutinize fair market value determinations industry-wide. We are not aware of any IRS audits or results of audits related to our appraisals or fair market value determinations of any of our tax equity vehicles. If as part of an examination the IRS were to review the fair market value we used to establish our basis for claiming Section 48(a) ITCs and successfully assert the Section 48(a) ITCs previously claimed should be reduced, we would owe certain of our tax equity vehicles or our tax equity investors an amount equal to 30% of each investor's share of the difference between the fair market value used to establish our basis for claiming Section 48(a) ITCs and the adjusted fair market value determined by the IRS, plus any costs and expenses associated with a challenge to that fair market value, plus a gross up to pay for additional taxes. We could also be subject to tax liabilities, including interest and penalties, based on our share of claimed Section 48(a) ITCs. To date, we have not been required to make such payments under any of our tax equity vehicles. We have obtained insurance coverage with respect to certain losses that may be incurred should the Section 48(a) ITCs previously claimed with respect to our tax equity vehicles be reduced. Any such losses could be outside the scope of these insurance policies or exceed insurance policy limits and we could incur unforeseen costs that could harm our business and financial condition.

If our solar energy systems either cease to be qualifying property or undergo certain changes in ownership within five years of the applicable placed in service date, we may have to pay significant amounts to our tax equity vehicles, our tax equity investors and/or the U.S. government. Such recapture could have a material adverse effect on our business and financial condition.

The Section 48(a) ITCs are subject to recapture under the Code if a solar energy system either ceases to be qualifying property or undergoes certain changes in ownership within five years of its placed in service date. The amount of Section 48(a) ITCs subject to recapture decreases by 20% of the claimed amount on each anniversary of a solar energy system's placed in service date. If such a recapture event were to occur, we could owe certain of our tax equity vehicles or our tax equity investors an amount equal to such vehicles' or investors' share of the Section 48(a) ITCs that were recaptured. We could also be subject to tax liabilities, including interest and penalties, based on our share of recaptured Section 48(a) ITCs. Any such recapture could have a material adverse effect on our business and financial condition.

Item 1B. Unresolved Staff Comments.

Not applicable.

Item 2. Properties.

Our corporate headquarters is in Houston, Texas, where we occupy approximately 71,700 square feet of office space pursuant to an operating lease that expires in July 2029. We lease additional offices in Guam, New York and Puerto Rico but do

not own any real property. We intend to procure additional space in the future as we continue to add employees and expand geographically. We believe our facilities are adequate and suitable for our current needs and, should it be needed, suitable additional or alternative space will be available to accommodate our operations.

Item 3. Legal Proceedings.

Although we may, from time to time, be involved in litigation, claims and government proceedings arising in the ordinary course of business, we are not a party to any litigation or governmental or other proceeding we believe will have a material adverse impact on our financial position, results of operations or liquidity. In the ordinary course of business, we have disputes with dealers and customers. In general, litigation claims or regulatory proceedings can be expensive and time consuming to bring or defend against, may result in the diversion of management attention and resources from our business and business goals and could result in settlement or damages that could significantly affect financial results and the conduct of our business.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II - OTHER INFORMATION

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchase of Equity Securities

Market Information

Our common stock began trading on the NYSE under the symbol "NOVA" on July 25, 2019.

Holders

As of February 22, 2021, there were approximately 32 holders of record of our common stock. Certain shares are held in "street" name and, accordingly, the number of beneficial owners of such shares is not known or included in the foregoing number.

Dividends

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain all available funds and any future earnings for use in the operation of our business and do not expect to pay any dividends on our capital stock in the foreseeable future. Any future determination to declare dividends will be made at the discretion of our Board, subject to applicable laws, and will depend on a number of factors, including our financial condition, results of operations, capital requirements, contractual restrictions, general business conditions and other factors our Board may deem relevant. In addition, the terms of our credit agreements and indentures contain restrictions on the payment of dividends and we may also enter into other credit agreements, indentures or other borrowing arrangements in the future that will restrict our ability to declare or pay cash dividends on our capital stock.

Performance Graph

The following stock performance graph compares our total stock return with the total return for (a) the NYSE Composite Index and the (b) the Invesco Solar ETF, which represents a peer group of solar companies, for the period from July 25, 2019 (the date our common stock commenced trading on the NYSE) through December 31, 2020. The figures represented below assume an investment of $100 in our common stock at the closing price of $11.25 on July 25, 2019 and in the NYSE Composite Index and the Invesco Solar ETF on July 25, 2019, including the reinvestment of dividends into shares of common stock. The comparisons in the table are required by the SEC and are not intended to forecast or be indicative of possible future performance of our common stock. This graph shall not be deemed "soliciting material" or be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under that section, and shall not be deemed to be incorporated by reference into any of our filings under the Securities Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

Item 6. Selected Financial Data.

The following selected consolidated financial data should be read in conjunction with "*Management's Discussion and Analysis of Financial Condition and Results of Operations"* and the consolidated financial statements, related notes and other information included elsewhere in this Annual Report on Form 10-K. The selected consolidated statements of operations data for the years ended December 31, 2020, 2019 and 2018, and the selected consolidated balance sheet data as of December 31, 2020 and 2019 are derived from our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. The selected consolidated statements of operations data for the year ended December 31, 2017 and the selected consolidated balance sheet data as of December 31, 2018 and 2017 are derived from audited consolidated financial statements not included in this Annual Report on Form 10-K. Our historical results are not necessarily indicative of our future results. The selected consolidated financial data in this section are not intended to replace, and are qualified in their entirety, by the consolidated financial statements and related notes thereto included elsewhere in this Annual Report on Form 10-K.

	Year Ended December 31,			
	2020	2019	2018	2017
	(in thousands, except share and per share amounts)			
Consolidated Statement of Operations Data:				
Revenue	$ 160,820	$ 131,556	$ 104,382	$ 76,856
Net loss	$ (307,818)	$ (133,434)	$ (68,409)	$ (90,182)
Net loss attributable to common stockholders—basic and diluted	$ (252,284)	$ (169,076)	$ (135,872)	$ (121,288)
Net loss per share attributable to common stockholders—basic and diluted	$ (2.87)	$ (4.14)	$ (15.74)	$ (14.05)
Weighted average common shares outstanding—basic and diluted	87,871,457	40,797,976	8,634,477	8,632,936

	As of December 31,			
	2020	2019	2018	2017
	(in thousands)			
Consolidated Balance Sheet Data:				
Cash and restricted cash	$ 377,893	$ 150,291	$ 87,046	$ 81,778
Property and equipment, net	$ 2,323,169	$ 1,745,060	$ 1,328,457	$ 1,113,073
Total assets	$ 3,587,582	$ 2,487,067	$ 1,665,085	$ 1,328,788
Current portion of long-term debt	$ 110,883	$ 97,464	$ 26,965	$ 25,837
Current portion of long-term debt—affiliates	$ —	$ —	$ 16,500	$ 81,791
Long-term debt, net	$ 1,924,653	$ 1,346,419	$ 872,249	$ 723,697
Long-term debt, net—affiliates	$ —	$ —	$ 44,181	$ —
Total equity	$ 1,144,557	$ 691,111	$ 501,118	$ 371,183

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis contain forward-looking statements that are subject to risks, uncertainties and assumptions. Our actual results and timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of many factors, including but not limited to those discussed under "Special Note Regarding Forward-Looking Statements", "Risk Factors" and elsewhere in this Annual Report on Form 10-K. Moreover, we operate in a very competitive and rapidly changing environment and new risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Annual Report on Form 10-K may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

Company Overview

We are a leading residential solar and energy storage service provider, serving over 107,000 customers in more than 20 U.S. states and territories. Our goal is to be the leading provider of clean, affordable and reliable energy for consumers, and we operate with a simple mission: to power energy independence so homeowners have the freedom to live life uninterrupted. We were founded to deliver customers a better energy service at a better price; and, through our solar and solar plus energy storage service offerings, we are disrupting the traditional energy landscape and the way the 21st century customer generates and consumes electricity.

We have a differentiated residential solar dealer model in which we partner with local dealers who originate, design and install our customers' solar energy systems and energy storage systems on our behalf. Our focus on our dealer model enables us to leverage our dealers' specialized knowledge, connections and experience in local markets to drive customer origination while providing our dealers with access to high quality products at competitive prices, as well as technical oversight and expertise. We believe this structure provides operational flexibility, reduces exposure to labor shortages and lowers fixed costs relative to our peers, furthering our competitive advantage.

We offer customers products to power their homes with affordable solar energy. We are able to offer savings compared to utility-based retail rates with little to no up-front expense to the customer in conjunction with solar and solar plus energy storage, and in the case of the latter are able to also provide energy resiliency. We also make it possible in some states for a customer to obtain a new roof and other ancillary products as part of their solar loan. Our solar service agreements take the form of a lease, PPA or loan. The initial term of our solar service agreements is typically 10, 15 or 25 years. Service is an integral part of our agreements and includes operations and maintenance, monitoring, repairs and replacements, equipment upgrades, on-site power optimization for the customer (for both supply and demand), the ability to efficiently switch power sources among the solar panel, grid and energy storage system, as appropriate, and diagnostics. During the life of the contract we have the opportunity to integrate related and evolving home servicing and monitoring technologies to upgrade the flexibility and reduce the cost of our customers' energy supply.

In the case of leases and PPAs, we also currently receive tax benefits and other incentives from federal, state and local governments, a portion of which we finance through tax equity, non-recourse debt structures and hedging arrangements in order to fund our upfront costs, overhead and growth investments. We have an established track record of attracting capital from diverse sources. From our inception through December 31, 2020, we have raised more than $6.7 billion in total capital commitments from equity, debt and tax equity investors.

In addition to providing ongoing service as a standard component of our solar service agreements, we also offer ongoing energy services to customers who purchased their solar energy system through third parties. Under these arrangements, we agree to provide monitoring, maintenance and repair services to these customers for the life of the service contract they sign with us. We believe the quality and scope of our comprehensive energy service offerings, whether to customers that obtained their solar energy system through us or through another party, is a key differentiator between us and our competitors.

We commenced operations in January 2013 and began providing solar energy services under our first solar energy system in April 2013. Since then, our brand, innovation and focused execution have driven significant, rapid growth in our market share and in the number of customers on our platform. We operate one of the largest fleets of residential solar energy systems in the U.S., comprising more than 790 megawatts of generation capacity and serving over 107,000 customers.

Recent Developments

Acquisition of SunStreet

In February 2021, we entered into a Merger Agreement with certain of our subsidiaries, SunStreet and Lenˣ. Pursuant to the Merger Agreement, we will acquire SunStreet, Lennar Corporation's residential solar platform, in exchange for up to 7,222,229 shares of our common stock, comprised of 3,333,333 shares in initial consideration to be issued at closing, subject to purchase price adjustment, and up to 3,888,896 shares issuable as earnout consideration after closing of the Acquisition. The Acquisition is expected to provide a new strategic path to further scale our business and develop clean and resilient residential microgrids across the U.S.

The completion of the Acquisition is subject to, among other customary mutual conditions, our entry into (a) a transition services agreement, (b) a stockholders agreement, which will provide for certain registration rights and standstill provisions, (c) a master management and services agreement with an affiliate of Lennar Corporation, which will provide for SunStreet's continued provision of operating, maintenance and servicing services for solar service agreements of Lennar Corporation customers, (d) an exclusivity agreement with Lennar Corporation and (e) initial tax equity fund documents. The Merger Agreement contains termination rights if, among other things, the Acquisition does not close on or before September 1, 2021. The Acquisition is expected to close in the second quarter of 2021. See "*Item 1A. Risk Factors*" for discussion of risks related to the Acquisition.

Earnout Agreement

Pursuant to the Earnout Agreement entered into between us and Lenˣ, Lenˣ will have the ability to earn up to 3,888,896 additional shares of common stock over a five-year period in connection with the Acquisition. The earnout payments are conditioned on SunStreet meeting certain commercial milestones tied to achieving specified origination targets. There are two elements to the earnout arrangement. First, we will issue up to 2,777,784 shares if we and our subsidiaries (including SunStreet) place target amounts of solar energy systems into service and enter into qualifying customer agreements related to such solar energy systems through SunStreet's existing homebuilding process. The 2,777,784 shares of common stock issuable under this prong of the earnout can be earned in four installments on a yearly basis (if the origination target for each such year is achieved) or at the end of the four-year period (if the aggregate origination target is achieved in the fourth and final year), with the annual periods commencing on the closing date of the Acquisition. The second element of the earnout is related to the development of microgrid communities. Pursuant to this portion of the earnout, we will issue up to 1,111,112 shares if, prior to the fifth anniversary of the closing date of the Acquisition, we enter into binding agreements for the development of microgrid communities.

Exclusivity Agreement

In connection with the Acquisition, we will become Lennar Corporation's exclusive residential solar and storage service provider for new home communities with solar across the U.S. for a period of four years. Under the exclusivity agreement, Lennar Corporation will agree to exclusively use us or our subsidiaries as its solar and storage service provider. In addition, through the exclusivity agreement we will have the opportunity to leverage Lennar Corporation's existing customer relationships to offer solar service agreements to those customers without an existing solar energy system. Lennar Corporation will retain the ability to terminate the exclusivity agreement if we fail to maintain certain specified performance obligations on a regular basis, including the failure to timely install solar and storage equipment across its new home communities. We are also required to offer competitive prices to Lennar Corporation's homebuyers and incentives to Lennar Corporation.

Tax Equity Commitment

In connection with the Acquisition, Lennar Corporation has committed to contribute an aggregate $200.0 million to four Sunnova tax equity funds, each formed annually during a period of four consecutive years commencing in 2021. The solar service agreements and related solar energy systems acquired by each of these four tax equity funds will generally be originated by SunStreet, though a certain number of solar service agreements may be originated by our dealers if those originated by SunStreet do not fully utilize Lennar Corporation's Funding Commitment for a given Contribution Year. Any amount not utilized during the first and second Contribution Years will increase the Funding Commitment during the third Contribution Year by that amount, and any amount not utilized during the third Contribution Year will increase the Funding Commitment during the fourth Contribution Year by that amount. In connection with the Funding Commitment, each of the tax equity funds will enter into typical tax equity fund transaction documentation, including development and purchase agreements, servicing agreements and limited liability company agreements.

COVID-19 Pandemic

The ongoing COVID-19 pandemic has resulted and may continue to result in widespread adverse impacts on the global economy. Our first priority in our response to this pandemic has been the health and safety of our employees, customers and dealers. To that end, we quickly implemented preventative measures to minimize unnecessary risk of exposure, which we have continued to follow. We have experienced some resulting disruptions to our business operations as the COVID-19 pandemic has continued to spread through the states and U.S. territories in which we operate.

Social distancing guidelines, stay-at-home orders and similar government measures associated with the COVID-19 pandemic, as well as actions by individuals to reduce their potential exposure to the virus, contributed to a decline in origination, with new contract origination, net of cancelations, declining in each of March and April 2020 from the previous month. This decline reflected an inability by our dealers to perform in-person sales calls based on the stay-at-home orders in some locations. To adjust to these government measures, our dealers expanded the use of digital tools and origination channels and created new methods that offset restrictions on their ability to meet with potential new customers in person. Such efforts drove an increase in new contract origination, net of cancelations, in May through November 2020, with each of the months from June 2020 to November 2020 exceeding the number of new contracts originated, net of cancelations, in February 2020. We have seen the use of websites, video conferencing and other virtual tools as part of our origination process expand widely and contribute to our growth. However, local, state or federal government extensions of COVID-19 pandemic response measures may further disrupt the return to in-person sales, which may have a material adverse effect on our business, cash flows, liquidity, financial condition and results of operations due to an inability by our dealers to adjust to virtual sales methods or because such methods prove to be less successful with potential customers.

The service and installation of solar energy systems has continued during the COVID-19 pandemic. This reflects residential solar services' designation as an essential service in all of our service territories. In order to adhere to all applicable state and federal health and safety guidelines, we and our dealers have moved to a contact-free process for installers and service technicians. In addition, an increasing number of jurisdictional authorities, as well as local utilities, are accepting electronic submissions for permits, and inspections are being performed in many locations through video calls and other electronic means. We expect our dealers' ability to install and our ability to service solar energy systems will continue in this manner. However, if there are additional outbreaks of the COVID-19 virus or more stringent health and safety guidelines are adopted, our and our dealers' ability to continue performing installations and service calls may be adversely impacted.

Throughout the COVID-19 pandemic, we have seen minimal impact to our supply chain as our technicians and dealers have largely been able to successfully procure the equipment needed to service and install solar energy systems. We have established a geographically diverse group of suppliers, which helps ensure our dealers and customers have access to affordable and effective solar energy and storage options despite potential trade, geopolitical or event-driven risks. Further, we implemented a strategy in 2019, as a result of which the equipment necessary to install and service a significant majority of solar energy systems for the duration of 2021 is already available to us. Currently, we do not anticipate an inability to source parts for our solar energy systems or energy storage systems. However, if supply chains become significantly disrupted due to additional outbreaks of the COVID-19 virus or more stringent health and safety guidelines are implemented, our ability to install and service solar energy systems could become adversely impacted.

As part of our preventative measures to minimize unnecessary risk of exposure and prevent infection, we have continued our work-from-home policy for employees in our Houston headquarters. In May 2020, we re-established critical operations that rely on infrastructure available at headquarters. All employees are required to follow strict social distancing and health safety guidelines in conformity with the restrictions and best practices encouraged by the Centers for Disease Control and Prevention, the World Health Organization and other governmental and regulatory authorities. Throughout the COVID-19 pandemic, our call center has remained open and properly staffed to meet our customers' needs. If a customer requires a visit from a service technician, those technicians are available and in almost all cases can complete the service without entering the customer's home. We are continuing to address concerns to protect the health and safety of our employees and those of our customers and dealers, and this includes changes to comply with health-related guidelines as they are modified and supplemented.

There is considerable uncertainty regarding the extent and duration of governmental and other measures implemented to try to slow the spread of the COVID-19 virus, such as large-scale travel bans and restrictions, border closures, quarantines, shelter-in-place orders and business and government shutdowns. Some states that had begun taking steps to reopen their economies experienced a subsequent surge in cases of COVID-19, causing these states to cease such reopening measures in some cases and reinstitute restrictions in others. Restrictions of this nature have caused, and may continue to cause, us and our dealers to experience operational delays and may cause milestones or deadlines relating to our exclusivity arrangements to be missed. To date, we have not received notices from our dealers regarding performance delays resulting from the COVID-19 pandemic. However, worsening economic conditions could result in such outcomes over time, which would impact our future financial

performance. Further, the effects of the economic downturn associated with the COVID-19 pandemic may increase unemployment and reduce consumer credit ratings and credit availability, which may adversely affect new customer origination and our existing customers' ability to make payments on their solar service agreements. Periods of high unemployment and a lack of availability of credit may lead to increased delinquency and default rates. We have not experienced a significant increase in default or delinquency rates to date. However, if existing economic conditions continue for a prolonged period of time or worsen, delinquencies on solar service agreements could increase, which would also negatively impact our future financial performance.

As of the date of this report, our responses to the challenges presented by the conditions described above to minimize the impacts to our business have yielded encouraging results. However, our future success also depends on our ability to raise capital from third-party investors and commercial sources. In the initial weeks of the COVID-19 pandemic we saw access to capital markets reduced generally. Although the capital markets have not returned to full strength, we have since been able to raise funding during this challenging time. During 2020, we closed five tax equity funds, closed three securitizations, expanded capacity under one of our existing credit facilities, closed one additional credit facility, raised additional equity capital and continue to have access to capacity under certain of our existing tax equity funds and warehouse facilities. If we are unable to regain access to the capital markets or are unable to raise funds through our tax equity and warehouse financing transactions at competitive terms, it would adversely impact our ability to finance the deployment of our solar energy systems and energy storage systems and our future financial performance.

We cannot predict the full impact the COVID-19 pandemic or the significant disruption and volatility currently being experienced in the capital markets will have on our business, cash flows, liquidity, financial condition and results of operations at this time due to numerous uncertainties. The ultimate impact will depend on future developments, including, among other things, the ultimate duration of the COVID-19 virus, the distribution, acceptance and efficacy of the vaccine, the depth and duration of the economic downturn and other economic effects of the COVID-19 pandemic, the consequences of governmental and other measures designed to prevent the spread of the COVID-19 virus, actions taken by governmental authorities, customers, suppliers, dealers and other third parties, our ability and the ability of our customers, potential customers and dealers to adapt to operating in a changed environment and the timing and extent to which normal economic and operating conditions resume. For additional discussion regarding risks associated with the COVID-19 pandemic, see "*Risk Factors*" elsewhere in this Annual Report on Form 10-K.

Financing Transactions

In November 2020, we admitted a tax equity investor with a total capital commitment of $100.0 million. In December 2020, we increased the total capital commitment from an existing tax equity investor from $75.0 million to $155.0 million. See "*—Liquidity and Capital Resources—Financing Arrangements—Tax Equity Fund Commitments*" below.

In October 2020, we amended the revolving credit facility associated with one of our financing subsidiaries that owns certain tax equity funds to, among other things, increase the aggregate commitment amount from $437.5 million to $460.7 million and increase the maximum commitment amount from $437.5 million to $600.0 million. In January 2021, this revolving credit facility was further amended to, among other things, (a) permit certain transactions in SRECs (or proceeds therefrom) and related hedging arrangements and exclude certain of such amounts from the calculation of net cash flow available to service the indebtedness and (b) allow for borrowings with respect to certain ancillary components. See "*—Liquidity and Capital Resources—Financing Arrangements—Warehouse and Other Debt Financings*" below.

In November 2020, one of our subsidiaries issued $209.1 million in aggregate principal amount of Series 2020-2 Class A solar asset-backed notes and $45.6 million in aggregate principal amount of Series 2020-2 Class B solar asset-backed notes (collectively, the "SOLII Notes") with a maturity date of November 2055. The SOLII Notes bear interest at an annual rate of 2.73% and 5.47% for the Class A and Class B notes, respectively. In February 2021, one of our subsidiaries issued $150.1 million in aggregate principal amount of Series 2021-A Class A solar loan-backed notes and $38.6 million in aggregate principal amount of Series 2021-A Class B solar loan-backed notes (collectively, the "HELV Notes") with a maturity date of February 2048. The HELV Notes bear interest at an annual rate of 1.80% and 3.15% for the Class A and Class B notes, respectively. See "*—Liquidity and Capital Resources—Financing Arrangements—Securitizations*" below.

During the fourth quarter of 2020, certain of the holders of our 9.75% convertible senior notes converted approximately $66.0 million aggregate principal amount, including accrued and unpaid interest to the date of each conversion, of our 9.75% convertible senior notes into 4,890,892 shares of our common stock. In January and February 2021, the remaining holders of our 9.75% convertible senior notes converted approximately $97.1 million aggregate principal amount, including accrued and unpaid interest to the date of each conversion, of our 9.75% convertible senior notes into 7,196,035 shares of our common stock. As of February 23, 2021, all of the holders of our 9.75% convertible senior notes have converted their notes into common

stock. As such, there are no longer any 9.75% convertible senior notes outstanding. See "*—Liquidity and Capital Resources—Financing Arrangements—Convertible Senior Notes*" below.

In December 2020, we sold 4,025,000 shares of common stock at a public offering price of $37.00 per share. We received aggregate net proceeds of approximately $142.7 million, after deducting underwriting discounts and commissions of approximately $6.0 million and offering expenses of approximately $0.3 million. See "*—Liquidity and Capital Resources—Financing Arrangements—Public Offerings*" below.

Securitizations

As a source of long-term financing, we securitize qualifying solar energy systems, energy storage systems and related solar service agreements into special purpose entities who issue solar asset-backed and solar loan-backed notes to institutional investors. We also securitize the cash flows generated by the membership interests in certain of our indirect, wholly-owned subsidiaries that are the managing member of a tax equity fund that owns a pool of solar energy systems, energy storage systems and related solar service agreements that were originated by one of our wholly-owned subsidiaries. We do not securitize the Section 48(a) ITC incentives associated with the solar energy systems and energy storage systems as part of these arrangements. We use the cash flows these solar energy systems and energy storage systems generate to service the monthly, quarterly or semi-annual principal and interest payments on the notes and satisfy the expenses and reserve requirements of the special purpose entities, with any remaining cash distributed to their sole members, who are typically our indirect wholly-owned subsidiaries. In connection with these securitizations, certain of our affiliates receive a fee for managing and servicing the solar energy systems and energy storage systems pursuant to management, servicing, facility administration and asset management agreements. The special purpose entities are also typically required to maintain a liquidity reserve account and a reserve account for equipment replacements and, in certain cases, reserve accounts for financing fund purchase option/withdrawal right exercises or storage system replacement for the benefit of the holders under the applicable series of notes, each of which are funded from initial deposits or cash flows to the levels specified therein. The creditors of these special purpose entities have no recourse to our other assets except as expressly set forth in the terms of the notes. From our inception through December 31, 2020, we have issued $1.7 billion in solar asset-backed and solar loan-backed notes.

Tax Equity Funds

Our ability to offer long-term solar service agreements depends in part on our ability to finance the installation of the solar energy systems and energy storage systems by co-investing with tax equity investors, such as large banks who value the resulting customer receivables and Section 48(a) ITCs, accelerated tax depreciation and other incentives related to the solar energy systems and energy storage systems, primarily through structured investments known as "tax equity". Tax equity investments are generally structured as non-recourse project financings known as "tax equity funds". In the context of distributed generation solar energy, tax equity investors make contributions upfront or in stages based on milestones in exchange for a share of the tax attributes and cash flows emanating from an underlying portfolio of solar energy systems and energy storage systems. In these tax equity funds, the U.S. federal tax attributes offset taxes that otherwise would have been payable on the investors' other operations. The terms and conditions of each tax equity fund vary significantly by investor and by fund. We continue to negotiate with potential investors to create additional tax equity funds.

In general, our tax equity funds are structured using the "partnership flip" structure. Under partnership flip structures, we and our tax equity investors contribute cash into a partnership. The partnership uses this cash to acquire long-term solar service agreements, solar energy systems and energy storage systems developed by us and sells energy from such solar energy systems and energy storage systems, as applicable, to customers or directly leases the solar energy systems and energy storage systems, as applicable, to customers. We assign these solar service agreements, solar energy systems, energy storage systems and related incentives to our tax equity funds in accordance with the criteria of the specific funds. Upon such assignment and the satisfaction of certain conditions precedent, we are able to draw down on the tax equity fund commitments. The conditions precedent to funding vary across our tax equity funds but generally require that we have entered into a solar service agreement with the customer, the customer meets certain credit criteria, the solar energy system is expected to be eligible for the Section 48(a) ITC, we have a recent appraisal from an independent appraiser establishing the fair market value of the solar energy system and the property is in an approved state or territory. Certain tax equity investors agree to receive a minimum target rate of return, typically on an after-tax basis, which varies by tax equity fund. Prior to receiving a contractual rate of return or a date specified in the contractual arrangements, the tax equity investor receives substantially all of the non-cash value attributable to the solar energy systems and energy storage systems, which includes accelerated depreciation and Section 48(a) ITCs, and a significant portion of the value attributable to customer payments; however, we typically receive a majority of the cash distributions, which are typically paid quarterly. After the tax equity investor receives its contractual rate of return or after a specified date, we receive substantially all of the cash. Under the partnership flip structure, in part owing to the allocation of depreciation benefits to the investor, the investor's pre-tax return is much lower than the investor's after-tax return.

We have determined we are the primary beneficiary in these tax equity funds for accounting purposes. Accordingly, we consolidate the assets and liabilities and operating results of these partnerships in our consolidated financial statements. We recognize the tax equity investors' share of the net assets of the tax equity funds as redeemable noncontrolling interests and noncontrolling interests in our consolidated balance sheets. These income or loss allocations, reflected in our consolidated statements of operations, may create significant volatility in our reported results of operations, including potentially changing net loss attributable to stockholders to net income attributable to stockholders, or vice versa, from quarter to quarter.

We typically have an option to acquire, and our tax equity investors may have an option to withdraw and require us to purchase, all the equity interests our tax equity investor holds in the tax equity funds starting approximately six years after the last solar energy system in each tax equity fund is operational. If we or our tax equity investors exercise this option, we are typically required to pay at least the fair market value of the tax equity investor's equity interest and, in certain cases, a contractual minimum amount. Following such exercise, we would receive 100% of the customer payments for the remainder of the term of the solar service agreements. From our inception through December 31, 2020, we have received commitments of $789.5 million through the use of tax equity funds, of which an aggregate of $628.6 million has been funded.

Key Financial and Operational Metrics

We regularly review a number of metrics, including the following key operational and financial metrics, to evaluate our business, measure our performance and liquidity, identify trends affecting our business, formulate our financial projections and make strategic decisions.

Number of Customers. We define number of customers to include each unique customer that is party to a solar service agreement or purchased a solar energy system from us outright, which we subsequently placed in service. For all solar energy systems installed by us, in-service means the related solar energy system and, if applicable, energy storage system, must have met all the requirements to begin operation and be interconnected to the electrical grid. We do not include in our number of customers any customer under a lease, PPA or loan agreement that has reached mechanical completion but has not received permission to operate from the local utility or for whom we have terminated the contract and removed the solar energy system. We also do not include in our number of customers any customer that has been in default under his or her solar service agreement in excess of six months. We track the total number of customers as an indicator of our historical growth and our rate of growth from period to period.

	As of December 31,		
	2020	2019	Change
Number of customers	107,500	78,600	28,900

Weighted Average Number of Customers. We calculate the weighted average number of customers based on the number of months a given customer is in-service during a given measurement period. The weighted average number of customers reflects the number of customers at the beginning of a period, plus the total number of new customers added in the period adjusted by a factor that accounts for the partial period nature of those new customers. For purposes of this calculation, we assume all new customers added during a month were added in the middle of that month. We track the weighted average customer count in order to accurately reflect the contribution of the appropriate number of customers to key financial metrics over the measurement period.

	Year Ended December 31,		
	2020	2019	2018
Weighted average number of customers (excluding loan agreements)	77,900	60,100	49,200
Weighted average number of customers with loan agreements	14,200	8,400	4,200
Weighted average number of customers	92,100	68,500	53,400

Adjusted EBITDA. We define Adjusted EBITDA as net income (loss) plus net interest expense, depreciation and amortization expense, income tax expense, financing deal costs, natural disaster losses and related charges, net, amortization of payments to dealers for exclusivity and other bonus arrangements, legal settlements and excluding the effect of certain non-recurring items we do not consider to be indicative of our ongoing operating performance such as, but not limited to, costs of our initial public offering ("IPO"), losses on unenforceable contracts, losses on extinguishment of long-term debt, realized and unrealized gains and losses on fair value option instruments and other non-cash items such as non-cash compensation expense,

asset retirement obligation ("ARO") accretion expense, provision for current expected credit losses and non-cash inventory impairment.

Adjusted EBITDA is a non-GAAP financial measure we use as a performance measure. We believe investors and securities analysts also use Adjusted EBITDA in evaluating our operating performance. This measurement is not recognized in accordance with accounting principles generally accepted in the United States of America ("GAAP") and should not be viewed as an alternative to GAAP measures of performance. The GAAP measure most directly comparable to Adjusted EBITDA is net income (loss). The presentation of Adjusted EBITDA should not be construed to suggest our future results will be unaffected by non-cash or non-recurring items. In addition, our calculation of Adjusted EBITDA is not necessarily comparable to Adjusted EBITDA as calculated by other companies.

We believe Adjusted EBITDA is useful to management, investors and analysts in providing a measure of core financial performance adjusted to allow for comparisons of results of operations across reporting periods on a consistent basis. These adjustments are intended to exclude items that are not indicative of the ongoing operating performance of the business. Adjusted EBITDA is also used by our management for internal planning purposes, including our consolidated operating budget, and by our Board in setting performance-based compensation targets. Adjusted EBITDA should not be considered an alternative to but viewed in conjunction with GAAP results, as we believe it provides a more complete understanding of ongoing business performance and trends than GAAP measures alone. Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP.

We use per customer metrics, including Adjusted Operating Expense per weighted average customer (as described below), as an additional way to evaluate our performance. Specifically, we consider the change in these metrics from period to period as a way to evaluate our performance in the context of changes we experience in the overall customer base. While the Adjusted Operating Expense figure provides a valuable indicator of our overall performance, evaluating this metric on a per unit basis allows for further nuanced understanding by management, investors and analysts of the financial impact of each additional customer.

	Year Ended December 31,		
	2020	2019	2018
	(in thousands)		
Reconciliation of Net Loss to Adjusted EBITDA:			
Net loss	$ (307,818)	$ (133,434)	$ (68,409)
Interest expense, net	154,580	108,024	51,582
Interest expense, net—affiliates	—	4,098	9,548
Interest income	(23,741)	(12,483)	(6,450)
Income tax expense	181	—	—
Depreciation expense	66,066	49,340	39,290
Amortization expense	32	29	133
EBITDA	(110,700)	15,574	25,694
Non-cash compensation expense (1)	10,873	10,512	3,410
ARO accretion expense	2,186	1,443	1,183
Financing deal costs	4,454	1,161	1,902
Natural disaster losses and related charges, net	31	54	8,217
IPO costs	—	3,804	563
Loss on unenforceable contracts	—	2,381	—
Loss on extinguishment of long-term debt, net	142,772	—	—
Loss on extinguishment of long-term debt, net—affiliates	—	10,645	—
Unrealized (gain) loss on fair value option instruments	(907)	150	—
Realized (gain) loss on fair value option instruments	(835)	730	—
Amortization of payments to dealers for exclusivity and other bonus arrangements	1,820	583	—
Legal settlements	—	1,260	150
Provision for current expected credit losses	7,969	—	—
Non-cash inventory impairment	1,934	—	—
Adjusted EBITDA	$ 59,597	$ 48,297	$ 41,119

(1) Amount includes the non-cash effect of equity-based compensation plans of $10.9 million, $9.2 million and $3.0 million for the years ended December 31, 2020, 2019 and 2018, respectively, and partial forgiveness of a loan to an executive officer used to purchase our capital stock of $1.3 million and $0.4 million for the years ended December 31, 2019 and 2018, respectively.

Interest Income and Principal Payments from Customer Notes Receivable. Under our loan agreements, the customer obtains financing for the purchase of a solar energy system from us and we agree to operate and maintain the solar energy system throughout the duration of the agreement. Pursuant to the terms of the loan agreement, the customer makes scheduled principal and interest payments to us and has the option to prepay principal at any time in part or in full. Whereas we typically recognize payments from customers under our leases and PPAs as revenue, we recognize payments received from customers under our loan agreements (a) as interest income, to the extent attributable to earned interest on the contract that financed the customer's purchase of the solar energy system; (b) as a reduction of a note receivable on the balance sheet, to the extent attributable to a return of principal (whether scheduled or prepaid) on the contract that financed the customer's purchase of the solar energy system; and (c) as revenue, to the extent attributable to payments for operations and maintenance services provided by us.

While Adjusted EBITDA effectively captures the operating performance of our leases and PPAs, it only reflects the service portion of the operating performance under our loan agreements. We do not consider our types of solar service agreements differently when evaluating our operating performance. In order to present a measure of operating performance that provides comparability without regard to the different accounting treatment among our three types of solar service agreements, we consider interest income from customer notes receivable and principal proceeds from customer notes receivable, net of related revenue, as key performance metrics. We believe these two metrics provide a more meaningful and uniform method of

analyzing our operating performance when viewed in light of our other key performance metrics across the three primary types of solar service agreements.

	Year Ended December 31,		
	2020	2019	2018
	(in thousands)		
Interest income from customer notes receivable	$ 23,239	$ 11,588	$ 6,147
Principal proceeds from customer notes receivable, net of related revenue	$ 32,580	$ 20,044	$ 6,812

Adjusted Operating Cash Flow. We define Adjusted Operating Cash Flow as net cash used in operating activities plus principal proceeds from customer notes receivable, financed insurance payments and distributions to redeemable noncontrolling interests and noncontrolling interests less derivative breakage fees from financing structure changes, payments to dealers for exclusivity and other bonus arrangements, net inventory and prepaid inventory (sales) purchases, payments of non-capitalized costs related to our IPO and equity offerings and direct sales costs to the extent the related solar energy system is financed through a loan. Adjusted Operating Cash Flow is a non-GAAP financial measure we use as a liquidity measure. This measurement is not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of liquidity. The GAAP measure most directly comparable to Adjusted Operating Cash Flow is net cash used in operating activities. We believe Adjusted Operating Cash Flow is a supplemental financial measure useful to management, analysts, investors, lenders and rating agencies as an indicator of our ability to internally fund origination activities, service or incur additional debt and service our contractual obligations. We believe investors and analysts will use Adjusted Operating Cash Flow to evaluate our liquidity and ability to service our contractual obligations. However, Adjusted Operating Cash Flow has limitations as an analytical tool because it does not account for all future expenditures and financial obligations of the business or reflect unforeseen circumstances that may impact our future cash flows, all of which could have a material effect on our financial condition and results from operations. In addition, our calculations of Adjusted Operating Cash Flow are not necessarily comparable to liquidity measures presented by other companies. Investors should not rely on these measures as a substitute for any GAAP measure, including net cash used in operating activities.

	Year Ended December 31,		
	2020	2019	2018
	(in thousands)		
Reconciliation of Net Cash Used in Operating Activities to Adjusted Operating Cash Flow:			
Net cash used in operating activities	$ (131,466)	$ (170,262)	$ (11,570)
Principal proceeds from customer notes receivable	35,479	21,604	$ 7,715
Financed insurance payments	(4,981)	(4,672)	$ —
Derivative breakage fees from financing structure changes	48,672	12,080	$ (17,793)
Distributions to redeemable noncontrolling interests and noncontrolling interests	(6,527)	(7,559)	$ (2,017)
Payments to dealers for exclusivity and other bonus arrangements	25,849	31,733	$ —
Net inventory and prepaid inventory purchases	41,548	118,549	$ 13,100
Payments of non-capitalized costs related to IPO	—	4,944	—
Payments of non-capitalized costs related to equity offerings	2,031	—	—
Direct sales costs	108	—	—
Adjusted Operating Cash Flow	$ 10,713	$ 6,417	$ (10,565)

Adjusted Operating Expense. We define Adjusted Operating Expense as total operating expense less depreciation and amortization expense, financing deal costs, natural disaster losses and related charges, net, amortization of payments to dealers for exclusivity and other bonus arrangements, legal settlements and excluding the effect of certain non-recurring items we do not consider to be indicative of our ongoing operating performance such as, but not limited to, costs of our IPO, losses on unenforceable contracts and other non-cash items such as non-cash compensation expense, ARO accretion expense, provision for current expected credit losses and non-cash inventory impairment. Adjusted Operating Expense is a non-GAAP financial measure we use as a performance measure. We believe investors and securities analysts will also use Adjusted Operating Expense in evaluating our performance. This measurement is not recognized in accordance with GAAP and should not be viewed as an alternative to GAAP measures of performance. The GAAP measure most directly comparable to Adjusted Operating Expense is total operating expense. We believe Adjusted Operating Expense is a supplemental financial measure

useful to management, analysts, investors, lenders and rating agencies as an indicator of the efficiency of our operations between reporting periods. Adjusted Operating Expense should not be considered an alternative to but viewed in conjunction with GAAP total operating expense, as we believe it provides a more complete understanding of our performance than GAAP measures alone. Adjusted Operating Expense has limitations as an analytical tool and you should not consider it in isolation or as a substitute for analysis of our results as reported under GAAP, including total operating expense.

We use Adjusted Operating Expense per weighted average customer as an additional way to evaluate our performance. Specifically, we consider the change in this metric from period to period as a way to evaluate our performance in the context of changes we experience in the overall customer base. While the Adjusted Operating Expense figure provides a valuable indicator of our overall performance, evaluating this metric on a per customer basis provides a more contextualized understanding of our performance to us, investors and analysts of the financial impact of each additional customer.

	Year Ended December 31,		
	2020	2019	2018
	(in thousands, except per customer data)		
Reconciliation of Total Operating Expense, Net to Adjusted Operating Expense:			
Total operating expense, net	$ 196,598	$ 153,826	$ 118,112
Depreciation expense	(66,066)	(49,340)	(39,290)
Amortization expense	(32)	(29)	(133)
Non-cash compensation expense	(10,873)	(10,512)	(3,410)
ARO accretion expense	(2,186)	(1,443)	(1,183)
Financing deal costs	(4,454)	(1,161)	(1,902)
Natural disaster losses and related charges, net	(31)	(54)	(8,217)
IPO costs	—	(3,804)	(563)
Loss on unenforceable contracts	—	(2,381)	—
Amortization of payments to dealers for exclusivity and other bonus arrangements	(1,820)	(583)	—
Legal settlements	—	(1,260)	(150)
Provision for current expected credit losses	(7,969)	—	—
Non-cash inventory impairment	(1,934)	—	—
Adjusted Operating Expense	$ 101,233	$ 83,259	$ 63,264
Adjusted Operating Expense per weighted average customer	$ 1,099	$ 1,215	$ 1,185

Estimated Gross Contracted Customer Value. We calculate estimated gross contracted customer value as defined below. We believe estimated gross contracted customer value can serve as a useful tool for investors and analysts in comparing the remaining value of our customer contracts to that of our peers.

Estimated gross contracted customer value as of a specific measurement date represents the sum of the present value of the remaining estimated future net cash flows we expect to receive from existing customers during the initial contract term of our leases and PPAs, which are typically 25 years in length, plus the present value of future net cash flows we expect to receive from the sale of related SRECs, either under existing contracts or in future sales, plus the carrying value of outstanding customer loans on our balance sheet. From these aggregate estimated initial cash flows, we subtract the present value of estimated net cash distributions to redeemable noncontrolling interests and noncontrolling interests and estimated operating, maintenance and administrative expenses associated with the solar service agreements. These estimated future cash flows reflect the projected monthly customer payments over the life of our solar service agreements and depend on various factors including but not limited to solar service agreement type, contracted rates, expected sun hours and the projected production capacity of the solar equipment installed. For the purpose of calculating this metric, we discount all future cash flows at 6%.

The anticipated operating, maintenance and administrative expenses included in the calculation of estimated gross contracted customer value include, among other things, expenses related to accounting, reporting, audit, insurance, maintenance and repairs. In the aggregate, we estimate these expenses are $20 per kilowatt per year initially, with 2% annual increases for inflation, and an additional $81 per year non-escalating expense included for energy storage systems. We do not include maintenance and repair costs for inverters and similar equipment as those are largely covered by the applicable product and dealer warranties for the life of the product, but we do include additional cost for energy storage systems, which are only

covered by a 10-year warranty. Expected distributions to tax equity investors vary among the different tax equity funds and are based on individual tax equity fund contract provisions.

Estimated gross contracted customer value is forecasted as of a specific date. It is forward-looking and we use judgment in developing the assumptions used to calculate it. Factors that could impact estimated gross contracted customer value include, but are not limited to, customer payment defaults, or declines in utility rates or early termination of a contract in certain circumstances, including prior to installation. The following table presents the calculation of estimated gross contracted customer value as of December 31, 2020 and 2019, calculated using a 6% discount rate.

	As of December 31,	
	2020	2019
	(in millions)	
Estimated gross contracted customer value	$ 2,607	$ 1,879

Sensitivity Analysis. The calculation of estimated gross contracted customer value and associated operational metrics requires us to make a number of assumptions regarding future revenues and costs which may not prove accurate. Accordingly, we present below a sensitivity analysis with a range of assumptions. We consider a discount rate of 4% to be appropriate based on recent transactions that demonstrate a portfolio of residential solar service agreements is an asset class that can be securitized successfully on a long-term basis, with a coupon of less than 4%. We also present these metrics with a discount rate of 6% based on industry practice. The appropriate discount rate for these estimates may change in the future due to the level of inflation, rising interest rates, our cost of capital and consumer demand for solar energy systems. In addition, the table below provides a range of estimated gross contracted customer value amounts if different cumulative customer loss rate assumptions were used. We are presenting this information for illustrative purposes only and as a comparison to information published by our peers.

Estimated Gross Contracted Customer Value

	As of December 31, 2020		
	Discount rate		
Cumulative customer loss rate	**4%**	**6%**	**8%**
	(in millions)		
5%	$ 2,949	$ 2,569	$ 2,279
0%	$ 2,997	$ 2,607	$ 2,309

Significant Factors and Trends Affecting Our Business

Our results of operations and our ability to grow our business over time could be impacted by a number of factors and trends that affect our industry generally, as well as new offerings of services and products we may acquire or seek to acquire in the future. Additionally, our business is concentrated in certain markets, putting us at risk of region-specific disruptions such as adverse economic, regulatory, political, weather and other conditions. See "*Item 1A. Risk Factors*" for further discussion of risks affecting our business.

Financing Availability. Our future growth depends, in significant part, on our ability to raise capital from third-party investors on competitive terms to help finance the origination of our solar energy systems under our solar service agreements. We have historically used debt, such as convertible senior notes, asset-backed and loan-backed securitizations and warehouse facilities, tax equity, preferred equity and other financing strategies to help fund our operations. From our inception through December 31, 2020, we have raised more than $6.7 billion in total capital commitments from equity, debt and tax equity investors. With respect to tax equity, there are a limited number of potential tax equity investors and the competition for this investment capital is intense. The principal tax credit on which tax equity investors in our industry rely is the Section 48(a) ITC. Starting January 1, 2020, the amount for the Section 48(a) ITC was equal to 30% of the basis of eligible solar property that began construction before 2020 if placed in service before 2026. By statute, the Section 48(a) ITC percentage decreases to 26% for eligible solar property that begins construction during 2020, 2021 or 2022, 22% for 2023 and 10% if construction begins after 2023 or if the property is placed into service after 2025. This reduction in the Section 48(a) ITC will likely reduce our use of tax equity financing in the future unless the Section 48(a) ITC is increased or replaced. IRS guidance includes a safe harbor that may apply when a taxpayer (or in certain cases, a contractor) pays or incurs 5% or more of the costs of a solar energy system before the end of the applicable year, even though the solar energy system is not placed in service until after the end of that year. For installations in 2021, we purchased prior to 2020 substantially all the inverters that we estimated would be deployed under our lease and PPA agreements that we expected would allow the related solar energy systems to qualify for the 30% Section 48(a) ITC by satisfying the 5% ITC Safe Harbor. Based on various market factors, however, not all solar energy

systems installed in 2021 will qualify for the Section 48(a) ITC at 30%. For solar energy systems installed in 2021 not meeting all requirements for the 30% Section 48(a) ITC, such solar energy systems will qualify for the 26% Section 48(a) ITC. Additionally, we may make further inventory purchases in future periods to extend the availability of each period's Section 48(a) ITC. Our ability to raise capital from third-party investors is affected by general economic conditions, the state of the capital markets, inflation levels and concerns about our industry or business.

Cost of Solar Energy Systems. Although the solar panel market has seen an increase in supply, upward pressure on prices may occur due to growth in the solar industry, regulatory policy changes, tariffs and duties and an increase in demand. As a result of these developments, we may pay higher prices on imported solar modules, which may make it less economical for us to serve certain markets. Attachment rates for energy storage systems have trended higher while the price to acquire has trended downward making the addition of energy storage systems a potential area of growth for us.

Energy Storage Systems. Our energy storage systems increase our customers' independence from the centralized utility and provide on-site backup power when there is a grid outage due to storms, wildfires, other natural disasters and general power failures caused by supply or transmission issues. In addition, at times it can be more economic to consume less energy from the grid or, alternatively, to export solar energy back to the grid. Recent technological advancements for energy storage systems allow the energy storage system to adapt to pricing and utility rate shifts by controlling the inflows and outflows of power, allowing customers to increase the value of their solar energy system plus energy storage system. The energy storage system charges during the day, making the energy it stores available to the home when needed. It also features software that can customize power usage for the individual customer, providing backup power, optimizing solar energy consumption versus grid consumption or preventing export to the grid as appropriate. The software is tailored based on utility regulation, economic indicators and grid conditions. The combination of energy control, increased energy resilience and independence from the grid is strong incentive for customers to adopt solar and energy storage. As energy storage systems and their related software features become more advanced, we expect to see increased adoption of energy storage systems.

Government Regulations, Policies and Incentives. Our growth strategy depends in significant part on government policies and incentives that promote and support solar energy and enhance the economic viability of distributed residential solar. These incentives come in various forms, including net metering, eligibility for accelerated depreciation such as the modified accelerated cost recovery system, SRECs, tax abatements, rebates, renewable targets, incentive programs and tax credits, particularly the Section 48(a) ITC and the Section 25D Credit. Policies requiring solar on new homes or new roofs, such as those enacted in California and New York City, also support the growth of distributed solar. The sale of SRECs has constituted a significant portion of our revenue historically. A change in the value of SRECs or changes in other policies or a loss or reduction in such incentives could decrease the attractiveness of distributed residential solar to us, our dealers and our customers in applicable markets, which could reduce our customer acquisition opportunities. Such a loss or reduction could also reduce our willingness to pursue certain customer acquisitions due to decreased revenue or income under our solar service agreements. Additionally, such a loss or reduction may also impact the terms of and availability of third-party financing. If any of these government regulations, policies or incentives are adversely amended, delayed, eliminated, reduced, retroactively changed or not extended beyond their current expiration dates or there is a negative impact from the recent federal law changes or proposals, our operating results and the demand for, and the economics of, distributed residential solar energy may decline, which could harm our business.

Components of Results of Operations

Revenue. We recognize revenue from contracts with customers as we satisfy our performance obligations at a transaction price reflecting an amount of consideration based upon an estimated rate of return. We express this rate of return as the solar rate per kWh in the customer contract. The amount of revenue we recognize does not equal customer cash payments because we satisfy performance obligations ahead of cash receipt or evenly as we provide continuous access on a stand-ready basis to the solar energy system. We reflect the differences between revenue recognition and cash payments received in accounts receivable, other assets or deferred revenue, as appropriate.

PPAs. We have determined solar service agreements under which customers purchase electricity from us should be accounted for as revenue from contracts with customers. We recognize revenue based upon the amount of electricity delivered as determined by remote monitoring equipment at solar rates specified under the contracts. The PPAs generally have a term of 25 years with an opportunity for customers to renew for up to an additional 10 years, via two five-year renewal options.

Lease Agreements. We are the lessor under lease agreements for solar energy systems and energy storage systems, which we account for as revenue from contracts with customers. We recognize revenue on a straight-line basis over the contract term as we satisfy our obligation to provide continuous access to the solar energy system. The lease agreements generally have a term of 25 years with an opportunity for customers to renew for up to an additional 10 years, via two five-year renewal options.

We provide customers under our lease agreements a performance guarantee that each solar energy system will achieve a certain specified minimum solar energy production output. The specified minimum solar energy production output may not be achieved due to natural fluctuations in the weather or equipment failures from exposure and wear and tear outside of our control, among other factors. We determine the amount of guaranteed output based on a number of different factors, including (a) the specific site information relating to the tilt of the panels, azimuth (a horizontal angle measured clockwise in degrees from a reference direction) of the panels, size of the solar energy system and shading on site; (b) the calculated amount of available irradiance (amount of energy for a given flat surface facing a specific direction) based on historical average weather data and (c) the calculated amount of energy output of the solar energy system.

If the solar energy system does not produce the guaranteed production amount, we are required to provide a bill credit or refund a portion of the previously remitted customer payments, where the bill credit or repayment is calculated as the product of (a) the shortfall production amount and (b) the dollar amount (guaranteed rate) per kWh that is fixed throughout the term of the contract. These bill credits or remittances of a customer's payments, if needed, are payable in January following the end of the first three years of the solar energy system's placed in service date and then every annual period thereafter. See Note 16, Commitments and Contingencies, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Loan Agreements. We recognize payments received from customers under loan agreements (a) as interest income, to the extent attributable to earned interest on the contract that financed the customer's purchase of the solar energy system; (b) as a reduction of a note receivable on the balance sheet, to the extent attributable to a return of principal (whether scheduled or prepaid) on the contract that financed the customer's purchase of the solar energy system; and (c) as revenue, to the extent attributable to payments for operations and maintenance services provided by us. Similar to our lease agreements, we provide customers under our loan agreements a performance guarantee that each solar energy system will achieve a certain specified minimum solar energy production output, which is a significant proportion of its expected output.

SRECs. Each SREC represents one megawatt hour (1,000 kWh) generated by a solar energy system. We sell SRECs to utilities and other third parties who use the SRECs to meet renewable portfolio standards and can do so with or without the actual electricity associated with the renewable-based generation source. We account for SRECs generated from solar energy systems owned by us, as opposed to those owned by our customers, as governmental incentives with no costs incurred to obtain them and do not consider those SRECs output of the underlying solar energy systems. We classify SRECs as inventory held until sold and delivered to third parties. We enter into economic hedges with major financial institutions related to expected production of SRECs through forward contracts to partially mitigate the risk of decreases in SREC market rates. The contracts require us to physically deliver the SRECs upon settlement. We recognize the related revenue upon the transfer of the SRECs to the counterparty. The costs related to the sales of SRECs are generally limited to fees for brokered transactions. Accordingly, the sale of SRECs in a period generally has a favorable impact on our operating results for that period. In certain circumstances we are required to purchase SRECs on the open market to fulfill minimum delivery requirements under our forward contracts.

Other Revenue. Other revenue includes certain state and utility incentives, revenue from the direct sale of energy storage systems to customers and sales of service plans. We recognize revenue from state and utility incentives in the periods in which they are earned. We recognize revenue from the direct sale of energy storage systems in the period in which the storage components are placed in service. Service plans are available to customers whose solar energy system was not originally sold by Sunnova. We recognize revenue from service plan contracts over the life of the contract, which is typically five years or ten years.

Cost of Revenue—Depreciation. Cost of revenue—depreciation represents depreciation on solar energy systems under lease agreements and PPAs that have been placed in service.

Cost of Revenue—Other. Cost of revenue—other represents costs to purchase SRECs on the open market, SREC broker fees and other items deemed to be a cost of providing the service of selling power to customers or potential customers, such as certain costs to service loan agreements, costs for filing under the Uniform Commercial Code to maintain title, title searches, credit checks on potential customers at the time of initial contract and other similar costs, typically directly related to the volume of customers and potential customers.

Operations and Maintenance Expense. Operations and maintenance expense represents costs paid to third parties for maintaining and servicing the solar energy systems, property insurance and property taxes. In addition, operations and maintenance expense includes impairments due to natural disaster losses net of insurance proceeds recovered under our business interruption and property damage insurance coverage for natural disasters, write downs and write-offs related to inventory adjustments, losses on disposals and other impairments.

General and Administrative Expense. General and administrative expense represents costs for our employees, such as salaries, bonuses, benefits and all other employee-related costs, including stock-based compensation, professional fees related to legal, accounting, human resources, finance and training, information technology and software services, marketing and communications, travel and rent and other office-related expenses. General and administrative expense also includes depreciation on assets not classified as solar energy systems, including information technology software and development projects, vehicles, furniture, fixtures, computer equipment and leasehold improvements and accretion expense on AROs. We capitalize a portion of general and administrative costs, such as payroll-related costs, that is related to employees who are directly involved in the design, construction, installation and testing of the solar energy systems but not directly associated with a particular asset. We also capitalize a portion of general and administrative costs, such as payroll-related costs, that is related to employees who are directly associated with and devote time to internal information technology software and development projects, to the extent of the time spent directly on the application and development stage of such software project.

Interest Expense, Net. Interest expense, net represents interest on our borrowings under our various debt facilities and amortization of debt discounts and deferred financing costs.

Interest Expense, Net—Affiliates. Interest expense, net—affiliates represents interest expense on our debt facilities, including the amortization of the debt discounts, held by our affiliates.

Interest Income. Interest income represents interest income from the notes receivable under our loan program and income on short term investments with financial institutions.

Loss on Extinguishment of Long-Term Debt, Net. Loss on extinguishment of long-term debt, net resulted from the GAAP treatment of conversions of our 9.75% convertible senior notes into shares of our common stock and represents the difference between the net carrying value of the 9.75% convertible senior notes, including accrued and unpaid interest to the date of each conversion, and the fair value of the common stock issued for the converted notes. See Note 13, Stockholders' Equity, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Loss on Extinguishment of Long-Term Debt, Net—Affiliates. Loss on extinguishment of long-term debt, net—affiliates resulted from the GAAP treatment of the amendment to the senior secured notes in April 2019 and represents the difference between the net carrying value of the senior secured notes prior to the amendment and the fair value of the notes after the amendment.

Other (Income) Expense. Other (income) expense primarily represents changes in the fair value of certain financial instruments.

Income Tax Expense. We account for income taxes under Accounting Standards Codification 740, *Income Taxes*. As such, we determine deferred tax assets and liabilities based on temporary differences resulting from the different treatment of items for tax and financial reporting purposes. We measure deferred tax assets and liabilities using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. Additionally, we must assess the likelihood that deferred tax assets will be recovered as deductions from future taxable income. We have a full valuation allowance on our deferred tax assets because we believe it is more likely than not that our deferred tax assets will not be realized. We evaluate the recoverability of our deferred tax assets on a quarterly basis. Currently, for U.S. income tax purposes, there is no provision or benefit for income taxes as we have incurred losses to date. The income tax expense includes the effects of taxes paid in U.S. territories where the tax code for the respective territory may have separate tax reporting requirements. We do not, however, report financial information on a jurisdictional basis.

Net Income (Loss) Attributable to Redeemable Noncontrolling Interests and Noncontrolling Interests. Net income (loss) attributable to redeemable noncontrolling interests and noncontrolling interests represents third-party interests in the net income or loss of certain consolidated subsidiaries based on hypothetical liquidation at book value.

Results of Operations—Year Ended December 31, 2020 Compared to Year Ended December 31, 2019

The following table sets forth our consolidated statements of operations data for the periods indicated.

	Year Ended December 31,		
	2020	2019	Change
	(in thousands)		
Revenue	$ 160,820	$ 131,556	$ 29,264
Operating expense:			
Cost of revenue—depreciation	58,431	43,536	14,895
Cost of revenue—other	6,747	3,877	2,870
Operations and maintenance	16,313	8,588	7,725
General and administrative	115,148	97,986	17,162
Other operating income	(41)	(161)	120
Total operating expense, net	196,598	153,826	42,772
Operating loss	(35,778)	(22,270)	(13,508)
Interest expense, net	154,580	108,024	46,556
Interest expense, net—affiliates	—	4,098	(4,098)
Interest income	(23,741)	(12,483)	(11,258)
Loss on extinguishment of long-term debt, net	142,772	—	142,772
Loss on extinguishment of long-term debt, net—affiliates	—	10,645	(10,645)
Other (income) expense	(1,752)	880	(2,632)
Loss before income tax	(307,637)	(133,434)	(174,203)
Income tax expense	181	—	181
Net loss	(307,818)	(133,434)	(174,384)
Net income (loss) attributable to redeemable noncontrolling interests and noncontrolling interests	(55,534)	10,917	(66,451)
Net loss attributable to stockholders	$ (252,284)	$ (144,351)	$ (107,933)

Revenue

	Year Ended December 31,		
	2020	2019	Change
	(in thousands)		
PPA revenue	$ 65,760	$ 48,041	$ 17,719
Lease revenue	51,650	40,191	11,459
SREC revenue	35,747	38,453	(2,706)
Loan revenue	3,032	1,645	1,387
Other revenue	4,631	3,226	1,405
Total	$ 160,820	$ 131,556	$ 29,264

Revenue increased by $29.3 million in the year ended December 31, 2020 compared to the year ended December 31, 2019 primarily as a result of an increased number of solar energy systems in service. The weighted average number of customers (excluding customers with loan agreements) increased from approximately 60,100 for the year ended December 31, 2019 to approximately 77,900 for the year ended December 31, 2020. Excluding SREC revenue and revenue under our loan agreements, on a weighted average number of customers basis, revenue remained relatively flat at $1,522 per customer for the

year ended December 31, 2019 compared to $1,567 per customer for the same period in 2020 (3% increase). SREC revenue decreased by $2.7 million in the year ended December 31, 2020 compared to the year ended December 31, 2019 primarily due to $3.0 million related to certain forward sales of SRECs recognized in December 2019. This decrease was partially offset by an increase in the number of solar energy systems in service, which resulted in additional SREC production. The fluctuations in SREC revenue from period to period are also affected by the total number of solar energy systems, weather seasonality and hedge and spot prices associated with the timing of the sale of SRECs. On a weighted average number of customers basis, revenues under our loan agreements increased from $196 per customer for the year ended December 31, 2019 to $214 per customer for the same period in 2020 (9% increase) primarily due to market changes and an increase in system sizes and battery attachment rates resulting in larger customer loan balances added during 2020.

Cost of Revenue—Depreciation

	Year Ended December 31,		
	2020	2019	Change
	(in thousands)		
Cost of revenue—depreciation	$ 58,431	$ 43,536	$ 14,895

Cost of revenue—depreciation increased by $14.9 million in the year ended December 31, 2020 compared to the year ended December 31, 2019. This increase was primarily due to an increase in the weighted average number of customers (excluding customers with loan agreements) from approximately 60,100 for the year ended December 31, 2019 to approximately 77,900 for the year ended December 31, 2020. On a weighted average number of customers basis, cost of revenue—depreciation remained relatively flat at $724 per customer for the year ended December 31, 2019 compared to $750 per customer for the same period in 2020 (4% increase).

Cost of Revenue—Other

	Year Ended December 31,		
	2020	2019	Change
	(in thousands)		
Cost of revenue—other	$ 6,747	$ 3,877	$ 2,870

Cost of revenue—other increased by $2.9 million in the year ended December 31, 2020 compared to the year ended December 31, 2019. This increase was primarily due to the purchase of SRECs of $1.9 million to fulfill minimum delivery requirements under our forward contracts and an increase in fees related to filings required under the Uniform Commercial Code to maintain title due to higher volumes.

Operations and Maintenance Expense

	Year Ended December 31,		
	2020	2019	Change
	(in thousands)		
Operations and maintenance	$ 16,313	$ 8,588	$ 7,725

Operations and maintenance expense increased by $7.7 million in the year ended December 31, 2020 compared to the year ended December 31, 2019 primarily due to higher impairments and loss on disposals, meter replacement costs, property insurance and property tax. Operations and maintenance expense per customer, excluding net natural disaster losses and non-cash inventory impairment, increased from $142 per customer for the year ended December 31, 2019 to $184 per customer for the year ended December 31, 2020.

General and Administrative Expense

	Year Ended December 31,		
	2020	2019	Change
	(in thousands)		
General and administrative	$ 115,148	$ 97,986	$ 17,162

General and administrative expense increased by $17.2 million in the year ended December 31, 2020 compared to the year ended December 31, 2019 primarily due to increases of (a) $8.0 million of provision for current expected credit losses related to the adoption of the new accounting standard in 2020, (b) $4.9 million of payroll and employee related expenses primarily due to the hiring of personnel to support growth, (c) $3.5 million of insurance expenses, (d) $3.3 million of financing deal costs and (e) $2.8 million of consultants, contractors and professional fees. These increases were partially offset by a decrease of $3.8 million of IPO costs.

Interest Expense, Net

	Year Ended December 31,		
	2020	2019	Change
	(in thousands)		
Interest expense, net	$ 154,580	$ 108,024	$ 46,556

Interest expense, net increased by $46.6 million in the year ended December 31, 2020 compared to the year ended December 31, 2019. This increase was primarily due to increases in realized loss on interest rate swaps of $38.1 million due to the termination of certain debt facilities in 2020, interest expense of $28.9 million due to an increase in the principal debt balance after entering into new financing arrangements and debt discount amortization of $12.7 million. These increases were partially offset by an increase in unrealized gain on interest rate swaps of $33.0 million.

Interest Expense, Net—Affiliates

	Year Ended December 31,		
	2020	2019	Change
	(in thousands)		
Interest expense, net—affiliates	$ —	$ 4,098	$ (4,098)

Interest expense, net—affiliates decreased by $4.1 million in the year ended December 31, 2020 compared to the year ended December 31, 2019 primarily due to a decrease in interest expense due to the redemption of the senior secured notes and conversion of the convertible notes in July 2019.

Interest Income

	Year Ended December 31,		
	2020	2019	Change
	(in thousands)		
Interest income	$ 23,741	$ 12,483	$ 11,258

Interest income increased by $11.3 million in the year ended December 31, 2020 compared to the year ended December 31, 2019. This increase was primarily due to an increase in the weighted average number of customers with loan agreements from approximately 8,400 for the year ended December 31, 2019 to approximately 14,200 for the year ended December 31, 2020. On a weighted average number of customers basis, loan interest income increased from $1,380 per customer for the year ended December 31, 2019 to $1,637 per customer for the year ended December 31, 2020 primarily due to higher average loan storage balances.

Loss on Extinguishment of Long-Term Debt, Net

Loss on extinguishment of long-term debt, net increased by $142.8 million in the year ended December 31, 2020 compared to the year ended December 31, 2019 due to the conversion of approximately $150.8 million aggregate principal amount, including accrued and unpaid interest to the date of each conversion, of our 9.75% convertible senior notes that met the criteria for extinguishment accounting under GAAP.

Loss on Extinguishment of Long-Term Debt, Net—Affiliates

Loss on extinguishment of long-term debt, net—affiliates decreased by $10.6 million in the year ended December 31, 2020 compared to the year ended December 31, 2019 due to the amendment of the senior secured notes in April 2019 that met the criteria for extinguishment accounting under GAAP.

Income Tax Expense

Income tax expense increased by $0.2 million in the year ended December 31, 2020 compared to the year ended December 31, 2019 primarily due to the effects of taxes incurred in jurisdictions where the tax code for the respective jurisdiction may have separate tax-reporting requirements.

Net Income (Loss) Attributable to Redeemable Noncontrolling Interests and Noncontrolling Interests

Net income (loss) attributable to redeemable noncontrolling interests and noncontrolling interests changed by $66.5 million in the year ended December 31, 2020 compared to the year ended December 31, 2019 primarily due to losses attributable to noncontrolling interests from tax equity funds added in late 2019 and in 2020.

Results of Operations—Year Ended December 31, 2019 Compared to Year Ended December 31, 2018

See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations—Year Ended December 31, 2019 Compared to Year Ended December 31, 2018*" in our Annual Report on Form 10-K filed with the SEC on February 25, 2020.

Liquidity and Capital Resources

As of December 31, 2020, we had total cash of $377.9 million, of which $209.9 million was unrestricted, and $402.4 million of available borrowing capacity under our various financing arrangements. We seek to maintain diversified and cost-effective funding sources to finance and maintain our operations, fund capital expenditures, including customer acquisitions, and satisfy obligations arising from our indebtedness. Historically, our primary sources of liquidity included non-recourse and recourse debt, investor asset-backed and loan-backed securitizations and cash generated from operations. Our business model requires substantial outside financing arrangements to grow the business and facilitate the deployment of additional solar energy systems. We will seek to raise additional required capital, including from new and existing tax equity investors, additional borrowings, securitizations and other potential debt and equity financing sources. As of December 31, 2020, we were in compliance with all debt covenants under our financing arrangements.

Additionally, from time-to-time we evaluate the potential acquisition of solar energy systems, energy storage systems and related businesses and joint ventures. As a part of these efforts, we may engage in discussions with potential sellers or other parties regarding the possible purchase of or investment in assets and operations that are strategic and complementary to our existing operations. In addition, we have in the past evaluated and pursued, and may in the future evaluate and pursue, the acquisition of or investment in other energy-related assets that have characteristics and opportunities similar to our existing business lines and enable us to leverage our assets, knowledge and skill sets. Such efforts may involve participation by us in processes that have been made public and involve a number of potential buyers or investors, commonly referred to as "auction" processes, as well as situations in which we believe we are the only party or one of a limited number of parties who are in negotiations with the potential seller or other party. These acquisition and investment efforts may involve assets which, if acquired or constructed, could have a material effect on our financial condition and results of operations.

We expect our solar energy systems in service to generate a positive return rate over the customer agreement, typically 10, 15 or 25 years. Typically, once residential solar energy systems commence operations, they do not require significant additional capital expenditures to maintain operating performance. However, in order to grow, we are currently dependent on financing from outside parties. We believe we will have sufficient cash, investment fund commitments and securitization commitments, as described below, together with cash flows from operations to meet our working capital, debt service obligations, contingencies and anticipated required capital expenditures, including customer acquisitions, for at least the next 12 months. However, we are subject to business and operational risks that could adversely affect our ability to raise additional financing. If financing is not available to us on acceptable terms if and when needed, we may be unable to finance installation of our new customers' solar energy systems in a manner consistent with our past performance, our cost of capital could increase, or we may be required to significantly reduce the scope of our operations, any of which would have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, our tax equity funds and debt instruments impose restrictions on our ability to draw on financing commitments. If we are unable to satisfy such conditions, we may incur

penalties for non-performance under certain tax equity funds, experience installation delays, or be unable to make installations in accordance with our plans or at all. Any of these factors could also impact customer satisfaction, our business, operating results, prospects and financial condition.

Financing Arrangements

The following is a description of our various financing arrangements. For a complete description of the facilities in place as of December 31, 2020 see Note 8, Long-Term Debt, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Tax Equity Fund Commitments

As of December 31, 2020, we had undrawn committed capital of approximately $135.8 million under our tax equity funds, which may only be used to purchase and install solar energy systems. We intend to establish new tax equity funds in the future depending on their attractiveness, including the availability and size of Section 48(a) ITCs and related safe harbors, and on investor demand for such funding. The terms of the tax equity funds' operating agreements contain allocations of income (loss) and Section 48(a) ITCs that vary over time and adjust between the members after either the tax equity investor receives its contractual rate of return or after a specified date. The following table summarizes our tax equity commitments as of December 31, 2020:

Date Class A Member Admitted	Class A Member Capital Commitment
	(in thousands)
March 2017	$ 97,500
December 2017	$ 45,000
December 2017	$ 57,000
January 2019	$ 50,000
August 2019	$ 75,000
December 2019	$ 50,000
February 2020	$ 75,000
May 2020	$ 155,000
July 2020	$ 10,000
September 2020	$ 75,000
November 2020	$ 100,000

Additionally, in connection with and subject to closing the Acquisition, Lennar Corporation has committed to contribute an aggregate $200.0 million to four Sunnova tax equity funds, each formed annually during a period of four consecutive years commencing in 2021. For additional information regarding our tax equity fund commitments see Note 12, Redeemable Noncontrolling Interests and Noncontrolling Interests, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Warehouse and Other Debt Financings

We from time to time enter into warehouse credit facilities as a source of funding. Under the warehouse credit facilities, revolving or term financing is provided to special purpose entities, which are typically our wholly-owned subsidiaries, and secured by qualifying solar energy systems (including, if applicable, energy storage systems) and related solar service agreements. The cash flows generated by these solar service agreements are used to cover required debt service payments under the related credit facility and satisfy the expenses and reserve requirements of the special purpose entities. The warehouse credit facilities allow for the pooling and transfer of eligible solar energy systems and related solar service agreements on a non-recourse basis to the subsidiary or us, subject to certain limited exceptions. In connection with these warehouse credit facilities, certain of our affiliates receive a fee for managing and servicing the solar energy systems pursuant to management and servicing agreements. The special purpose entities are also typically required to maintain reserve accounts, including a liquidity reserve account and a reserve account for equipment replacements, each of which are funded from initial deposits or cash flows to the levels specified therein.

The warehouse credit facility structures include certain features designed to protect lenders. One of the common primary

features relates to certain events, such as the insufficiency of cash flows in the collateral pool of assets to meet contractual requirements, the occurrence of which triggers an early repayment of the loans and limits the relevant borrower's ability to obtain additional advances or distribute funds to us. We refer to this as an "amortization event", which may be based on, among other things, a debt service coverage ratio falling or remaining below certain levels, default levels of solar assets exceeding certain thresholds or excess spread falling below certain levels over a multiple month period. In the event of an amortization event, the availability period under a revolving warehouse credit facility may terminate and the borrower may be required to repay the affected outstanding borrowings using available collections received from the asset pool. However, the period of ultimate repayment would be determined by the amount and timing of collections received. An amortization event would impair our liquidity and may require us to utilize our other available contingent liquidity or rely on alternative funding sources, which may or may not be available at the time. The debt agreements of our warehouse credit facilities also typically contain customary events of default for solar warehouse financings that entitle the lenders to take various actions, including the acceleration of amounts due under the related debt agreement and foreclosure on the borrower's assets.

In July 2014, one of our subsidiaries entered into a collateral-based financing agreement with Texas Capital Bank, N.A., as administrative agent, and the lenders party thereto. Outstanding advances under the credit facility bore interest at LIBOR plus an applicable margin. The credit facility had a maturity date occurring in January 2021. In February 2020, we fully repaid the aggregate principal amount outstanding of $92.0 million and terminated the credit facility.

In April 2017, one of our subsidiaries entered into a secured revolving credit facility with Credit Suisse AG, New York Branch, as administrative agent, and the lenders party thereto. The credit facility was amended and restated in March 2019 and further amended in September 2019, December 2019, January 2020, March 2020 and September 2020. Under the amended credit facility, the subsidiary may borrow up to $200.0 million, subject to a borrowing base calculated based on a specified advance rate applied to the net outstanding principal balance of the solar loans securing the credit facility. The proceeds of the loans under the credit facility are available for funding the purchase of solar loans, making deposits in the subsidiary's reserve accounts and paying fees in connection with the credit facility. The credit facility bears interest at an annual rate of adjusted LIBOR plus an applicable margin. The credit facility has a maturity date occurring in November 2022. In June 2020, we used proceeds from the HELIV Notes (as defined below) to repay $149.3 million in aggregate principal amount outstanding. In October 2020, we used proceeds from another credit facility entered into in September 2020 to repay $28.0 million in aggregate principal amount outstanding. Sunnova Energy Corporation guarantees the performance obligations of certain affiliates under agreements entered into in connection with the credit facility, as well as certain indemnity and refund obligations. As of December 31, 2020, we had $28.4 million of available borrowing capacity under the credit facility. In February 2021, we used proceeds from the HELV Notes to repay $107.3 million in aggregate principal amount outstanding.

In April 2017, three of our subsidiaries entered into a secured term loan credit facility with Credit Suisse AG, New York Branch, as administrative agent, and the lenders party thereto. The credit facility was amended and restated in November 2018. Outstanding advances under the credit facility bore interest at LIBOR plus an applicable margin. The credit facility had a maturity date occurring in November 2022. In February 2020, we used proceeds from the SOLI Notes (as defined below) to repay $32.0 million in aggregate principal amount outstanding. In November 2020, we fully repaid the aggregate principal amount outstanding of $10.6 million and terminated the credit facility. Sunnova Energy Corporation had guaranteed the performance obligations of certain affiliates under the agreements entered into in connection with the credit facility, as well as certain indemnity obligations.

In August 2018, one of our subsidiaries entered into a secured revolving credit facility with Credit Suisse AG, New York Branch, as administrative agent, and the lenders party thereto. The credit facility was amended and restated in March 2019 and further amended in September 2019. Under the credit facility, the subsidiary could borrow up to an initial $150.0 million with a maximum commitment amount of $250.0 million based on the aggregate value of solar assets owned by the borrower's subsidiaries, which were primarily tax equity funds, subject to certain concentration limitations. The proceeds of the loan after fees and expenses were available for funding certain reserve accounts required by the credit facility, making distributions to us and paying fees incurred in connection with closing the credit facility. The credit facility bore interest at an annual rate of adjusted LIBOR or, if such rate was not available, a base rate, plus an applicable margin. The credit facility had a maturity date occurring in November 2022. Sunnova Energy Corporation had guaranteed the performance obligations of certain affiliates under agreements entered into in connection with the credit facility as well as certain indemnity and repurchase obligations. In February 2020, we fully repaid the aggregate principal amount outstanding of $226.6 million and terminated the credit facility.

In September 2019, one of our subsidiaries entered into a secured revolving credit facility with Credit Suisse AG, New York Branch, as administrative agent, and the lenders party thereto. The credit facility was amended in December 2019 and further amended in January 2020, February 2020, March 2020, May 2020, June 2020, October 2020, November 2020 and January 2021. Under the credit facility, the subsidiary may borrow up to an initial $460.7 million with a maximum commitment amount of $600.0 million based on the aggregate value of solar assets owned by the borrower's subsidiaries, which are

primarily tax equity funds, subject to certain concentration limitations. The proceeds from the credit facility are available for funding certain reserve accounts required by the credit facility, making distributions to us and paying fees incurred in connection with closing the credit facility. The credit facility bears interest at an annual rate of adjusted LIBOR plus a weighted average margin of 4.15%. The credit facility has a maturity date occurring in November 2022. Sunnova Energy Corporation guarantees the performance obligations of certain affiliates under agreements entered into in connection with the credit facility, as well as certain indemnity and repurchase obligations. In November 2020, we used proceeds from the SOLII Notes to repay $211.5 million in aggregate principal amount outstanding. As of December 31, 2020, we had $360.4 million of available borrowing capacity under the credit facility.

In December 2019, one of our subsidiaries entered into a secured revolving credit facility with Credit Suisse AG, New York Branch, as administrative agent, and the lenders party thereto. The credit facility was amended in September 2020 and November 2020. Under the credit facility, the subsidiary could borrow up to an initial $95.2 million with a maximum commitment amount of $137.6 million, subject to lender consent and certain other conditions. The proceeds from the credit facility were available for purchasing certain eligible equipment the borrower intends will allow certain related solar energy systems to qualify for the 30% Section 48(a) ITC by satisfying the 5% ITC Safe Harbor outlined in IRS Notice 2018-59, funding a reserve account required by the credit facility and paying fees incurred in connection with closing the credit facility. The credit facility bears interest at an annual rate of either LIBOR divided by a percentage equal to 100% minus a reserve percentage or a base rate, plus an applicable margin. The credit facility has a maturity date occurring in December 2022. Sunnova Energy Corporation guarantees the performance obligations of certain affiliates under agreements entered into in connection with the credit facility and also provides a limited payment guarantee in respect of the borrower's obligations under the credit facility that is subject to a cap of $9.5 million, which equates to 10% of the initial commitments. The availability period for additional borrowings under the credit facility ended in December 2020.

In September 2020, one of our subsidiaries entered into a secured revolving credit facility with Banco Popular de Puerto Rico. Under the credit facility, the subsidiary may borrow up to $60.0 million, subject to a borrowing base calculated based on a specified advance rate applied to the net outstanding principal balance of the solar loans securing the credit facility. The proceeds of the loans under the credit facility are available for funding the purchase of solar loans, making deposits in the subsidiary's reserve account and paying fees in connection with the credit facility. The credit facility bears interest at an annual rate of adjusted LIBOR plus an applicable margin. The credit facility has a maturity date occurring in September 2023. Sunnova Energy Corporation guarantees the performance obligations of certain affiliates under agreements entered into in connection with the credit facility. As of December 31, 2020, we had $13.6 million of available borrowing capacity under the credit facility. In February 2021, we used proceeds from the HELV Notes to repay $29.5 million in aggregate principal amount outstanding.

Securitizations

We from time to time securitize solar service agreements and related assets as a source of funding. We access the Rule 144A asset-backed securitization market using wholly-owned special purpose entities to securitize pools of assets, which historically have been solar energy systems and the related lease agreements and PPAs and ancillary rights and agreements both directly or indirectly through interests in the managing member of our tax equity funds. We also securitize our loan agreements and ancillary rights and agreements.

In April 2017, one of our subsidiaries issued $191.8 million in aggregate principal amount of Series 2017-1 Class A solar asset-backed notes, $18.0 million in aggregate principal amount of Series 2017-1 Class B solar asset-backed notes, and $45.0 million in aggregate principal amount of 2017-1 Class C solar asset-backed notes (collectively, the "Notes") with a maturity date of September 2049. The Notes bear interest at an annual rate of 4.94%, 6.00% and 8.00% for the Class A, Class B and Class C notes, respectively.

In November 2018, one of our subsidiaries issued $202.0 million in aggregate principal amount of Series 2018-1 Class A solar asset-backed notes and $60.7 million in aggregate principal amount of Series 2018-1 Class B solar asset-backed notes (collectively, the "Notes II") with a maturity date of July 2048. The Notes II bear interest at an annual rate of 4.87% and 7.71% for the Class A and Class B notes, respectively.

In March 2019, one of our subsidiaries entered into a note purchase agreement pursuant to which certain institutional investors committed to purchase up to $358.0 million principal amount of notes ("RAYSI Notes") in one or more asset-backed private placement securitizations. In March 2019, our subsidiary, the RAYSI Notes issuer, issued an aggregate $133.1 million principal amount of RAYSI Notes pursuant to this note purchase agreement. In June 2019, the RAYSI Notes issuer issued an aggregate $6.4 million in principal amount of RAYSI Notes pursuant to a supplemental note purchase agreement.

In June 2019, one of our subsidiaries issued $139.7 million in aggregate principal amount of Series 2019-A Class A solar loan-backed notes, $14.9 million in aggregate principal amount of Series 2019-A Class B solar loan-backed notes and $13.0 million in aggregate principal amount of Series 2019-A Class C solar loan-backed notes (collectively, the "HELIII Notes") with a maturity date of June 2046. The HELIII Notes bear interest at an annual rate of 3.75%, 4.49% and 5.32% for the Class A, Class B and Class C notes, respectively.

In February 2020, one of our subsidiaries issued $337.1 million in aggregate principal amount of Series 2020-1 Class A solar asset-backed notes and $75.4 million in aggregate principal amount of Series 2020-1 Class B solar asset-backed notes (collectively, the "SOLI Notes") with a maturity date of January 2055. The SOLI Notes bear interest at an annual rate of 3.35% and 5.54% for the Class A and Class B notes, respectively.

In June 2020, one of our subsidiaries issued $135.9 million in aggregate principal amount of Series 2020-A Class A solar loan-backed notes and $22.6 million in aggregate principal amount of Series 2020-A Class B solar loan-backed notes (collectively, the "HELIV Notes") with a maturity date of June 2047. The HELIV Notes bear interest at an annual rate of 2.98% and 7.25% for the Class A and Class B notes, respectively.

In November 2020, one our subsidiaries issued $209.1 million in aggregate principal amount of Series 2020-2 Class A solar asset-backed notes and $45.6 million in aggregate principal amount of Series 2020-2 Class B solar asset-backed notes with a maturity date of November 2055. The SOLII Notes bear interest at an annual rate of 2.73% and 5.47% for the Class A and Class B notes, respectively.

In February 2021, one of our subsidiaries issued $150.1 million in aggregate principal amount of Series 2021-A Class A solar loan-backed notes and $38.6 million in aggregate principal amount of Series 2021-A Class B solar loan-backed notes with a maturity date of February 2048. The HELV Notes bear interest at an annual rate of 1.80% and 3.15% for the Class A and Class B notes, respectively.

The securitization structures include certain features designed to protect investors. The primary feature relates to the availability and adequacy of cash flows in the securitized pool of assets to meet contractual requirements, the insufficiency of which triggers an early repayment of the notes. We refer to this as "early amortization", which may be based on, among other things, a debt service coverage ratio falling or remaining below certain levels. As of December 31, 2020, we have not had any early amortizations under any of our securitizations. In the event of an early amortization, the notes issuer would be required to repay the affected outstanding securitized borrowings using available collections received from the asset pool. However, the period of ultimate repayment would be determined based on the amount and timing of collections received and, in limited circumstances, early amortization may be cured prior to full repayment. An early amortization event would impair our liquidity and may require us to utilize our available non-securitization related contingent liquidity or rely on alternative funding sources, which may or may not be available at the time. The indentures of our securitizations also typically contain customary events of default for solar securitizations that may entitle the noteholders to take various actions, including the acceleration of amounts due under the related indenture and foreclosure on the issuer's assets.

Convertible Senior Notes

In December 2019, we issued and sold an aggregate principal amount of $55.0 million of our 7.75% convertible senior notes in a private placement at an issue price of 95%, for an aggregate purchase price of $52.3 million. In May 2020, we issued and sold an aggregate principal amount of $130.0 million of our 9.75% convertible senior notes in a private placement at an issue price of 95%, for an aggregate purchase price of $123.5 million. The 9.75% convertible senior notes mature in April 2025 unless earlier redeemed, repurchased or converted. We granted the investors of the 9.75% convertible senior notes an option to purchase up to an additional $60.0 million aggregate principal amount of 9.75% convertible senior notes on the same terms and conditions, and the investors exercised this option and completed the purchase of such additional 9.75% convertible senior notes in June 2020. In May 2020, we also entered into privately negotiated exchanges with a small number of institutional investors in our 7.75% convertible senior notes whereby such investors exchanged all $55.0 million aggregate principal amount outstanding of our 7.75% convertible senior notes for an equal principal amount of our 9.75% convertible senior notes.

During the year ended December 31, 2020, certain of the holders of our 9.75% convertible senior notes converted approximately $150.8 million aggregate principal amount, including accrued and unpaid interest to the date of each conversion, of our 9.75% convertible senior notes into 11,168,874 shares of our common stock. In January and February 2021, the remaining holders of our 9.75% convertible senior notes converted approximately $97.1 million aggregate principal amount, including accrued and unpaid interest to the date of each conversion, of our 9.75% convertible senior notes into 7,196,035 shares of our common stock. As of February 23, 2021, all of the holders of our 9.75% convertible senior notes have converted

their notes into common stock. As such, there are no longer any 9.75% convertible senior notes outstanding. See Note 13, Stockholders' Equity, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Public Offerings

In July and August 2019, we sold 14,865,267 shares of common stock at a public offering price of $12.00 per share and on July 25, 2019 our common stock began trading on the New York Stock Exchange under the symbol "NOVA". We received aggregate net proceeds from our IPO of approximately $162.3 million, after deducting underwriting discounts and commissions of approximately $10.7 million and offering expenses of approximately $5.4 million. We used the proceeds from our IPO to repay indebtedness and for working capital purposes.

In December 2020, we sold 4,025,000 shares of common stock at a public offering price of $37.00 per share. We received aggregate net proceeds of approximately $142.7 million, after deducting underwriting discounts and commissions of approximately $6.0 million and offering expenses of approximately $0.3 million. We used the net proceeds from the offering to acquire solar equipment, repay indebtedness and for working capital purposes.

Contractual Obligations

The following unaudited table summarizes our contractual obligations as of December 31, 2020:

		Payments Due by Period (1)			
	Total	2021	2022-2023	2024-2025	Beyond 2025
		(in thousands)			
Debt obligations (including future interest) (2)	$ 2,619,717	$ 207,158	$ 772,891	$ 327,653	$ 1,312,015
AROs	41,788	—	—	—	41,788
Operating lease payments (3)	12,972	586	3,153	3,249	5,984
Finance lease payments	334	122	157	55	—
Guaranteed performance obligations	5,717	3,308	2,303	106	—
Inventory purchase obligations	101,719	28,497	53,415	19,807	—
Other obligations (4)	12,870	10,698	2,138	34	—
Total	$ 2,795,117	$ 250,369	$ 834,057	$ 350,904	$ 1,359,787

(1) Does not include amounts related to the contingent obligation to purchase all of a tax equity investor's units upon exercise of their right to withdraw rights. The withdrawal price for the tax equity investors' interest in the respective fund is equal to the sum of: (a) any unpaid, accrued priority return and (b) the greater of: (i) a fixed price and (ii) the fair market value of such interest at the date the option is exercised. Due to uncertainties associated with estimating the timing and amount of the withdrawal price, we cannot determine the potential future payments that we could have to make under these withdrawal rights. For additional information regarding the withdrawal rights see Note 12, Redeemable Noncontrolling Interests and Noncontrolling Interests, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

(2) Interest payments related to long-term debt and interest rate swaps are calculated and estimated for the periods presented based on the amount of debt outstanding and the interest rates as of December 31, 2020.

(3) Includes reimbursements in 2021 of approximately $1.0 million for leasehold improvements.

(4) Other obligations relate to information technology services and licenses and distributions payable to redeemable noncontrolling interests.

Historical Cash Flows—Year Ended December 31, 2020 Compared to Year Ended December 31, 2019

The following table summarizes our cash flows for the periods indicated:

	Year Ended December 31,		
	2020	2019	Change
	(in thousands)		
Net cash used in operating activities	$ (131,466)	$ (170,262)	$ 38,796
Net cash used in investing activities	(829,519)	(568,316)	(261,203)
Net cash provided by financing activities	1,188,587	801,823	386,764
Net increase in cash and restricted cash	$ 227,602	$ 63,245	$ 164,357

Operating Activities

Net cash used in operating activities decreased by $38.8 million in the year ended December 31, 2020 compared to the year ended December 31, 2019. This decrease is primarily a result of a decrease in purchases of inventory and prepaid inventory with net outflows of $41.5 million in 2020 compared to $118.5 million in 2019 and a decrease in payments to dealers for exclusivity and other bonus arrangements with net outflows of $25.8 million in 2020 compared to $31.7 million in 2019. This decrease was offset by an increase in net outflows of $57.3 million in 2020 compared to net outflows of $19.1 million in 2019 based on: (a) our net loss of $307.8 million in 2020 excluding non-cash operating items of $250.5 million, primarily from depreciation, impairments and losses on disposals, amortization of deferred financing costs and debt discounts, unrealized net gains on derivatives, unrealized net gains on fair value option securities, losses on extinguishment of long-term debt and equity-based compensation charges, which results in net outflows of $57.3 million and (b) our net loss of $133.4 million in 2019 excluding non-cash operating items of $114.4 million, primarily from depreciation, impairments and losses on disposals, amortization of deferred financing costs and debt discounts, unrealized net losses on derivatives, payment-in-kind interest on debt, unrealized net losses on fair value option securities, losses on extinguishment of long-term debt and equity-based compensation charges, which results in net outflows of $19.1 million. These net differences between the two periods result in a net change in operating cash flows of $38.2 million in 2020 compared to 2019.

Investing Activities

Net cash used in investing activities increased by $261.2 million in the year ended December 31, 2020 compared to the year ended December 31, 2019. This increase is primarily a result of increases in purchases of property and equipment, primarily solar energy systems, of $578.4 million in 2020 compared to $430.8 million in 2019 and payments for investments and customer notes receivable of $285.2 million in 2020 compared to $159.3 million in 2019. This increase is partially offset by proceeds from customer notes receivable of $35.5 million (of which $28.2 million was prepaid) in 2020 compared to $21.6 million (of which $18.2 million was prepaid) in 2019.

Financing Activities

Net cash provided by financing activities increased by $386.8 million in the year ended December 31, 2020 compared to the year ended December 31, 2019. This increase is primarily a result of increases in net borrowings under our debt facilities of $682.9 million in 2020 compared to $494.9 million in 2019, net contributions from our redeemable noncontrolling interests and noncontrolling interests of $313.7 million in 2020 compared to $149.6 million in 2019 and net proceeds from the equity component of a convertible debt instrument of $73.7 million in 2020 compared to $14.0 million in 2019. This increase is partially offset by decreases in net proceeds from the issuance of common stock of $152.3 million in 2020 compared to $164.5 million in 2019 and payments of deferred financing costs and debt discounts of $27.5 million in 2020 compared to $13.2 million in 2019.

Historical Cash Flows—Year Ended December 31, 2019 Compared to Year Ended December 31, 2018

See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Historical Cash Flows—Year Ended December 31, 2019 Compared to Year Ended December 31, 2018*" in our Annual Report on Form 10-K filed with the SEC on February 25, 2020 pursuant to the Securities Exchange Act of 1934, as amended.

Seasonality

See "*Business—Seasonality*".

Off-Balance Sheet Arrangements

As of December 31, 2020 and 2019, we did not have any off-balance-sheet arrangements. We consolidate all our securitization vehicles and tax equity funds.

Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated annual financial statements, which have been prepared in accordance with GAAP which requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses, cash flows and related disclosures. We base our estimates on historical experience and on various other assumptions we believe to be reasonable under the circumstances. In many instances, we could have reasonably used different accounting estimates, and in other instances, changes in the accounting estimates are reasonably likely to occur from period-to-period. Actual results may differ from these estimates. Our future consolidated financial statements will be affected to the extent our actual results materially differ from these estimates.

We identify our most critical accounting policies as those that are the most pervasive and important to the portrayal of our financial position and results of operations, and that require the most difficult, subjective, and/or complex judgments by management regarding estimates about matters that are inherently uncertain. We believe the assumptions and estimates associated with our principles of consolidation, the estimated useful life of our solar energy systems, the valuation of the assumptions regarding AROs and the valuation of redeemable noncontrolling interests and noncontrolling interests have the greatest subjectivity and impact on our consolidated financial statements. Therefore, we consider these to be our critical accounting policies and estimates and these items are discussed below. See Note 2, Significant Accounting Policies, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for further discussion of our accounting policies.

Principles of Consolidation

Our consolidated financial statements reflect our accounts and those of our subsidiaries in which we have a controlling financial interest. The typical condition for a controlling financial interest is holding a majority of the voting interests of an entity. However, a controlling financial interest may also exist in entities, such as variable interest entities ("VIEs"), through arrangements that do not involve holding a majority of the voting interests. We consolidate any VIE of which we are the primary beneficiary, which is defined as the party that has (a) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and (b) the obligation to absorb losses or receive benefits from the VIE that could potentially be significant to the VIE. We evaluate our relationships with our VIEs on an ongoing basis to determine whether we continue to be the primary beneficiary. We have eliminated all intercompany transactions in consolidation.

Useful Life of Solar Energy Systems

Our solar energy systems have an estimated useful life of 35 years. We considered both (a) available information related to the technology currently being employed in the solar energy systems and (b) the terms of the solar leases that have a 25 year term with two five-year renewal options to conclude a 35 year useful life is appropriate. In addition, we reviewed numerous published and online sources from academia, government institutions and private industry and held discussions with certain manufacturers of our solar energy systems to support our estimated useful life of 35 years for the crystalline silicone solar modules we use. We define the useful life of a solar module as the duration for which a solar module operates at or above 80% of its initial power output, which we understand to be the generally accepted standard used by government, academia and the solar industry.

Depreciation and amortization of solar energy systems are calculated using the straight-line method over the estimated useful lives of the solar energy systems and are recorded in cost of revenue—depreciation. Depreciation begins when a solar energy system is placed in service. Costs associated with improvements to a solar energy system, which extend the life, increase the capacity or improve the efficiency of the solar energy systems, are capitalized and depreciated over the remaining life of the asset.

ARO

We have AROs arising from contractual or regulatory requirements to perform certain asset retirement activities at the time the solar energy systems are disposed. We recognize an ARO at the point an obligating event takes place, typically when the solar energy system is placed in service. An asset is considered retired when it is permanently taken out of service, such as through a sale or disposal.

The liability is initially measured at fair value based on the present value of estimated removal costs and subsequently adjusted for changes in the underlying assumptions and for accretion expense. We estimate approximately half of our solar energy systems will require removal at our expense in the future. The corresponding asset retirement costs are capitalized as part of the carrying amount of the solar energy system and depreciated over the solar energy system's remaining useful life. We may revise our estimated future liabilities based on recent actual experiences, changes in certain customer-specific estimates and other cost estimate changes. If there are changes in estimated future costs, those changes will be recorded as either a reduction or addition in the carrying amount of the remaining unamortized asset and the ARO and either decrease or increase depreciation and accretion expense amounts prospectively. Inherent in the calculation of the fair value of our AROs are numerous assumptions and judgments, including the ultimate settlement amounts, inflation factors, credit adjusted discount rates, timing of settlement and changes in the legal, regulatory, environmental and political environments. Due to the intrinsic uncertainties present when estimating asset retirement costs, as well as asset retirement dates, our ARO estimates are subject to ongoing volatility.

Redeemable Noncontrolling Interests and Noncontrolling Interests

Noncontrolling interests represent third-party interests in the net assets of certain consolidated subsidiaries (the "tax equity entities"). For these tax equity entities, we have determined the appropriate methodology for calculating the noncontrolling interest balances that reflects the substantive economic arrangements in the operating agreements is a balance sheet approach using the hypothetical liquidation at book value ("HLBV") method. Under the HLBV method, the amounts reported as noncontrolling interests in the consolidated balance sheets represent the amounts third-party investors would hypothetically receive at each balance sheet date under the liquidation provisions of the operating agreements, assuming the net assets of the subsidiaries were liquidated at amounts determined in accordance with GAAP and distributed to the investors. The noncontrolling interest balances in these subsidiaries are reported as a component of equity in the consolidated balance sheets. The amount of income or loss allocated to noncontrolling interests in the results of operations for the subsidiaries using HLBV are determined as the difference in the noncontrolling interest balances in the consolidated balance sheets at the start and end of each reporting period, after taking into account any capital transactions between the subsidiaries and the third-party investors. Factors used in the HLBV calculation include GAAP income (loss), taxable income (loss), capital contributions, investment tax credits, distributions and the stipulated targeted investor return specified in the subsidiaries' operating agreements. Changes in these factors could have a significant impact on the amounts that investors would receive upon a hypothetical liquidation. The use of the HLBV method to allocate income (loss) to the noncontrolling interest holders may create volatility in the consolidated statements of operations as the application of HLBV can drive changes in net income or loss attributable to noncontrolling interests from period to period. We classify certain noncontrolling interests with redemption features that are not solely within our control outside of permanent equity in the consolidated balance sheets. Redeemable noncontrolling interests are reported using the greater of the carrying value at each reporting date as determined by the HLBV method or the estimated redemption value at the end of each reporting period. Estimating the redemption value of the redeemable noncontrolling interests requires the use of significant assumptions and estimates, such as projected future cash flows at the time the redemption feature can be exercised.

Current Expected Credit Losses

Our allowance for current expected credit losses is deducted from the customer notes receivable amortized cost to present the net amount expected to be collected. It is measured on a collective (pool) basis when similar risk characteristics (such as financial asset type, customer credit rating, contractual term and vintage) exist. In determining the allowance for credit losses, we identify customers with potential disputes or collection issues and consider our historical level of credit losses and current economic trends that might impact the level of future credit losses. Adjustments to historical loss information are made for differences in current loan-specific risk characteristics, such as differences in underwriting standards. Expected credit losses are estimated over the contractual term of the loan agreements based on the best available data at the time, and adjusted for expected prepayments when appropriate. The contractual term excludes expected extensions, renewals and modifications unless either of the following applies: (a) we have a reasonable expectation at the reporting date that a troubled debt restructuring will be executed with an individual customer or (b) the extension or renewal options are included in the original or modified contract at the reporting date and are not unconditionally cancelable by us. We review the allowance quarterly for any significant macroeconomic trends that might be developing in the market but not yet impacting us. Assessments done

throughout the year include normal macroeconomic trends (e.g. delinquency and default and loss rates from leading credit bureaus by industry) as well as trends specifically related to the COVID-19 pandemic (e.g. forbearance and credit quality). While making adjustments to loss rates is ultimately a subjective action, we have created an internal and external data-based evaluation process to ensure any adjustments or updates to the model are informed and fact-based prior to executing such a change.

Recent Accounting Pronouncements

See Note 2, Significant Accounting Policies, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to various market risks in the ordinary course of our business. Market risk is the potential loss that may result from market changes associated with our business or with an existing or forecasted financial or commodity transaction. Our primary exposure includes changes in interest rates because certain borrowings bear interest at floating rates based on LIBOR or similar index plus a specified margin. We sometimes manage our interest rate exposure on floating-rate debt by entering into derivative instruments to hedge all or a portion of our interest rate exposure on certain debt facilities. We do not enter into any derivative instruments for trading or speculative purposes. Changes in economic conditions could result in higher interest rates, thereby increasing our interest expense and operating expenses and reducing funds available to capital investments, operations and other purposes. A hypothetical 10% increase in our interest rates on our variable-rate debt facilities would have increased our interest expense by $2.6 million and $2.7 million for the years ended December 31, 2020 and 2019, respectively.

Item 8. Financial Statements and Supplementary Data.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Sunnova Energy International Inc.

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Sunnova Energy International Inc. and its subsidiaries (the "Company") as of December 31, 2020 and 2019, and the related consolidated statements of operations, of redeemable noncontrolling interests and equity and of cash flows for each of the three years in the period ended December 31, 2020, including the related notes and financial statement schedule as of December 31, 2020 and 2019 and for each of the three years in the period ended December 31, 2020 listed in the accompanying index (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Initial Accounting Assessment of New Tax Equity Partnerships (TEPs)

As described in Notes 1, 2, and 12 to the consolidated financial statements, the Company admitted tax equity investors as Class A members of Sunnova TEP IV-C, LLC; Sunnova TEP IV-D, LLC; Sunnova TEP IV-E, LLC; Sunnova TEP IV-F, LLC; and Sunnova TEP IV-G, LLC through a TEP structure in 2020. The Company forms TEPs with its investors in the ordinary course of business to facilitate the funding and monetization of certain attributes associated with the Company's solar energy systems. The typical condition for a controlling financial interest is holding a majority of the voting interests of an entity; however, a controlling financial interest may also exist in entities, such as variable interest entities (VIEs), through arrangements that do not involve holding a majority of the voting interests. The Company consolidates a VIE when it is the primary beneficiary, which is defined as the party that has (a) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and (b) the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE. As disclosed by management, assets, liabilities and operating results of these partnerships are consolidated in the financial statements. The tax equity investors' share of the net assets of these tax equity funds are recognized as redeemable noncontrolling interests and noncontrolling interests in the consolidated balance sheet. Additionally, management has determined that the appropriate methodology for calculating the noncontrolling interest balances that reflects the substantive economic arrangements in the operating agreements is a balance sheet approach using the hypothetical liquidation at book value ("HLBV") method.

The principal considerations for our determination that performing procedures relating to the initial accounting assessment of new TEP arrangements is a critical audit matter are (i) the significant judgment by management in the assessment of whether the Company is the primary beneficiary of the TEP, thus requiring consolidation of the entity, as well as whether the application of the HLBV method is the appropriate methodology for determining the noncontrolling interest balances, which in turn led to (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating the audit evidence obtained related to the initial accounting assessment of whether the Company is the primary beneficiary of the new TEP and the application of the HLBV methodology based on the substantive economic arrangements of the TEP operating agreements. In addition, the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to management's assessment of the initial accounting for the new TEPs. These procedures also included, among others, using professionals with specialized skill and knowledge to evaluate management's assessment of whether the Company qualifies as the primary beneficiary of the TEP, and therefore consolidates the TEP, as well as evaluating the appropriateness of management's application of the HLBV methodology based on the substantive economic arrangements of the TEP operating agreements.

/s/ PricewaterhouseCoopers LLP

Houston, Texas
February 25, 2021

We have served as the Company's auditor since 2014, which includes periods before the Company became subject to SEC reporting requirements.

SUNNOVA ENERGY INTERNATIONAL INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share amounts and share par values)

	As of December 31,	
	2020	2019
Assets		
Current assets:		
Cash	$ 209,859	$ 83,485
Accounts receivable—trade, net	10,243	10,672
Accounts receivable—other	21,378	6,147
Other current assets, net of allowance of $707 and $112 as of December 31, 2020 and 2019, respectively	215,175	174,016
Total current assets	456,655	274,320
Property and equipment, net	2,323,169	1,745,060
Customer notes receivable, net of allowance of $16,961 and $979 as of December 31, 2020 and 2019, respectively	513,386	297,975
Other assets	294,372	169,712
Total assets (1)	$ 3,587,582	$ 2,487,067
Liabilities, Redeemable Noncontrolling Interests and Equity		
Current liabilities:		
Accounts payable	$ 39,908	$ 36,190
Accrued expenses	34,049	39,544
Current portion of long-term debt	110,883	97,464
Other current liabilities	26,013	21,804
Total current liabilities	210,853	195,002
Long-term debt, net	1,924,653	1,346,419
Other long-term liabilities	171,395	127,406
Total liabilities (1)	2,306,901	1,668,827
Commitments and contingencies (Note 16)		
Redeemable noncontrolling interests	136,124	127,129
Stockholders' equity:		
Common stock, 100,412,036 and 83,980,885 shares issued as of December 31, 2020 and 2019, respectively, at $0.0001 par value	10	8
Additional paid-in capital—common stock	1,482,716	1,007,751
Accumulated deficit	(530,995)	(361,824)
Total stockholders' equity	951,731	645,935
Noncontrolling interests	192,826	45,176
Total equity	1,144,557	691,111
Total liabilities, redeemable noncontrolling interests and equity	$ 3,587,582	$ 2,487,067

(1) The consolidated assets as of December 31, 2020 and 2019 include $1,471,796 and $790,211, respectively, of assets of variable interest entities ("VIEs") that can only be used to settle obligations of the VIEs. These assets include cash of $13,407 and $7,347 as of December 31, 2020 and 2019, respectively; accounts receivable—trade, net of $2,953 and $1,460 as of December 31, 2020 and 2019, respectively; accounts receivable—other of $583 and $4 as of December 31, 2020 and 2019, respectively; other current assets of $182,646 and $47,606 as of December 31, 2020 and 2019, respectively; property and equipment, net of $1,257,953 and $726,415 as of December 31, 2020 and 2019, respectively; and other assets of $14,254 and $7,379 as of December 31, 2020 and 2019, respectively. The consolidated liabilities as of December 31, 2020 and 2019 include $32,345 and $13,440, respectively, of liabilities of VIEs whose creditors have no recourse to Sunnova Energy International Inc. These liabilities include accounts payable of $2,744 and $1,926 as of December 31, 2020 and 2019, respectively; accrued expenses of $827 and $35 as of December 31, 2020 and 2019, respectively; other current liabilities of $3,284 and $612 as of December 31, 2020 and 2019, respectively; and other long-term liabilities of $25,490 and $10,867 as of December 31, 2020 and 2019, respectively.

See accompanying notes to consolidated financial statements.

SUNNOVA ENERGY INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except share and per share amounts)

	Year Ended December 31,		
	2020	2019	2018
Revenue	$ 160,820	$ 131,556	$ 104,382
Operating expense:			
Cost of revenue—depreciation	58,431	43,536	34,710
Cost of revenue—other	6,747	3,877	2,007
Operations and maintenance	16,313	8,588	14,035
General and administrative	115,148	97,986	67,430
Other operating income	(41)	(161)	(70)
Total operating expense, net	196,598	153,826	118,112
Operating loss	(35,778)	(22,270)	(13,730)
Interest expense, net	154,580	108,024	51,582
Interest expense, net—affiliates	—	4,098	9,548
Interest income	(23,741)	(12,483)	(6,450)
Loss on extinguishment of long-term debt, net	142,772	—	—
Loss on extinguishment of long-term debt, net—affiliates	—	10,645	—
Other (income) expense	(1,752)	880	(1)
Loss before income tax	(307,637)	(133,434)	(68,409)
Income tax expense	181	—	—
Net loss	(307,818)	(133,434)	(68,409)
Net income (loss) attributable to redeemable noncontrolling interests and noncontrolling interests	(55,534)	10,917	5,837
Net loss attributable to stockholders	(252,284)	(144,351)	(74,246)
Dividends earned on Series A convertible preferred stock	—	(19,271)	(36,346)
Dividends earned on Series C convertible preferred stock	—	(5,454)	(5,948)
Deemed dividends on convertible preferred stock exchange	—	—	(19,332)
Net loss attributable to common stockholders—basic and diluted	$ (252,284)	$ (169,076)	$ (135,872)
Net loss per share attributable to common stockholders—basic and diluted	$ (2.87)	$ (4.14)	$ (15.74)
Weighted average common shares outstanding—basic and diluted	87,871,457	40,797,976	8,634,477

See accompanying notes to consolidated financial statements.

SUNNOVA ENERGY INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2020	**2019**	**2018**
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss	$ (307,818)	$ (133,434)	$ (68,409)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation	66,066	49,340	39,290
Impairment and loss on disposals, net	5,824	1,772	7,565
Amortization of deferred financing costs	9,031	9,822	9,074
Amortization of debt discount	15,685	3,018	1,083
Non-cash effect of equity-based compensation plans	10,873	9,235	2,984
Non-cash payment-in-kind interest on loan—affiliates	—	2,716	5,524
Unrealized (gain) loss on derivatives	(13,768)	19,237	6,100
Unrealized (gain) loss on fair value option instruments	(907)	150	—
Loss on extinguishment of long-term debt, net	142,772	—	—
Loss on extinguishment of long-term debt, net—affiliates	—	10,645	—
Other non-cash items	14,962	8,442	4,818
Changes in components of operating assets and liabilities:			
Accounts receivable	(4,297)	(9,349)	(4,983)
Other current assets	(24,256)	(131,741)	(11,568)
Other assets	(42,411)	(40,118)	(8,529)
Accounts payable	(1,141)	5,292	(996)
Accrued expenses	(4,504)	15,099	4,234
Other current liabilities	5,397	8,452	4,938
Long-term debt—paid-in-kind—affiliates	—	(719)	(3,184)
Other long-term liabilities	(2,974)	1,879	489
Net cash used in operating activities	(131,466)	(170,262)	(11,570)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property and equipment	(578,369)	(430,822)	(252,618)
Payments for investments and customer notes receivable	(285,238)	(159,303)	(108,354)
Proceeds from customer notes receivable	35,479	21,604	7,715
State utility rebates and tax credits	641	668	853
Other, net	(2,032)	(463)	3,555
Net cash used in investing activities	(829,519)	(568,316)	(348,849)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term debt	1,651,765	883,360	445,586
Payments of long-term debt	(963,872)	(342,540)	(292,091)
Proceeds of long-term debt from affiliates	—	15,000	15,000
Payments of long-term debt to affiliates	—	(56,236)	(40,000)
Payments on notes payable	(4,981)	(4,672)	—
Payments of deferred financing costs	(24,084)	(12,110)	(8,598)
Payments of debt discounts	(3,374)	(1,084)	(2,465)
Proceeds from issuance of common stock, net	152,277	164,452	—
Proceeds from equity component of debt instrument, net	73,657	13,984	—
Proceeds from issuance of convertible preferred stock, net	—	(2,510)	172,771
Contributions from redeemable noncontrolling interests and noncontrolling interests	320,245	157,149	79,017
Distributions to redeemable noncontrolling interests and noncontrolling interests	(6,527)	(7,559)	(2,017)
Payments of costs related to redeemable noncontrolling interests and noncontrolling interests	(6,517)	(5,395)	(1,510)
Other, net	(2)	(16)	(6)
Net cash provided by financing activities	1,188,587	801,823	365,687
Net increase in cash and restricted cash	227,602	63,245	5,268
Cash and restricted cash at beginning of period	150,291	87,046	81,778
Cash and restricted cash at end of period	377,893	150,291	87,046
Restricted cash included in other current assets	(73,020)	(10,474)	(5,190)
Restricted cash included in other assets	(95,014)	(56,332)	(29,150)
Cash at end of period	$ 209,859	$ 83,485	$ 52,706

	Year Ended December 31,		
	2020	2019	2018
Non-cash investing and financing activities:			
Change in receivables for dealers in a net receivable position, state utility rebates and state tax credits related to purchases of property and equipment	$ 12,109	$ (975)	$ (1,219)
Change in accounts payable and accrued expenses related to purchases of property and equipment	$ 21,041	$ 26,952	$ 3,191
Change in accounts payable and accrued expenses related to payments for investments and customer notes receivable	$ (18,383)	$ (10,557)	$ (10,461)
Non-cash conversion of convertible senior notes for common stock	$ 149,352	$ —	—
Supplemental cash flow information:			
Cash paid for interest	$ 87,829	$ 58,060	$ 57,887
Cash paid for income taxes	$ 181	$ —	$ —

See accompanying notes to consolidated financial statements.

SUNNOVA ENERGY INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF REDEEMABLE NONCONTROLLING INTERESTS AND EQUITY
(in thousands, except share amounts)

	Redeemable Noncontrolling Interests	Series A, Series B and Series C Convertible Preferred Stock		Series A and Series B Common Stock		Common Stock		Series A and Series B Treasury Stock	Additional Paid-in Capital - Convertible Preferred Stock	Additional Paid-in Capital - Common Stock	Accumulated Deficit	Total Stockholders' Equity	Noncontrolling Interests	Total Equity
		Shares	Amount	Shares	Amount	Shares	Amount							
December 31, 2017	$ 38,590	44,763,084	$ 448	8,634,455	$ 86	—	$ —	$ —	$ 530,951	$ 82,455	$ (242,757)	$ 371,183	$ —	$ 371,183
Net income (loss)	5,837	—	—	—	—	—	—	—	—	—	(74,246)	(74,246)	—	(74,246)
Issuance of common stock, net	—	—	—	644	—	—	—	—	—	(2)	—	(2)	—	(2)
Issuance of convertible preferred stock, net	—	13,019,793	130	—	—	—	—	—	170,376	—	—	170,506	—	170,506
Non-cash exchange of Series B convertible preferred stock for Series A convertible preferred stock	—	166,497	2	—	—	—	—	—	(2)	—	—	—	—	—
Contributions from redeemable noncontrolling interests	79,017	—	—	—	—	—	—	—	—	—	—	—	—	—
Distributions to redeemable noncontrolling interests	(2,017)	—	—	—	—	—	—	—	—	—	—	—	—	—
Costs related to redeemable noncontrolling interests	(1,062)	—	—	—	—	—	—	—	—	—	—	—	—	—
Equity in subsidiaries attributable to parent	(30,697)	—	—	—	—	—	—	—	—	—	30,697	30,697	—	30,697
Equity-based compensation expense	—	—	—	—	—	—	—	—	—	2,984	—	2,984	—	2,984
Acquisition of treasury stock	—	—	—	—	—	—	—	(4)	—	—	—	(4)	—	(4)
Retirement of treasury stock	—	—	—	(644)	—	—	—	4	—	2	(6)	—	—	—
Other, net	(3,988)	—	(1)	—	—	—	—	—	1	—	—	—	—	—
December 31, 2018	85,680	57,949,374	579	8,634,455	86	—	—	—	701,326	85,439	(286,312)	501,118	—	501,118
Net income (loss)	8,521	—	—	—	—	—	—	—	—	—	(144,351)	(144,351)	2,396	(141,955)
Issuance of common stock, net	—	—	—	2,143	—	14,865,267	1	—	—	163,965	—	163,966	—	163,966
Repurchase of convertible preferred stock	—	(13,484)	—	—	—	—	—	—	(183)	—	(8)	(191)	—	(191)
Non-cash conversion of convertible notes for Series A and Series C convertible preferred stock	—	2,543,127	25	—	—	—	—	—	32,809	—	—	32,834	—	32,834
Non-cash exchange of Series A and Series C convertible preferred stock and Series A and Series B common stock for common stock	—	(60,479,017)	(605)	(8,636,601)	(86)	69,115,618	7	—	(734,444)	735,128	—	—	—	—
Equity component of debt instrument, net	—	—	—	—	—	—	—	—	—	13,984	—	13,984	—	13,984
Contributions from redeemable noncontrolling interests and noncontrolling interests	77,579	—	—	—	—	—	—	—	—	—	—	—	79,570	79,570
Distributions to redeemable noncontrolling interests	(7,559)	—	—	—	—	—	—	—	—	—	—	—	—	—
Costs related to redeemable noncontrolling interests and noncontrolling interests	(2,338)	—	—	—	—	—	—	—	—	—	—	—	(5,054)	(5,054)
Equity in subsidiaries attributable to parent	(37,112)	—	—	—	—	—	—	—	—	—	68,848	68,848	(31,736)	37,112
Equity-based compensation expense	—	—	—	—	—	—	—	—	—	9,235	—	9,235	—	9,235
Other, net	2,358	—	1	3	—	—	—	—	492	—	(1)	492	—	492
December 31, 2019	127,129	—	—	—	—	83,980,885	8	—	—	1,007,751	(361,824)	645,935	45,176	691,111
Cumulative-effect adjustment	—	—	—	—	—	—	—	—	—	—	(9,908)	(9,908)	—	(9,908)
Net income (loss)	10,164	—	—	—	—	—	—	—	—	—	(252,284)	(252,284)	(65,698)	(317,982)
Issuance of common stock, net	—	—	—	—	—	16,431,151	2	—	—	469,269	—	469,271	—	469,271
Equity component of debt instrument, net	—	—	—	—	—	—	—	—	—	(5,177)	—	(5,177)	—	(5,177)
Contributions from redeemable noncontrolling interests and noncontrolling interests	3,449	—	—	—	—	—	—	—	—	—	—	—	316,796	316,796
Distributions to redeemable noncontrolling interests and noncontrolling interests	(4,802)	—	—	—	—	—	—	—	—	—	—	—	(1,725)	(1,725)
Costs related to redeemable noncontrolling interests and noncontrolling interests	187	—	—	—	—	—	—	—	—	—	—	—	(7,895)	(7,895)
Equity in subsidiaries attributable to parent	(883)	—	—	—	—	—	—	—	—	—	93,021	93,021	(92,138)	883
Equity-based compensation expense	—	—	—	—	—	—	—	—	—	10,873	—	10,873	—	10,873
Other, net	880	—	—	—	—	—	—	—	—	—	—	—	(1,690)	(1,690)
December 31, 2020	$ 136,124	—	$ —	—	$ —	100,412,036	$ 10	$ —	$ —	$ 1,482,716	$ (530,995)	$ 951,731	$ 192,826	$ 1,144,557

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) Description of Business and Basis of Presentation

We are a leading residential solar and energy storage service provider, serving over 107,000 customers in more than 20 United States ("U.S.") states and territories. Sunnova Energy Corporation was incorporated in Delaware on October 22, 2012 and formed Sunnova Energy International Inc. ("SEI") as a Delaware corporation on April 1, 2019. We completed our initial public offering on July 29, 2019 (our "IPO"); and in connection with our IPO, all of Sunnova Energy Corporation's ownership interests were contributed to SEI. Unless the context otherwise requires, references in this report to "Sunnova," the "Company," "we," "our," "us," or like terms, refer to SEI and its consolidated subsidiaries.

We have a differentiated residential solar dealer model in which we partner with local dealers who originate, design and install our customers' solar energy systems and energy storage systems on our behalf. Our focus on our dealer model enables us to leverage our dealers' specialized knowledge, connections and experience in local markets to drive customer origination while providing our dealers with access to high quality products at competitive prices, as well as technical oversight and expertise. We believe this structure provides operational flexibility, reduces exposure to labor shortages and lowers fixed costs relative to our peers, furthering our competitive advantage.

We provide our services through long-term residential solar service agreements with a diversified pool of high credit quality customers. Our solar service agreements typically are structured as either a legal-form lease (a "lease") of a solar energy system or energy storage system to the customer, the sale of the solar energy system's output to the customer under a power purchase agreement ("PPA") or the purchase of a solar energy system or energy storage system with financing provided by us (a "loan"). The initial term of our solar service agreements is typically 10, 15 or 25 years, during which time we provide or arrange for ongoing services to customers, including monitoring, maintenance and warranty services. Our lease and PPA agreements typically include an opportunity for customers to renew for up to an additional 10 years, via two five-year renewal options. Customer payments and rates can be fixed for the duration of the solar service agreement or escalated at a pre-determined percentage annually. We also receive tax benefits and other incentives from leases and PPAs, a portion of which we finance through tax equity, non-recourse debt structures and hedging arrangements in order to fund our upfront costs, overhead and growth investments. Our future success depends in part on our ability to raise capital from third-party investors and commercial sources. We have an established track record of attracting capital from diverse sources. From our inception through December 31, 2020, we have raised more than $6.7 billion in total capital commitments from equity, debt and tax equity investors.

Basis of Presentation

The accompanying annual audited consolidated financial statements ("consolidated financial statements") include our consolidated balance sheets, statements of operations, statements of redeemable noncontrolling interests and equity and statements of cash flows and have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") from records maintained by us. Our consolidated financial statements include our accounts and those of our subsidiaries in which we have a controlling financial interest. In accordance with the provisions of the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 810, *Consolidation*, we consolidate any VIE of which we are the primary beneficiary. We form VIEs with our investors in the ordinary course of business to facilitate the funding and monetization of certain attributes associated with our solar energy systems. The typical condition for a controlling financial interest is holding a majority of the voting interests of an entity. However, a controlling financial interest may also exist in entities, such as VIEs, through arrangements that do not involve holding a majority of the voting interests. We consolidate any VIE of which we are the primary beneficiary, which is defined as the party that has (a) the power to direct the activities of a VIE that most significantly impact the VIE's economic performance and (b) the obligation to absorb losses or receive benefits from the VIE that could potentially be significant to the VIE. We do not consolidate a VIE in which we have a majority ownership interest when we are not considered the primary beneficiary. We have considered the provisions within the contractual arrangements that grant us power to manage and make decisions that affect the operation of our VIEs, including determining the solar energy systems contributed to the VIEs, and the installation, operation and maintenance of the solar energy systems. We consider the rights granted to the other investors under the contractual arrangements to be more protective in nature rather than substantive participating rights. As such, we have determined we are the primary beneficiary of our VIEs and evaluate our relationships with our VIEs on an ongoing basis to determine whether we continue to be the primary beneficiary. We have eliminated all intercompany transactions in consolidation.

Adoption of ASU

In June 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-13, *Financial Instruments—Credit Losses*, which requires entities to use a forward-looking expected loss approach, referred to as the current expected credit loss

("CECL") methodology, in accordance with ASC 326, *Financial Instruments—Credit Losses*, instead of the incurred loss approach previously in effect when estimating the allowance for credit losses. Under CECL, financial assets measured at amortized cost are presented at the net amount expected to be collected by using an estimate of credit losses for the remaining estimated life of the financial asset based on historical experience, current conditions and reasonable and supportable forecasts. This ASU is effective for annual and interim reporting periods in 2020. In 2018 and 2019, the FASB issued the following ASUs related to ASU 2016-13: ASU No. 2018-19, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*, ASU 2019-05, *Financial Instruments—Credit Losses: Targeted Transition Relief* and ASU 2019-11, *Codification Improvements to Topic 326, Financial Instruments—Credit Losses*. The supplemental ASUs must be adopted simultaneously with ASU 2016-13. We adopted this ASU in January 2020 using the modified retrospective approach for our trade accounts receivable, customer notes receivable and long-term receivable for leases, which resulted in a cumulative-effect adjustment to stockholders' equity of approximately $9.9 million. Results for reporting periods prior to 2020 continue to be presented in accordance with previously applicable GAAP while results for subsequent reporting periods are presented under ASC 326. See Note 2, Significant Accounting Policies, and Note 7, Customer Notes Receivable. The following table presents the impact of the adoption of ASU No. 2016-13 on the consolidated balance sheet:

	As of January 1, 2020		
	As Reported Under ASC 326	Impact of ASC 326 Adoption	Pre-ASC 326 Adoption
	(in thousands)		
Accounts receivable—trade, net	$ 10,912	$ 240	$ 10,672
Other current assets	173,565	(451)	174,016
Customer notes receivable	289,191	(8,784)	297,975
Other assets	168,799	(913)	169,712
Accumulated deficit	(371,732)	(9,908)	(361,824)

Revisions

We have revised our previously issued annual audited consolidated financial statements to correct immaterial classification errors pertaining to the Class A members' interests in certain of our tax equity funds. We incorrectly classified the Class A members' interests as redeemable noncontrolling interests whereas these interests should have been classified as noncontrolling interests. These misclassifications impacted our consolidated balance sheets and consolidated statements of redeemable noncontrolling interests and equity. The following tables present the impact of these revisions on our consolidated financial statements:

	As of December 31, 2019		
	As Previously Reported	Revisions	As Revised
	(in thousands)		
Redeemable noncontrolling interests	$ 172,305	$ (45,176)	$ 127,129
Noncontrolling interests	—	45,176	45,176

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	Redeemable Noncontrolling Interests			Noncontrolling Interests		
	As Previously Reported	Revisions	As Revised	As Previously Reported	Revisions	As Revised
	(in thousands)					
December 31, 2018	$ 85,680	$ —	$ 85,680	$ —	$ —	$ —
Net income	10,917	(2,396)	8,521	—	2,396	2,396
Contributions from redeemable noncontrolling interests and noncontrolling interests	157,149	(79,570)	77,579	—	79,570	79,570
Distributions to redeemable noncontrolling interests	(7,559)	—	(7,559)	—	—	—
Costs related to redeemable noncontrolling interests and noncontrolling interests	(7,392)	5,054	(2,338)	—	(5,054)	(5,054)
Equity in subsidiaries attributable to parent	(68,848)	31,736	(37,112)	—	(31,736)	(31,736)
Other, net	2,358	—	2,358	—	—	—
December 31, 2019	$ 172,305	$ (45,176)	$ 127,129	$ —	$ 45,176	$ 45,176

Reclassifications

Certain other prior period amounts have been reclassified to conform to the current period presentation. These reclassifications did not have a significant impact on our consolidated financial statements.

Coronavirus ("COVID-19") Pandemic

The ongoing COVID-19 pandemic has resulted and may continue to result in widespread adverse impacts on the global economy. Our first priority in our response to this pandemic has been the health and safety of our employees, customers and dealers. To that end, we quickly implemented preventative measures to minimize unnecessary risk of exposure, which we have continued to follow. We have experienced some resulting disruptions to our business operations as the COVID-19 pandemic has continued to spread through the states and U.S. territories in which we operate.

To adjust to federal social distancing guidelines, stay-at-home orders and similar government measures, our dealers expanded the use of digital tools and origination channels and created new methods that offset restrictions on their ability to meet with potential new customers in person. The service and installation of solar energy systems has continued during the COVID-19 pandemic. This reflects residential solar services' designation as an essential service in all of our service territories. In order to adhere to all applicable state and federal health and safety guidelines, we and our dealers have moved to a contact-free process for installers and service technicians. In addition, an increasing number of jurisdictional authorities, as well as local utilities, are accepting electronic submissions for permits, and inspections are being performed in many locations through video calls and other electronic means. Throughout the COVID-19 pandemic, we have seen minimal impact to our supply chain as our technicians and dealers have largely been able to successfully procure the equipment needed to service and install solar energy systems.

We cannot predict the full impact the COVID-19 pandemic or the significant disruption and volatility currently being experienced in the capital markets will have on our business, cash flows, liquidity, financial condition and results of operations at this time due to numerous uncertainties. The ultimate impact will depend on future developments, including, among other things, the ultimate duration of the COVID-19 virus, the distribution, acceptance and efficacy of the vaccine, the depth and duration of the economic downturn and other economic effects of the COVID-19 pandemic, the consequences of governmental and other measures designed to prevent the spread of the COVID-19 virus, actions taken by governmental authorities, customers, suppliers, dealers and other third parties, our ability and the ability of our customers, potential customers and dealers to adapt to operating in a changed environment and the timing and extent to which normal economic and operating conditions resume.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(2) Significant Accounting Policies

Use of Estimates

The application of GAAP in the preparation of the consolidated financial statements requires us to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ materially from those estimates.

Cash

We maintain cash, which consists principally of demand deposits, with investment-grade financial institutions. We are exposed to credit risk to the extent cash balances exceed amounts covered by the Federal Deposit Insurance Corporation ("FDIC"). As of December 31, 2020 and 2019, we had cash deposits of $199.6 million and $72.4 million, respectively, in excess of the FDIC's current insured limit of $250,000. We have not experienced any losses on our deposits of cash.

Restricted Cash

We record cash that is restricted as to withdrawal or use under the terms of certain contractual agreements as restricted cash. Our restricted cash primarily represents cash held to service certain payments under the Helios Issuer, LLC ("HELI"), Sunnova LAP Holdings, LLC ("LAPH"), Sunnova EZ-Own Portfolio, LLC ("EZOP"), Sunnova TEP IV-A, LLC ("TEPIVA"), Sunnova TEP IV-B, LLC ("TEPIVB"), Sunnova TEP Holdings, LLC ("TEPH"), Sunnova TEP II Holdings, LLC ("TEPIIH"), Helios II Issuer, LLC ("HELII"), Helios III Issuer, LLC ("HELIII"), Sunnova RAYS I Issuer, LLC ("RAYSI"), Sunnova TEP Inventory, LLC ("TEPINV"), Sunnova Sol Issuer, LLC ("SOLI"), Sunnova TEP IV-C, LLC ("TEPIVC"), Sunnova TEP IV-D, LLC ("TEPIVD"), Sunnova Helios IV Issuer, LLC ("HELIV"), Sunnova TEP IV-E, LLC ("TEPIVE"), Sunnova TEP IV-G, LLC ("TEPIVG"), Sunnova Asset Portfolio 8, LLC ("AP8") and Sunnova Sol II Issuer, LLC ("SOLII") financing arrangements (see Note 8, Long-Term Debt and Note 12, Redeemable Noncontrolling Interests and Noncontrolling Interests) and balances collateralizing outstanding letters of credit related to one of our operating leases for office space (see Note 16, Commitments and Contingencies). The following table presents the detail of restricted cash as recorded in other current assets and other assets in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Debt and inverter reserves	$ 93,889	$ 55,407
Tax equity reserves	72,426	9,904
Letters of credit for office lease	375	725
Other	1,344	770
Total (1)	$ 168,034	$ 66,806

(1) Of this amount, $73.0 million and $10.5 million is recorded in other current assets as of December 31, 2020 and 2019, respectively.

We are exposed to credit risk to the extent restricted cash balances exceed amounts covered by the FDIC. As of December 31, 2020 and 2019, we had restricted cash deposits of $163.8 million and $63.6 million, respectively, in excess of the FDIC's current insured limit of $250,000. We have not experienced any losses on our deposits of restricted cash.

Accounts Receivable

Accounts Receivable—Trade. Accounts receivable—trade primarily represents trade receivables from residential customers that are generally collected in the subsequent month. Accounts receivable—trade is recorded net of an allowance for credit losses, which is based on our assessment of the collectability of customer accounts based on the best available data at the time. We review the allowance by considering factors such as historical experience, customer credit rating, contractual term, aging category and current economic conditions that may affect a customer's ability to pay to identify customers with potential disputes or collection issues. We write off accounts receivable when we deem them uncollectible. As of December 31, 2020, we have not experienced a significant increase in delinquent customer accounts and have not made any significant adjustments to

our allowance for credit losses related to accounts receivable—trade as a result of the COVID-19 pandemic. The following table presents the changes in the allowance for credit losses recorded against accounts receivable—trade, net in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Balance at beginning of period	$ 960	$ 723
Impact of ASC 326 adoption	(240)	—
Provision for current expected credit losses	1,878	—
Bad debt expense	—	1,645
Write off of uncollectible accounts	(1,741)	(1,498)
Recoveries	55	90
Balance at end of period	$ 912	$ 960

Accounts Receivable—Other. Accounts receivable—other primarily represents receivables related to the sale of inventory.

Inventory

Inventory is stated at the lower of cost and net realizable value using the first-in, first-out method. Inventory primarily represents raw materials, such as energy storage systems, photovoltaic modules, inverters, meters and other associated equipment purchased. These materials are typically sold to dealers or held for use as original parts on new solar energy systems or replacement parts on existing solar energy systems. We remove these items from inventory and record the transaction in typically one of these manners: (a) expense to operations and maintenance expense when installed as a replacement part for a solar energy system, (b) expense to cost of sales if sold directly or (c) capitalize to property and equipment when installed as an original part on a solar energy system. We periodically evaluate our inventory for unusable and obsolete items based on assumptions about future demand and market conditions. Based on this evaluation, provisions are made to write inventory down to market value. The following table presents the detail of inventory as recorded in other current assets in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Energy storage systems and components	$ 18,122	$ 33,443
Modules and inverters	83,904	10,137
Meters	563	169
Total	$ 102,589	$ 43,749

As of December 31, 2020 and 2019, we recorded accrued expenses of $8.9 million and $15.2 million, respectively, for inventory purchases.

Concentrations of Risk

Financial instruments that potentially subject us to concentrations of credit risk consist primarily of cash, restricted cash, accounts receivable and notes receivable. The concentrated risk associated with cash and restricted cash is mitigated by our policy of banking with creditworthy institutions. Typically, amounts on deposit with certain banking institutions exceed FDIC insurance limits. We do not generally require collateral or other security to support accounts receivable. To reduce credit risk related to our relationship with our dealers, management performs periodic credit evaluations and ongoing assessments of our dealers' financial condition.

Concentration of Services and Equipment from Dealers

We utilize a network of approximately 150 dealers as of December 31, 2020. During the year ended December 31, 2020, two dealers accounted for approximately 34% and 13%, respectively, of our total expenditures to dealers relating to costs incurred for solar energy systems. During the year ended December 31, 2019, two dealers accounted for approximately 49%

and 10%, respectively, of our total expenditures to dealers. During the year ended December 31, 2018, one dealer accounted for approximately 58% of our total expenditures to dealers. No other dealer accounted for more than 10% of our expenditures for solar energy systems during the years ended December 31, 2020, 2019 and 2018.

Dealer Commitments

We enter into exclusivity and other similar agreements with certain key dealers pursuant to which we agree to pay an incentive if such dealers install a certain minimum number of solar energy systems within specified periods. These incentives are recorded in other assets in the consolidated balance sheets and are amortized to general and administrative expense in the consolidated statements of operations generally over the term of the customer agreements, which is estimated at an average of 23 years. See Note 16, Commitments and Contingencies.

Fair Value of Financial Instruments

Fair value is an exit price representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, fair value is a market-based measurement that should be determined based on assumptions market participants would use in pricing an asset or a liability. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. ASC 820 establishes a three-tier fair value hierarchy, which prioritizes inputs that may be used to measure fair value as follows:

- Level 1—Observable inputs that reflect unadjusted quoted market prices in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2—Observable inputs other than Level 1 prices, such as quoted market prices for similar assets or liabilities in active markets, quoted market prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy must be determined based on the lowest level input that is significant to the fair value measurement. An assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and consideration of factors specific to the asset or liability. Our financial instruments include accounts receivable, notes receivable, accounts payable, accrued expenses, long-term debt and interest rate swaps. The carrying values of accounts receivable, accounts payable and accrued expenses approximate the fair values due to the fact that they are short-term in nature (Level 1). We estimate the fair value of our customer notes receivable based on interest rates currently offered under the loan program with similar maturities and terms (Level 3). We estimate the fair value of our fixed-rate long-term debt based on interest rates currently offered for debt with similar maturities and terms (Level 3). We determine the fair values of the interest rate derivative transactions based on a discounted cash flow method using contractual terms of the transactions. The floating interest rate is based on observable rates consistent with the frequency of the interest cash flows (Level 2). See Note 7, Customer Notes Receivable, Note 8, Long-Term Debt and Note 9, Derivative Instruments.

Derivative Instruments

Our derivative instruments consist of interest rate swaps that are not designated as cash flow hedges or fair value hedges under accounting guidance. We use interest rate swaps to manage our net exposure to interest rate changes. We record the derivatives in other current assets, other assets, other current liabilities and other long-term liabilities, as appropriate, in the consolidated balance sheets and the changes in fair value are recorded in interest expense, net in the consolidated statements of operations. We include unrealized gains and losses on derivatives as a non-cash reconciling item in operating activities in the consolidated statements of cash flows. We include realized gains and losses on derivatives as a change in components of operating assets and liabilities in operating activities in the consolidated statements of cash flows. See Note 9, Derivative Instruments.

Revenue

The following table presents the detail of revenue as recorded in the consolidated statements of operations:

	Year Ended December 31,		
	2020	2019	2018
	(in thousands)		
PPA revenue	$ 65,760	$ 48,041	$ 38,950
Lease revenue	51,650	40,191	33,079
Solar renewable energy certificate revenue	35,747	38,453	30,630
Loan revenue	3,032	1,645	933
Other revenue	4,631	3,226	790
Total	$ 160,820	$ 131,556	$ 104,382

We recognize revenue from contracts with customers as we satisfy our performance obligations at a transaction price reflecting an amount of consideration based upon an estimated rate of return. We express this rate of return as the solar rate per kilowatt hour ("kWh") in the customer contract. The amount of revenue we recognize does not equal customer cash payments because we satisfy performance obligations ahead of cash receipt or evenly as we provide continuous access on a stand-ready basis to the solar energy system. We reflect the differences between revenue recognition and cash payments received in accounts receivable, other assets or deferred revenue, as appropriate. Revenue allocated to remaining performance obligations represents contracted revenue we have not yet recognized and includes deferred revenue as well as amounts that will be invoiced and recognized as revenue in future periods. Contracted but not yet recognized revenue was approximately $1.6 billion as of December 31, 2020, of which we expect to recognize approximately 4% over the next 12 months. We do not expect the annual recognition to vary significantly over approximately the next 20 years as the vast majority of existing solar service agreements have at least 20 years remaining, given the average age of the fleet of solar energy systems under contract is less than three years.

PPAs. Customers purchase electricity from us under PPAs. Pursuant to ASC 606, we recognize revenue based upon the amount of electricity delivered as determined by remote monitoring equipment at solar rates specified under the PPAs. All customers must pass our credit evaluation process. The PPAs generally have a term of 25 years with an opportunity for customers to renew for up to an additional 10 years, via two five-year renewal options.

Leases. We are the lessor under lease agreements for solar energy systems and energy storage systems, which do not meet the definition of a lease under ASC 842 and are accounted for as contracts with customers under ASC 606. We recognize revenue on a straight-line basis over the contract term as we satisfy our obligation to provide continuous access to the solar energy system. All customers must pass our credit evaluation process. The lease agreements generally have a term of 25 years with an opportunity for customers to renew for up to an additional 10 years, via two five-year renewal options.

We provide customers under our lease agreements a performance guarantee that each solar energy system will achieve a certain specified minimum solar energy production output, which is a significant proportion of its expected output. The specified minimum solar energy production output may not be achieved due to natural fluctuations in the weather or equipment failures from exposure and wear and tear outside of our control, among other factors. We determine the amount of the guaranteed output based on a number of different factors, including: (a) the specific site information relating to the tilt of the panels, azimuth (a horizontal angle measured clockwise in degrees from a reference direction) of the panels, size of the system, and shading on site; (b) the calculated amount of available irradiance (amount of energy for a given flat surface facing a specific direction) based on historical average weather data and (c) the calculated amount of energy output of the solar energy system. While actual irradiance levels can significantly change year over year due to natural fluctuations in the weather, we expect the levels to average out over the term of a 25-year lease and to approximate the levels used in determining the amount of the performance guarantee. Generally, weather fluctuations are the most likely reason a solar energy system may not achieve a certain specified minimum solar energy production output.

If the solar energy system does not produce the guaranteed production amount, we are required to refund a portion of the previously remitted customer payments, where the repayment is calculated as the product of (a) the shortfall production amount and (b) the dollar amount (guaranteed rate) per kWh that is fixed throughout the term of the contract. These remittances of a customer's payments, if needed, are payable in January following the end of the first three years of the solar energy system's placed in service date and then every annual period thereafter. See Note 16, Commitments and Contingencies.

Solar Renewable Energy Certificates. Each solar renewable energy certificate ("SREC") represents one megawatt hour (1,000 kWh) generated by a solar energy system. SRECs can be sold with or without the actual electricity associated with the renewable-based generation source. We account for the SRECs we generate from our solar energy systems as governmental incentives with no costs incurred to obtain them and do not consider those SRECs output of the underlying solar energy systems. We classify these SRECs as inventory held until sold and delivered to third parties. As we did not incur costs to obtain these governmental incentives, the inventory carrying value for the SRECs was $0 as of December 31, 2020 and 2019. We enter into economic hedges related to expected production of SRECs through forward contracts. The contracts require us to physically deliver the SRECs upon settlement. We recognize the related revenue under ASC 606 upon satisfaction of the performance obligation to transfer the SRECs to the stated counterparty. Payments are typically received within one month of transferring the SREC to the counterparty. The costs related to the sales of SRECs are generally limited to broker fees (recorded in cost of revenue—other), which are only paid in connection with certain transactions. In certain circumstances we are required to purchase SRECs on the open market to fulfill minimum delivery requirements under our forward contracts.

Loans. See discussion of loan revenue in the "*Loans*" section below.

Other Revenue. Other revenue includes certain state and utility incentives, revenue from the direct sale of energy storage systems to customers and sales of service plans. We recognize revenue from state and utility incentives in the periods in which they are earned. We recognize revenue from the direct sale of energy storage systems in the period in which the storage components are placed in service. Service plans are available to customers whose solar energy system was not originally sold by Sunnova. We recognize revenue from service plan contracts over the life of the contract, which is typically five years or ten years.

Loans

We offer a loan program, under which the customer finances the purchase of a solar energy system or energy storage system through a solar service agreement, typically for a term of 10, 15 or 25 years. We recognize cash payments received from customers on a monthly basis under our loan program (a) as interest income, to the extent attributable to earned interest on the contract that financed the customer's purchase of the solar energy system or energy storage system; (b) as a reduction of a note receivable on the balance sheet, to the extent attributable to a return of principal (whether scheduled or prepaid) on the contract that financed the customer's purchase of the solar energy system or energy storage system; and (c) as revenue, to the extent attributable to payments for operations and maintenance services provided by us. To qualify for the loan program, a customer must pass our credit evaluation process, which requires the customer to have a minimum FICO® score of 650 to 720 depending on certain circumstances, and we secure the loans with the solar energy systems or energy storage systems financed. The credit evaluation process is performed once for each customer at the time the customer is entering into the solar service agreement with us.

Our investments in solar energy systems and energy storage systems related to the loan program that are not yet placed in service are recorded in other assets in the consolidated balance sheets and are transferred to customer notes receivable upon being placed in service. Customer notes receivable are recorded at amortized cost, net of an allowance for credit losses (as described below), in other current assets and customer notes receivable in the consolidated balance sheets. Accrued interest receivable related to our customer notes receivable is recorded in accounts receivable—trade, net in the consolidated balance sheets. Interest income from customer notes receivable is recorded in interest income in the consolidated statements of operations. The amortized cost of our customer notes receivable is equal to the principal balance of customer notes receivable outstanding and does not include accrued interest receivable. Customer notes receivable continue to accrue interest until they are written off against the allowance, which occurs when the balance is 180 days or more past due unless the balance is in the process of collection. Customer notes receivable are considered past due one day after the due date based on the contractual terms of the loan agreement. In all cases, customer notes receivable balances are placed on a nonaccrual status or written off at an earlier date when they are deemed uncollectible. Expected recoveries do not exceed the aggregate of amounts previously written off and expected to be written off. Accrued interest receivable for customer notes receivable placed on a nonaccrual status is recorded as a reduction to interest income. Interest received on such customer notes receivable is accounted for on a cash basis until the customer notes receivable qualifies for the return to accrual status. Customer notes receivable are returned to accrual status when there is no longer any principal or interest amounts past due and future payments are reasonably assured.

The allowance for credit losses is deducted from the customer notes receivable amortized cost to present the net amount expected to be collected. It is measured on a collective (pool) basis when similar risk characteristics (such as financial asset type, customer credit rating, contractual term and vintage) exist. In determining the allowance for credit losses, we identify customers with potential disputes or collection issues and consider our historical level of credit losses and current economic trends that might impact the level of future credit losses. Adjustments to historical loss information are made for differences in

current loan-specific risk characteristics, such as differences in underwriting standards. Expected credit losses are estimated over the contractual term of the loan agreements based on the best available data at the time, and adjusted for expected prepayments when appropriate. The contractual term excludes expected extensions, renewals and modifications unless either of the following applies: (a) we have a reasonable expectation at the reporting date that a troubled debt restructuring will be executed with an individual customer or (b) the extension or renewal options are included in the original or modified contract at the reporting date and are not unconditionally cancelable by us. As of December 31, 2020, we have not experienced a significant increase in delinquent customer notes receivable and have not made any significant adjustments to our allowance for credit losses related to loans as a result of the COVID-19 pandemic. See Note 7, Customer Notes Receivable.

Deferred Revenue

Deferred revenue consists of amounts for which the criteria for revenue recognition have not yet been met and includes (a) down payments and partial or full prepayments from customers, (b) differences due to the timing of energy production versus billing for certain types of PPAs and (c) payments for unfulfilled performance obligations from the loan program which will be recognized on a straight-line basis over the remaining term of the respective solar service agreements. Deferred revenue was $34.0 million as of December 31, 2018. The following table presents the detail of deferred revenue as recorded in other current liabilities and other long-term liabilities in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Loans	$ 93,859	$ 46,958
PPAs and leases	11,787	8,895
SRECs	1,163	3,000
Total (1)	$ 106,809	$ 58,853

(1) Of this amount, $3.8 million and $2.1 million is recorded in other current liabilities as of December 31, 2020 and 2019, respectively.

During the years ended December 31, 2020 and 2019, we recognized revenue of $7.3 million and $3.0 million, respectively, from amounts recorded in deferred revenue at the beginning of the respective years.

Performance Guarantee Obligations

We guarantee certain specified minimum solar energy production output under our leases and loan agreements, generally over a term of 10, 15 or 25 years. The amounts are generally measured and credited to the customer's account in January following the end of the first three years of the solar energy system's placed in service date and then every annual period thereafter. We monitor the solar energy systems to ensure these outputs are achieved. We evaluate if any amounts are due to our customers based upon not meeting the guaranteed solar energy production outputs at each reporting period end. For leases, these estimated amounts are recorded as a reduction to revenues from customers and a current or long-term liability, as applicable. For loans, these estimated amounts are recorded as an increase to cost of revenue—other and a current or long-term liability, as applicable. See Note 16, Commitments and Contingencies.

Property and Equipment

Solar Energy Systems. Depreciation and amortization of solar energy systems are calculated using the straight-line method over the estimated useful lives of the solar energy systems and are recorded in cost of revenue—depreciation. While solar energy systems are in the design, construction and installation stages prior to being placed in service, the development of the systems is accounted for through construction in progress. The components of the design, construction and installation of the solar energy systems, which are installed on or near residential rooftops, are as follows:

- Dealer's costs (engineering, procurement and construction)
- Direct costs (costs directly related to a solar energy system)
- Indirect costs (costs incurred in the design, construction and installation of the solar energy system but not directly associated with a particular asset)

Solar energy systems are carried at the cost of acquisition or construction (including design and installation) less certain utility rebates and federal and state tax incentives (including federal investment tax credits, known as "Section 48(a) ITCs") and

are depreciated over the useful lives of the assets. We account for the Section 48(a) ITCs in accordance with the deferral gross up method, thus reducing the cost basis of the qualifying solar energy systems by the rate applicable to Section 48(a) ITCs. However, as discussed in Note 10, Income Taxes, we have a full valuation allowance, which is recorded against deferred income taxes and requires the gross up of the basis of the qualifying solar energy systems back to the full value. Depreciation begins when a solar energy system is placed in service. Costs associated with repair and maintenance of a solar energy system are expensed as incurred. Costs associated with improvements to a solar energy system, which extend the life, increase the capacity or improve the efficiency of the systems, are capitalized and depreciated over the remaining life of the asset.

Property and Equipment, Excluding Solar Energy Systems. Property and equipment, including information technology system projects, computers and equipment, leasehold improvements, furniture and fixtures, vehicles and other property and equipment are stated at cost, less accumulated depreciation and amortization. Depreciation and amortization are calculated using the straight-line method over the estimated useful lives of the respective assets and are recorded in general and administrative expense. Leasehold improvements are amortized over the shorter of the lease term or the estimated useful lives. Upon disposition, the cost and related accumulated depreciation of the assets are removed from property and equipment and the resulting gain or loss is reflected in the consolidated statements of operations. Repair and maintenance costs are expensed as incurred.

Intangibles

Our intangible assets primarily consist of a software license and a trademark related to the design process of solar energy systems and are stated at cost less accumulated amortization. We amortize intangible assets to general and administrative expense over a useful life of three years using the straight-line method. The following table presents the detail of intangible assets as recorded in other assets in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Software license	$ 331	$ 331
Trademark	68	68
Other	88	88
Intangibles, gross	487	487
Less: accumulated amortization	(449)	(420)
Intangibles, net	$ 38	$ 67

As of December 31, 2020, amortization expense related to intangible assets to be recognized is $29,000 for 2021, $9,000 for 2022 and $0 thereafter.

Deferred Financing Costs

Deferred financing costs are capitalized and amortized to interest expense, net over the term of the related debt using the effective interest method for term loans or the straight-line method for revolving credit facilities. The unamortized balance of deferred financing costs is recorded in current portion of long-term debt, current portion of long-term debt—affiliates, long-term debt, net and long-term debt, net—affiliates (see Note 8, Long-Term Debt) for term loans or in other current assets and other assets for revolving credit facilities and debt and equity transactions not yet completed, in the consolidated balance sheets. The following table presents the changes in net deferred financing costs:

	As of December 31,	
	2020	2019
	(in thousands)	
Balance at beginning of period	$ 25,621	$ 22,712
Capitalized	23,202	12,731
Amortized	(9,031)	(9,822)
Balance at end of period	$ 39,792	$ 25,621

Asset Retirement Obligation ("ARO")

We have AROs arising from contractual requirements to perform certain asset retirement activities at the time the solar energy systems are disposed. We recognize an ARO at the point an obligating event takes place, typically when the solar energy system is placed in service. An asset is considered retired when it is permanently taken out of service, such as through a sale or disposal.

The liability is initially measured at fair value (as a Level 3 measurement) based on the present value of estimated removal and restoration costs and subsequently adjusted for changes in the underlying assumptions and for accretion expense. The accretion expense is recognized in general and administrative expense in the consolidated statements of operations. The corresponding asset retirement costs are capitalized as part of the carrying amount of the solar energy system and depreciated (for which the expense is recorded in cost of revenue—depreciation) over the solar energy system's remaining useful life. See Note 6, AROs.

Warranty Obligations

In connection with our solar service agreements, we warrant the solar energy systems against defects in workmanship, against component or materials breakdowns and against any damages to rooftops during the installation process. The dealers' warranties on the workmanship, including work during the installation process, and the manufacturers' warranties over component parts have a range of warranty periods which are generally 10 to 25 years. As of December 31, 2020 and 2019, we recorded a warranty reserve of $0 and an insignificant amount, respectively.

Advertising Costs

We expense advertising costs as they are incurred to general and administrative expense in the consolidated statements of operations. We recognized advertising expense of $195,000, $1.0 million and $191,000 during the years ended December 31, 2020, 2019 and 2018, respectively.

Defined Contribution Plan

In April 2015, we established the Sunnova Energy Corporation 401(k) Profit Sharing Plan ("401(k) plan") available to employees who meet the 401(k) plan's eligibility requirements. The 401(k) plan allows participants to contribute a percentage of their compensation to the 401(k) plan up to the limits set forth in the Internal Revenue Code. We may make additional discretionary contributions to the 401(k) plan as a percentage of total participant contributions, subject to established limits. Participants are fully vested in their contributions and any safe harbor matching contributions we make. We made safe harbor matching contributions of $820,000, $736,000 and $551,000 during the years ended December 31, 2020, 2019 and 2018, respectively, which are recorded in general and administrative expense in the consolidated statements of operations.

Income Taxes

We account for income taxes under an asset and liability approach. Deferred income taxes reflect the impact of temporary differences between assets and liabilities recognized for financial reporting purposes and the amounts recognized for income tax reporting purposes, net operating loss, carryforwards, and other tax credits measured by applying currently enacted tax laws. A valuation allowance is provided when necessary to reduce deferred tax assets to an amount that is more likely than not to be realized.

We determine whether a tax position taken in a filed tax return, planned to be taken in a future tax return or claim, or otherwise subject to interpretation, is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position, or prospectively approved when such approval may be sought in advance. We use a two-step approach to recognize and measure uncertain tax positions. The first step is to evaluate the tax position for recognition by determining if the available evidence indicates it is more likely than not the position will be sustained upon tax authority examination, including resolution of related appeals or litigation processes, if any. The second step is to measure the tax benefit or obligation as the largest amount that is more than 50% likely of being realized upon ultimate settlement. See Note 10, Income Taxes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Comprehensive Income (Loss)

We are required to report comprehensive income (loss), which includes net income (loss) as well as other comprehensive income (loss). There were no differences between comprehensive loss and net loss as reported in the consolidated statements of operations for the periods presented.

Impairment of Long-Lived Assets

Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset be tested for possible impairment, we first compare undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, impairment is recognized to the extent the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third-party independent appraisals as considered necessary. Impairment charges are recorded in operations and maintenance expense for solar energy systems that relate to revenue from contracts with customers and general and administrative expense for all other property and equipment and other long-lived assets. During the years ended December 31, 2020, 2019 and 2018, we recognized net losses on disposals and impairment expense of $5.8 million, $1.8 million and $7.6 million, respectively, of which $5.8 million, $1.8 million and $7.4 million, respectively, is recorded in operations and maintenance expense and an insignificant amount is recorded in general and administrative expense. Of the total amount of net losses on disposals and impairment expense for the years ended December 31, 2020, 2019 and 2018, $31,000, $54,000 and $5.8 million, respectively, is related to natural disaster losses. See Note 4, Natural Disaster Losses.

Segment Information

Operating segments are defined as components of a company about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. Our chief operating decision maker is the chief executive officer. Based on the financial information presented to and reviewed by our chief operating decision maker in deciding how to allocate resources and in assessing performance, we have determined we have a single reportable segment: solar energy products and services. Our principal operations, revenue and decision-making functions are located in the U.S.

Basic and Diluted Net Income (Loss) Per Share

Our basic net income (loss) per share attributable to common stockholders is calculated by dividing the net income (loss) attributable to the common stockholders by the weighted-average number of shares of common stock outstanding for the period. Cumulative dividends owed to convertible preferred stockholders (as defined in Note 13, Stockholders' Equity) decrease (increase) the income (loss) available to common stockholders.

The diluted net income (loss) per share attributable to common stockholders is computed by giving effect to all potential common stock equivalents outstanding for the period determined using the treasury stock method or the if-converted method, as applicable. During periods in which we incur a net loss attributable to common stockholders, stock options are considered to be common stock equivalents but are excluded from the calculation of diluted net loss per share attributable to common stockholders as the effect is antidilutive. See Note 15, Basic and Diluted Net Loss Per Share.

Equity-Based Compensation

We account for equity-based compensation, which requires the measurement and recognition of compensation expense related to the fair value of equity-based compensation awards. Equity-based compensation expense includes the compensation cost for all share-based awards granted to employees, consultants and members of our board of directors (our "Board") based on the grant date fair value estimate. This also applies to awards modified, repurchased or canceled during the periods reported. We use the Black-Scholes option-pricing model to measure the fair value of stock options at the measurement date. We use the closing price of our common stock on the grant date to measure the fair value of restricted stock units at the measurement date. We account for forfeitures as they occur. Equity-based compensation expense is recorded in general and administrative expense in the consolidated statements of operations. See Note 14, Equity-Based Compensation.

Redeemable Noncontrolling Interests and Noncontrolling Interests

Noncontrolling interests represent third-party interests in the net assets of certain consolidated subsidiaries (the "tax equity entities"). For these tax equity entities, we have determined the appropriate methodology for calculating the noncontrolling interest balances that reflects the substantive economic arrangements in the operating agreements is a balance sheet approach using the hypothetical liquidation at book value ("HLBV") method. Under the HLBV method, the amounts reported as noncontrolling interests in the consolidated balance sheets represent the amounts third-party investors would hypothetically receive at each balance sheet date under the liquidation provisions of the operating agreements, assuming the net assets of the subsidiaries were liquidated at amounts determined in accordance with GAAP and distributed to the investors. The noncontrolling interest balances in these subsidiaries are reported as a component of equity in the consolidated balance sheets. The amount of income or loss allocated to noncontrolling interests in the results of operations for the subsidiaries using HLBV are determined as the difference in the noncontrolling interest balances in the consolidated balance sheets at the start and end of each reporting period, after taking into account any capital transactions between the subsidiaries and the third-party investors. Factors used in the HLBV calculation include GAAP income (loss), taxable income (loss), capital contributions, investment tax credits, distributions and the stipulated targeted investor return specified in the subsidiaries' operating agreements. Changes in these factors could have a significant impact on the amounts that investors would receive upon a hypothetical liquidation. The use of the HLBV method to allocate income (loss) to the noncontrolling interest holders may create volatility in the consolidated statements of operations as the application of HLBV can drive changes in net income or loss attributable to noncontrolling interests from period to period. We classify certain noncontrolling interests with redemption features that are not solely within our control outside of permanent equity in the consolidated balance sheets. Redeemable noncontrolling interests are reported using the greater of the carrying value at each reporting date as determined by the HLBV method or the estimated redemption value at the end of each reporting period. Estimating the redemption value of the redeemable noncontrolling interests requires the use of significant assumptions and estimates, such as projected future cash flows at the time the redemption feature can be exercised. The redeemable noncontrolling interests and noncontrolling interests are recorded net of related issuance costs and net of the basis difference in the solar energy systems transferred to the tax equity entities in the consolidated balance sheets. This basis difference is reflected as equity in subsidiaries attributable to parent in the consolidated statements of redeemable noncontrolling interests and equity.

New Accounting Guidance

New accounting pronouncements are issued by the FASB or other standard setting bodies and are adopted as of the specified effective date.

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes: Simplifying the Accounting for Income Taxes*, to remove certain exceptions and clarify and amend the existing guidance. This ASU is effective for annual and interim reporting periods in 2021. We adopted this ASU in January 2021 and determined it did not have a significant impact on our consolidated financial statements and related disclosures.

In March 2020, the FASB issued ASU No. 2020-03, *Codification Improvements to Financial Instruments*, to clarify and amend the existing guidance. The amendments in this ASU are effective either upon issuance of this ASU or for annual and interim reporting periods in 2020. We adopted this ASU in January 2020 and determined it did not have a significant impact on our consolidated financial statements and related disclosures.

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform: Facilitation of the Effects of Reference Rate Reform on Financial Reporting*, to provide temporary optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions affected by reference rate reform. In 2021, the FASB issued ASU No. 2021-01, *Reference Rate Reform: Scope*, to refine the scope of ASC 848, *Reference Rate Reform*, and clarify guidance related to certain optional expedients and exceptions. This ASU and the supplemental ASU are effective beginning in March 2020 or prospectively from a date through December 2022. We adopted this ASU in October 2020 and determined it did not have a significant impact on our consolidated financial statements and related disclosures.

In August 2020, the FASB issued ASU No. 2020-06, *Debt—Debt with Conversion and Other Options and Derivatives and Hedging—Contracts in Entity's Own Equity: Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*, to simplify the accounting for certain financial instruments with characteristics of liabilities and equity by removing the separation models for convertible debt with a cash conversion feature and convertible instruments with a beneficial conversion feature. This ASU also expands the required disclosures related to the terms and features of convertible instruments, how the instruments have been reported and information about events, conditions and circumstances that can affect how to assess the amount or timing of an entity's future cash flows related to those instruments. This ASU is effective for annual and interim

reporting periods in 2022. We are currently evaluating the impact of this ASU on our consolidated financial statements and related disclosures.

In October 2020, the FASB issued ASU No. 2020-10, *Codification Improvements*, to clarify and amend the existing guidance. This ASU is effective for annual and interim reporting periods in 2021. We adopted this ASU in January 2021 and determined it did not have a significant impact on our consolidated financial statements and related disclosures.

(3) Property and Equipment

The following table presents the detail of property and equipment, net as recorded in the consolidated balance sheets:

		As of December 31,	
	Useful Lives	2020	2019
	(in years)	(in thousands)	
Solar energy systems	35	$ 2,298,427	$ 1,689,457
Construction in progress		160,618	143,449
Asset retirement obligations	30	35,532	26,967
Information technology systems	3	35,077	28,320
Computers and equipment	3-5	1,727	1,499
Leasehold improvements	3-6	2,770	1,014
Furniture and fixtures	7	811	735
Vehicles	4-5	1,638	1,632
Other	5-6	157	146
Property and equipment, gross		2,536,757	1,893,219
Less: accumulated depreciation		(213,588)	(148,159)
Property and equipment, net		$ 2,323,169	$ 1,745,060

Solar Energy Systems. The amounts included in the above table for solar energy systems and substantially all the construction in progress relate to our customer contracts (including PPAs and leases). These assets had accumulated depreciation of $188.8 million and $130.9 million as of December 31, 2020 and 2019, respectively.

(4) Natural Disaster Losses

We have insurance coverage related to property damage and business interruption. When a solar energy system is damaged by a natural disaster, we impair all or a portion of the net book value to operations and maintenance expense in the period for which the amount is probable and can be reasonably estimated. Insurance proceeds for property damage, up to the amount of impairment expense recorded for property damage, are estimated and recorded as a receivable (recorded in accounts receivable—other in the consolidated balance sheet) and a reduction to operations and maintenance expense when the receipt of the proceeds is deemed probable. Insurance proceeds for property damage that exceed the amount of impairment expense recorded and insurance proceeds related to business interruption are recorded when received, as a reduction to operations and maintenance expense. Costs incurred to repair or replace a solar energy system are capitalized (recorded in property and equipment, net in the consolidated balance sheet) and are classified as an investing cash outflow in the consolidated statement of cash flows. Insurance proceeds received for property damage are classified as an investing cash inflow in the consolidated statement of cash flows. Insurance proceeds received for business interruption are classified as an operating cash inflow in the consolidated statement of cash flows.

Hurricane Maria in Puerto Rico. In September 2017, Hurricane Maria made landfall in Puerto Rico causing catastrophic wind and water damage to the island's infrastructure, residences and businesses. A majority of Puerto Rico was left without electrical power. In addition, other basic utility and infrastructure services (such as water, communications, ports and other transportation networks) were severely curtailed and the government imposed a mandatory curfew. Prior to the hurricane, we implemented certain business continuity measures. Although our critical business systems experienced minimal outages from the hurricane, our physical operations in Puerto Rico were significantly disrupted primarily due to the lack of electricity and communications and limited accessibility.

Throughout 2017 and 2018, we completed assessments of solar energy systems in Puerto Rico and submitted requests to the insurance company for recoveries for damage to solar energy systems and business interruption. However, we did not

complete all reasonable estimates until December 2018 due to the overall impact of the hurricane on Puerto Rico. Although our solar energy systems are distributed energy sources, most are dependent upon complementary grid power to operate and all are dependent upon cellular communication services for operations and monitoring and evaluation. The outage was the largest and longest in U.S. history. As such, many repairs and estimates of damages and lost customers lagged the restoration of these services. Given the loss of grid power and cellular communication and the fact that much of Puerto Rico was not navigable, assessment of our solar energy systems and status of our customers continued through the fourth quarter of 2018. The final settlement with the insurance company for property damage was completed and those funds were received in the fourth quarter of 2018.

As of December 31, 2018, we received $9.8 million of insurance proceeds, of which $5.8 million represented recoveries for damage to solar energy systems and $4.0 million represented recoveries for business interruption. During 2017 and 2018, we reassessed the collectability of the receivables related to the solar energy systems in Puerto Rico and determined there were no significant write-offs or allowances needed.

Wildfires in California. In October 2017 and November 2018, major wildfires burned throughout California and damaged several customers' homes and solar energy systems. These wildfires did not have a significant impact on our results of operations or financial position. The related impairments and insurance recoveries are included in the table below.

Typhoon Yutu in Saipan. In October 2018, typhoon Yutu impacted Saipan causing massive wind and water damage to the island's infrastructure, residences and businesses. Several customer homes and solar energy systems were damaged; however, typhoon Yutu did not have a significant impact on our results of operations or financial position. The related impairments and insurance recoveries are included in the table below.

As of December 31, 2019, substantially all solar energy systems damaged by a natural disaster that were deemed economical to repair had been repaired. The impact of the natural disaster losses as recorded in the consolidated statements of operations for the years ended December 31, 2020, 2019 and 2018 is as follows:

	Year Ended December 31,		
	2020	2019	2018
		(in thousands)	
Operations and maintenance expense:			
Impairment of solar energy systems due to natural disaster losses	$ —	$ —	$ 5,840
Insurance proceeds received/expected to be received—property damage	31	54	(53)
Insurance proceeds received—business interruption	—	—	(2,693)
Other natural disaster-related charges	—	—	1,679
General and administrative expense:			
Other natural disaster-related charges	—	—	750
Total	$ 31	$ 54	$ 5,523

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(5) Detail of Certain Balance Sheet Captions

The following table presents the detail of other current assets as recorded in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Inventory	$ 102,589	$ 43,749
Restricted cash	73,020	10,474
Current portion of customer notes receivable	24,035	13,758
Other prepaid assets	8,645	7,380
Prepaid inventory	3,352	96,167
Deferred receivables	2,678	1,506
Current portion of other notes receivable	853	982
Other	3	—
Total	$ 215,175	$ 174,016

The following table presents the detail of other assets as recorded in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Restricted cash	$ 95,014	$ 56,332
Construction in progress - customer notes receivable	85,604	37,137
Exclusivity and other bonus arrangements with dealers, net	55,709	32,791
Straight-line revenue adjustment, net	33,411	24,852
Other	24,634	18,600
Total	$ 294,372	$ 169,712

The following table presents the detail of other current liabilities as recorded in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Interest payable	$ 17,718	$ 14,680
Deferred revenue	3,754	2,086
Current portion of performance guarantee obligations	3,308	4,067
Current portion of lease liability	1,206	561
Other	27	410
Total	$ 26,013	$ 21,804

(6) AROs

AROs consist primarily of costs to remove solar energy system assets and costs to restore the solar energy system sites to the original condition, which we estimate based on current market rates. For each solar energy system, we recognize the fair value of the ARO as a liability and capitalize that cost as part of the cost basis of the related solar energy system. The related assets are depreciated on a straight-line basis over 30 years, which is the estimated average time a solar energy system will be installed in a location before being removed, and the related liabilities are accreted to the full value over the same period of time. We revise our estimated future liabilities based on recent actual experiences, including third party cost estimates, average size of solar energy systems and inflation rates, which we evaluate at least annually. Changes in our estimated future liabilities are recorded as either a reduction or addition in the carrying amount of the remaining unamortized asset and the ARO and either decrease or increase our depreciation and accretion expense amounts prospectively. The following table presents the changes in

AROs as recorded in other long-term liabilities in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Balance at beginning of period	$ 31,053	$ 20,033
Additional obligations incurred	8,633	4,641
Accretion expense	2,186	1,443
Change in estimate	—	4,983
Other	(84)	(47)
Balance at end of period	$ 41,788	$ 31,053

(7) Customer Notes Receivable

We offer a loan program, under which the customer finances the purchase of a solar energy system or energy storage system through a solar service agreement for a term of 10, 15 or 25 years. The following table presents the detail of customer notes receivable as recorded in the consolidated balance sheets and the corresponding fair values:

	As of December 31,	
	2020	2019
	(in thousands)	
Customer notes receivable	$ 555,089	$ 312,823
Allowance for credit losses	(17,668)	(1,091)
Customer notes receivable, net (1)	$ 537,421	$ 311,732
Estimated fair value, net	$ 548,238	$ 314,222

(1) Of this amount, $24.0 million and $13.8 million is recorded in other current assets as of December 31, 2020 and 2019, respectively.

The following table presents the changes in the allowance for credit losses related to customer notes receivable as recorded in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Balance at beginning of period	$ 1,091	$ 710
Impact of ASC 326 adoption	9,235	—
Provision for current expected credit losses (1)	7,785	—
Bad debt expense	—	419
Write off of uncollectible accounts	(443)	(38)
Balance at end of period	$ 17,668	$ 1,091

(1) In addition, we recognized $184,000 of provision for current expected credit losses during the year ended December 31, 2020 related to our long-term receivables for our leases.

As of December 31, 2020 and 2019, we invested $85.6 million and $37.1 million, respectively, in loan solar energy systems and energy storage systems not yet placed in service. For the years ended December 31, 2020 and 2019, interest income related to our customer notes receivable was $23.2 million and $11.6 million, respectively. As of December 31, 2020 and 2019, accrued interest receivable related to our customer notes receivable was $1.2 million and $869,000, respectively. As of December 31, 2020 and 2019, there were no customer notes receivable not accruing interest and thus, there was no allowance recorded for loans on nonaccrual status. For the years ended December 31, 2020 and 2019, interest income of $0 was recognized for loans on nonaccrual status and accrued interest receivable of $0 was written off by reversing interest income.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

We consider the performance of our customer notes receivable portfolio and its impact on our allowance for credit losses. We also evaluate the credit quality based on the aging status and payment activity. The following table presents the aging of the amortized cost of customer notes receivable as of December 31, 2020:

	As of December 31,	
	2020	2019
	(in thousands)	
1-90 days past due	$ 8,504	$ 5,741
91-180 days past due	1,733	1,714
Greater than 180 days past due	6,855	3,331
Total past due	17,092	10,786
Not past due	537,997	302,037
Total	$ 555,089	$ 312,823

As of December 31, 2020 and 2019, the amortized cost of our customer notes receivable more than 90 days past due but not on nonaccrual status was $8.6 million and $5.0 million, respectively. The following table presents the amortized cost by origination year of our customer notes receivable based on payment activity.

	Amortized Cost by Origination Year						
	2020	2019	2018	2017	2016	Prior	Total
	(in thousands)						
Payment performance:							
Performing	$ 266,756	$ 134,152	$ 86,815	$ 31,042	$ 19,522	$ 9,947	$ 548,234
Nonperforming (1)	280	1,275	1,910	1,972	1,215	203	$ 6,855
Total	$ 267,036	$ 135,427	$ 88,725	$ 33,014	$ 20,737	$ 10,150	$ 555,089

(1) A nonperforming loan is a loan in which the customer is in default and has not made any scheduled principal or interest payments for 181 days or more.

(8) Long-Term Debt

Our subsidiaries with long-term debt include SEI, Sunnova Energy Corporation, Sunnova Asset Portfolio 4, LLC ("AP4"), HELI, LAPH, EZOP, TEPIIH, HELII, RAYSI, HELIII, TEPH, TEPINV, SOLI, HELIV, AP8 and SOLII. The following table presents the detail of long-term debt, net as recorded in the consolidated balance sheets:

	Year Ended December 31, 2020 Weighted Average Effective Interest Rates	As of December 31, 2020		Year Ended December 31, 2019 Weighted Average Effective Interest Rates	As of December 31, 2019	
		Long-term	Current		Long-term	Current
		(in thousands, except interest rates)				
SEI						
7.75% convertible senior notes	17.41 %	$ —	$ —	7.75 %	$ 55,000	$ —
9.75% convertible senior notes	14.53 %	95,648	—		—	—
Debt discount, net		(37,394)	—		(16,913)	—
Deferred financing costs, net		(239)	—		(480)	—
Sunnova Energy Corporation						
Notes payable	7.14 %	—	2,254	3.22 %	—	2,428
AP4						
Secured term loan	10.81 %	—	—	5.61 %	86,369	6,109
Debt discount, net		—	—		(452)	—
Deferred financing costs, net		—	—		(196)	—
HELI						
Solar asset-backed notes	6.55 %	205,395	6,329	6.56 %	213,632	8,673
Debt discount, net		(2,241)	—		(3,169)	—
Deferred financing costs, net		(4,004)	—		(5,586)	—
LAPH						

Secured term loan	11.34 %	—	—	7.71 %	41,484	1,392
Debt discount, net		—	—		(401)	—
Deferred financing costs, net		—	—		(356)	—
EZOP						
Warehouse credit facility	4.39 %	171,600	—	6.60 %	121,400	—
Debt discount, net		(1,431)	—		(2,178)	—
TEPIIH						
Revolving credit facility	19.47 %	—	—	6.36 %	234,650	—
Debt discount, net		—	—		(2,219)	—
HELII						
Solar asset-backed notes	5.71 %	227,574	11,707	5.77 %	241,309	13,005
Debt discount, net		(42)	—		(49)	—
Deferred financing costs, net		(5,085)	—		(5,873)	—
RAYSI						
Solar asset-backed notes	5.49 %	120,391	5,836	5.47 %	126,828	6,327
Debt discount, net		(1,376)	—		(1,547)	—
Deferred financing costs, net		(4,334)	—		(4,759)	—
HELIII						
Solar loan-backed notes	4.01 %	122,047	13,065	4.03 %	135,543	19,030
Debt discount, net		(2,423)	—		(2,532)	—
Deferred financing costs, net		(2,326)	—		(2,410)	—
TEPH						
Revolving credit facility	5.81 %	239,570	—	6.70 %	90,325	—
Debt discount, net		(3,815)	—		(645)	—
TEPINV						
Revolving credit facility	10.80 %	25,240	29,464	7.95 %	54,707	40,500
Debt discount, net		(1,322)	—		(2,856)	—
Deferred financing costs, net		(1,758)	—		(2,207)	—
SOLI						
Solar asset-backed notes	3.91 %	384,258	15,416		—	—
Debt discount, net		(113)	—		—	—
Deferred financing costs, net		(8,915)	—		—	—
HELIV						
Solar loan-backed notes	3.97 %	129,648	16,515		—	—
Debt discount, net		(885)	—		—	—
Deferred financing costs, net		(3,905)	—		—	—
AP8						
Revolving credit facility	5.31 %	42,047	4,386		—	—
SOLII						
Solar asset-backed notes	3.18 %	248,789	5,911		—	—
Debt discount, net		(80)	—		—	—
Deferred financing costs, net		(5,866)	—		—	—
Total		$ 1,924,653	$ 110,883		$ 1,346,419	$ 97,464

Availability. As of December 31, 2020, we had $402.4 million of available borrowing capacity under our various financing arrangements, consisting of $28.4 million under the EZOP warehouse credit facility, $360.4 million under the TEPH revolving credit facility and $13.6 million under the AP8 revolving credit facility. There was no available borrowing capacity under any of our other financing arrangements. As of December 31, 2020, we were in compliance with all debt covenants under our financing arrangements.

Weighted Average Effective Interest Rates. The weighted average effective interest rates disclosed in the table above are the weighted average stated interest rates for each debt instrument plus the effect on interest expense for other items classified as interest expense, such as the amortization of deferred financing costs, amortization of debt discounts and commitment fees on unused balances for the period of time the debt was outstanding during the indicated periods.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

SEI Debt. In December 2019, we issued and sold an aggregate principal amount of $55.0 million of our 7.75% convertible senior notes ("7.75% convertible senior notes") in a private placement at an issue price of 95%, for an aggregate purchase price of $52.3 million. In May 2020, we issued and sold an aggregate principal amount of $130.0 million of our 9.75% convertible senior notes ("9.75% convertible senior notes") in a private placement at an issue price of 95%, for an aggregate purchase price of $123.5 million. The 9.75% convertible senior notes mature in April 2025 unless earlier redeemed, repurchased or converted. We granted the investors of the 9.75% convertible senior notes an option to purchase up to an additional $60.0 million aggregate principal amount of 9.75% convertible senior notes on the same terms and conditions, and the investors exercised this option and completed the purchase of such additional 9.75% convertible senior notes in June 2020. In May 2020, we also exchanged all $55.0 million aggregate principal amount outstanding of our 7.75% convertible senior notes for an equal principal amount of our 9.75% convertible senior notes. During the year ended December 31, 2020, certain holders of our 9.75% convertible senior notes converted approximately $150.8 million aggregate principal amount, including accrued and unpaid interest to the date of each conversion, of our 9.75% convertible senior notes into common stock. See Note 13, Stockholders' Equity.

The investors in our 9.75% convertible senior notes may, at their option, convert all or any portion of their 9.75% convertible senior notes. Upon conversion, we may satisfy our conversion obligation by paying and/or delivering, as the case may be, cash, shares of common stock, or a combination of cash and shares of common stock, at our option, subject to certain terms and conditions. The conversion rate for the 9.75% convertible senior notes is 74.0741 shares of common stock per $1,000 principal amount of 9.75% convertible senior notes, plus accrued and unpaid interest, which is equivalent to an initial conversion price (excluding interest) of approximately $13.50 per share of common stock. The conversion rate is subject to adjustment under certain circumstances in accordance with the terms of the related indenture. On and after May 14, 2023, we have the right to cause the conversion of the 9.75% convertible senior notes if certain specified conditions are met, including minimum common stock price and minimum volume conditions.

At any time prior to May 14, 2022, we may, at our option, redeem for cash up to 33.33% aggregate principal amount of the then outstanding 9.75% convertible senior notes (after giving effect to any conversions on or prior to such redemption date) at a redemption price equal to 115% of aggregate principal amount of 9.75% convertible senior notes so redeemed, plus any accrued and unpaid interest to, but excluding, the redemption date, using the net cash proceeds of one or more equity offerings by us, provided the redemption occurs within 180 days of the date of the closing of such equity offering.

At any time on or after May 14, 2023, we may, at our option, redeem for cash all (but not less than all) of the 9.75% convertible senior notes at the redemption price (expressed as percentages of principal amount) set forth below, plus any accrued and unpaid interest, if any, to, but excluding, the redemption date:

Period	Percentage
At any time on and after May 14, 2023 but prior to May 14, 2024	115%
At any time on and after May 14, 2024	110%

On and after September 23, 2024, the holders of the 9.75% convertible senior notes have the option to require us to repurchase their 9.75% convertible senior notes for cash at a purchase price of 110% of the aggregate principal amount repurchased, plus accrued and unpaid interest to the date of repurchase.

For accounting purposes and in accordance with GAAP, the exchange of our 7.75% convertible senior notes for our 9.75% convertible senior notes was treated as a debt modification and we separated the 9.75% convertible senior notes into liability and equity components. As of December 31, 2020, the carrying amount of the liability component for the 9.75% convertible senior notes of approximately $58.0 million (net of an unamortized debt discount of $37.4 million and unamortized issuance costs of $239,000) was determined based on a discounted cash flow analysis and a binomial lattice model. The valuation required the use of Level 3 unobservable inputs and subjective assumptions, including but not limited to, the stock price volatility and bond yield. The use of alternative market assumptions and estimation methodologies could have had an effect on these estimates of fair value. As of December 31, 2020, the carrying amount of the equity component for the 9.75% convertible senior notes of approximately $8.8 million (net of unamortized issuance costs of $545,000), representing the conversion option, was determined by deducting the carrying amount of the liability components from the principal amount of the 9.75% convertible senior notes. This difference between the principal amount of the 9.75% convertible senior notes and the liability component represents the debt discount, presented as a reduction to the 9.75% convertible senior notes in the consolidated balance sheets and is amortized to interest expense, net using the effective interest method over the remaining term of the 9.75% convertible senior notes. The equity component of the 9.75% convertible senior notes is included in additional paid-in-capital—common stock in the consolidated balance sheets and is not remeasured as long as it continues to meet the conditions for equity classification. See Note 17, Subsequent Events.

Sunnova Energy Corporation Notes Payable. In May 2019, we entered into an arrangement to finance $1.9 million in property insurance premiums at an annual interest rate of 5.50% over ten months. In July 2019, we entered into an arrangement to finance $4.7 million in directors and officers insurance premiums at an annual interest rate of 4.94% over eight months. In August 2020, we entered into an arrangement to finance $2.8 million in directors and officers insurance premiums at an annual interest rate of 4.25% over seven months. In October 2020, we entered into an arrangement to finance $1.4 million in property insurance premiums at an annual interest rate of 4.25% over five months.

AP4 Debt. In July 2014, we entered into a collateral-based financing agreement with Texas Capital Bank, as administrative agent, and the lenders party thereto, to obtain funding for solar energy systems, working capital and general and administrative expenses of Sunnova Energy Corporation and AP4. The initial aggregate principal amount of the commitments under the AP4 financing agreement was $90.0 million, which was increased to $110.0 million in October 2015 and then reduced to $107.1 million in December 2017. Borrowings under the AP4 financing agreement were secured by the assets of AP4, which include certain solar energy systems and the related solar service agreements, accounts receivable and note receivable.

The loans under the AP4 financing agreement bore interest at an annual rate of either LIBOR plus 3.00% or a base rate (defined as, for any day, a rate of interest per annum equal to the highest of (a) the prime rate for such day; (b) the sum of the federal funds rate for such day plus 0.50%; and (c) adjusted LIBOR for such day plus 1.00%) plus 2.00%. In addition, through December 2016, the AP4 debt accrued a commitment fee at a rate equal to 0.50% per year of the daily unused amount of the commitment. In December 2016, the loans converted to an amortizing term loan and began amortizing quarterly based on a modified mortgage style amortization schedule. The terms under the AP4 financing agreement contained certain covenants and restrictions, including a ratio of consolidated EBITDA (as defined in the AP4 financing agreement) to debt service (as defined in the AP4 financing agreement) that could not be less than 1.25 to 1.00 for any four-quarter period ending as of the end of any fiscal quarter. Furthermore, the borrowers were permitted to pay distributions so long as after giving effect thereto, the debt service coverage ratio was at least 1.0 to 1.0.

In March 2017, the AP4 financing agreement was amended to, among other things, extend the maturity date from July 2019 to July 2020. In December 2017, the AP4 financing agreement was amended to, among other things, admit into the collateral pool and borrow against certain assets previously financed under another subsidiary's financing agreement, the proceeds of which were used to repay a substantial portion of the aggregate outstanding principal amount under the subsidiary's financing agreement. In December 2018, the AP4 financing agreement was amended to, among other things, extend the start date of required excess cash flow payments from January 2019 to June 2019 and add a minimum net worth requirement.

As of March 31, 2019, AP4 was not in compliance with the debt covenant regarding the ratio of consolidated EBITDA to debt service, which is an event of default. In April 2019, AP4 exercised its right to an equity cure, which allowed Sunnova Energy Corporation to contribute approximately $106,000 to AP4 and allowed AP4 to add such amount to consolidated EBITDA for purposes of recalculating the ratio as of March 31, 2019. Subsequent to the equity cure, AP4 was in compliance with the debt covenants under the AP4 financing agreement. In June 2019, we amended the AP4 financing agreement to, among other things, (a) extend the maturity date from July 2020 to January 2021, (b) decrease the applicable margin for LIBOR loans to 2.50% and (c) change the debt covenant regarding the ratio of consolidated EBITDA to debt service to be calculated based on collections from customers and other cash receipts and disbursements (instead of consolidated EBITDA). In connection with this amendment we repaid $5.0 million of outstanding borrowings under this facility. In August 2019, AP4 conveyed its ownership interest in Sunnova Lease Vehicle 3-HI, LLC to Sunnova Energy Corporation and the security interest on the assets of Sunnova Lease Vehicle 3-HI, LLC that were previously collateral securing the borrowings under the AP4 financing agreement was released. In February 2020, the aggregate principal amount outstanding under the AP4 financing agreement of $92.0 million was fully repaid using proceeds from the SOLI Notes (as defined below), all related interest rate swaps were unwound and the debt facility was terminated.

HELI Debt. In April 2017, we pooled and transferred eligible solar energy systems and the related asset receivables into HELI, a special purpose entity, that issued $191.8 million in aggregate principal amount of Series 2017-1 Class A solar asset-backed notes, $18.0 million in aggregate principal amount of Series 2017-1 Class B solar asset-backed notes and $45.0 million in aggregate principal amount of Series 2017-1 Class C solar asset-backed notes (collectively, the "Notes") with a maturity date of September 2049. The Notes were issued at a discount of 0.05% for Class A, 9.28% for Class B and 8.65% for Class C and bear interest at an annual rate equal to 4.94%, 6.00% and 8.00%, respectively. The cash flows generated by these solar energy systems are used to service the semi-annual principal and interest payments on the Notes and satisfy HELI's expenses, and any remaining cash can be distributed to Helios Depositor, LLC, HELI's sole member. In connection with the Notes, certain of our affiliates receive a fee for managing and servicing the solar energy systems pursuant to management and servicing agreements. In addition, Sunnova Energy Corporation has guaranteed (a) the manager's obligations to manage the solar energy systems

pursuant to the management agreement, (b) the servicer's obligations to service the solar energy systems pursuant to the servicing agreement and (c) Sunnova Asset Portfolio 5, LLC's obligations to repurchase or substitute certain ineligible solar energy systems eventually sold to HELI pursuant to the sale and contribution agreement. HELI is also required to maintain a liquidity reserve account and an inverter replacement reserve account for the benefit of the holders of the Notes, each of which must remain funded at all times to the levels specified in the Notes (see Note 2, Significant Accounting Policies). The indenture requires HELI to track the debt service coverage ratio (such ratio, the "DSCR") of (a) the amount of certain payments received from customers, certain performance based incentives, certain energy credits and any applicable insurance proceeds as of a specific date to (b) interest and scheduled principal due on the Notes as of such date with the potential to enter into an early amortization period if the DSCR drops below a certain threshold. The holders of the Notes have no recourse to our other assets except as expressly set forth in the Notes.

LAPH Debt. In April 2017, LAPH and its wholly-owned subsidiaries Sunnova LAP I, LLC and Sunnova LAP II, LLC, entered into a term loan agreement with Credit Suisse AG, New York Branch, as administrative agent, and the lenders party thereto, for an initial aggregate committed principal amount of $260.0 million with a maturity date of December 2018, which was amended (see below). The proceeds of the loans were available to purchase or otherwise acquire solar energy systems (which we originated) directly from Sunnova Asset Portfolio 7 Holdings, LLC ("AP7H"), the sole member of LAPH, pursuant to a sale and contribution agreement, fund certain reserve accounts that are required to be maintained by the borrowers in accordance with the loan agreement and pay fees and expenses incurred in connection with the loan agreement. The amount available for borrowings at any one time under the loan agreement was limited to a borrowing base amount determined at each borrowing and calculated based on the aggregate discounted present value of remaining payments owed to LAPH and its wholly-owned subsidiaries in respect of the solar energy systems transferred to LAPH and its wholly-owned subsidiaries.

Interest on the borrowings under the LAPH loan agreement was due monthly; however, it was amended to be due quarterly in November 2018 (see below). Class A advances under the LAPH loan agreement initially bore interest at an annual rate equal to the weighted-average cost to the lender of any commercial paper (to the extent the lender funds an advance by issuing commercial paper) plus 3.30%. Class B advances bore interest at an annual rate equal to 11.00%. The loan agreement required the borrowers to pay a fee based on the daily unused portion of the commitments under the loan agreement. Revenues from the solar energy systems were deposited into accounts established pursuant to the loan agreement and applied in accordance with a cash waterfall in the manner specified in the loan agreement. The borrowers were also required to maintain a liquidity reserve account and an inverter replacement reserve account for the benefit of the lenders under the loan agreement, each of which had to be funded at all times to the levels specified in the loan agreement (see Note 2, Significant Accounting Policies).

In connection with the LAPH loan agreement, certain of our affiliates received a fee for managing and servicing the solar energy systems pursuant to management and servicing agreements. In addition, Sunnova Energy Corporation had guaranteed (a) the manager's obligations to manage the solar energy systems pursuant to the management agreement, (b) the servicer's obligations to service the solar energy systems pursuant to the servicing agreement, (c) AP7H's obligations to repurchase or substitute certain ineligible solar energy systems sold to LAPH and its wholly-owned subsidiaries pursuant to certain sale and contribution agreements and (d) certain indemnification obligations related to its affiliates in connection with the LAPH loan agreement, but did not provide a general guarantee of the creditworthiness of the assets of LAPH and its wholly-owned subsidiaries pledged as the collateral for the loan agreement. Under the limited guarantee, Sunnova Energy Corporation was subject to certain financial covenants regarding tangible net worth, working capital and restrictions on the use of proceeds from the loan agreement.

In April 2018, the LAPH loan agreement was amended to, among other things, extend the maturity date from December 2018 to May 2019. In November 2018, the LAPH loan agreement was amended to, among other things, decrease the maximum commitment amount of Class A advances to $44.2 million and of Class B advances to $0, extend the maturity date to November 2022, change the interest on Class A advances to an annual rate equal to LIBOR plus 4.50% and change the interest collection period from monthly to quarterly. In February 2020, proceeds from the SOLI Notes (as defined below) were used to repay $32.0 million in aggregate principal amount outstanding of LAPH debt. In November 2020, the aggregate principal amount outstanding under the LAPH loan agreement of $10.6 million was fully repaid using proceeds from the SOLII Notes (as defined below), all related interest rates swaps were unwound and the debt facility was terminated.

EZOP Debt. In April 2017, EZOP, a special purpose entity, entered into a secured revolving warehouse credit facility with Credit Suisse AG, New York Branch, as administrative agent, and the lenders party thereto, for an aggregate committed amount of $100.0 million with a maturity date of April 2019. In August 2017, the aggregate committed amount was reduced to $70.0 million and in March 2019, the aggregate committed amount was increased to $200.0 million. The warehouse credit facility allows for the pooling and transfer of eligible loans on a non-recourse basis subject to certain limited exceptions. The proceeds of the loans under the warehouse credit facility are available to purchase or otherwise acquire loans (which we

originated) directly from AP7H pursuant to a sale and contribution agreement, fund certain reserve accounts that are required to be maintained by EZOP in accordance with the credit agreement and pay fees and expenses incurred in connection with the warehouse credit facility. The amount available for borrowings at any one time under the warehouse credit facility is limited to a borrowing base amount determined at each borrowing and calculated based on the aggregate discounted present value of remaining payments owed to EZOP in respect of the loans transferred to EZOP.

Interest on the borrowings under the warehouse credit facility is due monthly. Borrowings under the EZOP warehouse credit facility bear interest at an annual rate equal to the weighted-average cost to the lender of any commercial paper (to the extent the lender funds an advance by issuing commercial paper) plus 3.50% during the commitment availability period and 4.50% after the commitment availability period. In March 2019, we amended the EZOP warehouse credit facility to, among other things, adjust the interest rate on borrowings to an annual rate of adjusted LIBOR plus either 2.15% or 3.15% per annum depending on the date of the most recent takeout transaction in respect of assets securing the credit facility and extend the maturity date from April 2019 to November 2022. In December 2019, we further amended the EZOP warehouse credit facility to, among other things, adjust the interest rate on borrowings to an annual rate of adjusted LIBOR plus either 2.35% or 3.35% per annum depending on the date of the most recent takeout transaction in respect of assets securing the credit facility. The warehouse credit facility requires EZOP to pay a fee based on the daily unused portion of the commitments under the warehouse credit facility. Revenues from the solar energy systems will be deposited into accounts established pursuant to the warehouse credit facility and applied in accordance with a cash waterfall in the manner specified in the warehouse credit facility. EZOP is also required to maintain a liquidity reserve account and an equipment replacement reserve account for the benefit of the lenders under the warehouse credit facility, each of which must remain funded at all times to the levels specified in the credit agreement (see Note 2, Significant Accounting Policies).

In connection with the EZOP warehouse credit facility, certain of our affiliates receive a fee for managing and servicing the solar loan agreements and related solar energy systems pursuant to management and servicing agreements. In addition, Sunnova Energy Corporation has guaranteed (a) the manager's obligations to manage the solar loan agreements and related solar energy systems pursuant to the management agreement, (b) the servicer's obligations to service the solar loan agreements and related solar energy systems pursuant to the servicing agreement, (c) AP7H's obligations to repurchase or substitute certain ineligible solar loans sold to EZOP pursuant to certain sale and contribution agreements and (d) certain indemnification obligations related to its affiliates in connection with the EZOP warehouse credit facility, but does not provide a general guarantee of the creditworthiness of the assets of EZOP pledged as the collateral for the warehouse credit facility. Under the limited guarantee, Sunnova Energy Corporation is subject to certain financial covenants regarding tangible net worth, working capital and restrictions on the use of proceeds from the warehouse credit facility. In June 2020, proceeds from the HELIV Notes (as defined below) were used to repay $149.3 million in aggregate principal amount outstanding of EZOP debt. In October 2020, proceeds from the AP8 revolving credit facility were used to repay $28.0 million in aggregate principal amount outstanding of EZOP debt. See Note 17, Subsequent Events.

TEPIIH Debt. In August 2018, TEPIIH entered into a revolving credit facility with Credit Suisse AG, New York Branch, as administrative agent, and the lenders party thereto. The TEPIIH revolving credit facility allowed for borrowings based on the aggregate value of solar assets owned by subsidiaries of TEPIIH subject to certain excess concentration limitations. Under the TEPIIH revolving credit facility, TEPIIH could borrow up to an initial aggregate committed amount of $125.0 million with a maximum commitment amount of $175.0 million. The proceeds from the revolving credit facility were available for funding certain reserve accounts required by the revolving credit facility, making distributions to the parent of TEPIIH and paying fees incurred in connection with closing the revolving credit facility. The TEPIIH revolving credit facility had a maturity date of August 2022. In March 2019, we amended the TEPIIH revolving credit facility to, among other things, extend the maturity date from August 2022 to November 2022, increase the aggregate committed amount to $150.0 million and increase the maximum commitment amount to $250.0 million. In September 2019, we further amended the TEPIIH revolving credit facility to, among other things, cross-collateralize the TEPIIH revolving credit facility with the TEPH revolving credit facility and implement corresponding cross-default provisions. In February 2020, the aggregate principal amount outstanding under the TEPIIH revolving credit facility of $226.6 million was fully repaid using proceeds from the SOLI Notes (as defined below), all related interest rate swaps were unwound and the debt facility was terminated.

HELII Debt. In November 2018, we pooled and transferred eligible solar energy systems and the related asset receivables into HELII, a special purpose entity, that issued $202.0 million in aggregate principal amount of Series 2018-1 Class A solar asset-backed notes and $60.7 million in aggregate principal amount of Series 2018-1 Class B solar asset-backed notes (collectively, the "Notes II") with a maturity date of July 2048. The Notes II were issued at a discount of 0.02% for Class A and 0.02% for Class B and bear interest at an annual rate equal to 4.87% and 7.71%, respectively. The cash flows generated by these solar energy systems are used to service the semi-annual principal and interest payments on the Notes II and satisfy HELII's expenses, and any remaining cash can be distributed to Helios Depositor II, LLC, HELII's sole member. In connection with the Notes II, certain of our affiliates receive a fee for managing and servicing the solar energy systems pursuant to

management and servicing agreements. In addition, Sunnova Energy Corporation has guaranteed (a) the manager's obligations to manage the solar energy systems pursuant to the management agreement, (b) the servicer's obligations to service the solar energy systems pursuant to the servicing agreement and (c) Sunnova ABS Holdings, LLC's obligations to repurchase or substitute certain ineligible solar energy systems eventually sold to HELII pursuant to the sale and contribution agreement. HELII is also required to maintain a liquidity reserve account, an inverter replacement reserve account and a cash trap reserve account for the benefit of the holders of the Notes II, each of which must remain funded at all times to the levels specified in the Notes II (see Note 2, Significant Accounting Policies). The indenture requires HELII to track the DSCR of (a) the amount of certain payments received from customers, certain performance based incentives, certain energy credits and any applicable insurance proceeds as of a specific date to (b) interest and scheduled principal due on the Notes II as of such date with the potential to enter into an early amortization period if the DSCR drops below a certain threshold. The holders of the Notes II have no recourse to our other assets except as expressly set forth in the Notes II.

RAYSI Debt. In March 2019, we pooled and transferred eligible solar energy systems and the related asset receivables into RAYSI, a special purpose entity, that issued $118.1 million in aggregate principal amount of Series 2019-1 Class A solar asset-backed notes with a maturity date of April 2044 and $15.0 million in aggregate principal amount of Series 2019-1 Class B solar asset-backed notes with a maturity date of April 2034. The notes were issued with no discount for Class A and at a discount of 6.50% for Class B and bear interest at an annual rate equal to 4.95% and 6.35%, respectively. In June 2019, RAYSI issued $6.4 million in aggregate principal amount of 2019-2 Class B solar asset-backed notes with a maturity date of April 2034 pursuant to a supplemental note purchase agreement at a discount rate of 10.50% and bear interest at an annual rate equal to 6.35%. The notes issued by RAYSI are referred to as the "RAYSI Notes". The cash flows generated by these solar energy systems are used to service the semi-annual principal and interest payments on the RAYSI Notes and satisfy RAYSI's expenses, and any remaining cash can be distributed to Sunnova RAYS Depositor II, LLC, RAYSI's sole member. In connection with the RAYSI Notes, certain of our affiliates receive a fee for managing and servicing the solar energy systems pursuant to management, servicing, facility administration and asset management agreements. In addition, Sunnova Energy Corporation has guaranteed, among other things, (a) the obligations of certain of our subsidiaries to manage and service the solar energy systems pursuant to management, servicing, facility administration and asset management agreements, (b) the managing member's obligations, in such capacity, under the related financing fund's limited liability company agreement and (c) certain of our subsidiaries' obligations to repurchase or substitute certain ineligible solar energy systems eventually sold to RAYSI pursuant to the related sale and contribution agreement. RAYSI is also required to maintain a liquidity reserve account, a supplemental reserve account for inverter replacement and financing fund purchase option exercises, a storage system reserve account and a cash trap reserve account for the benefit of the holders of the RAYSI Notes, each of which must remain funded at all times to the levels specified in the RAYSI Notes. The indenture requires RAYSI to track the DSCR of (a) the amount of certain payments received from customers, certain performance based incentives, certain energy credits and any applicable insurance proceeds as of a specific date to (b) interest and scheduled principal due on the RAYSI Notes as of such date with the potential to enter into an early amortization period if the DSCR drops below a certain threshold. The indenture contains cross-default provisions under which a material default by (a) RAYSI or (b) a tax equity fund under the applicable tax equity transaction documents would, upon the expiration of certain time periods, result in an event of default under the RAYSI indenture. The holders of the RAYSI Notes have no recourse to our other assets except as expressly set forth in the RAYSI Notes.

HELIII Debt. In June 2019, we pooled and transferred eligible solar loans and the related receivables into HELIII, a special purpose entity, that issued $139.7 million in aggregate principal amount of Series 2019-A Class A solar loan-backed notes, $14.9 million in aggregate principal amount of Series 2019-A Class B solar loan-backed notes and $13.0 million in aggregate principal amount of Series 2019-A Class C solar loan-backed notes (collectively, the "HELIII Notes") with a maturity date of June 2046. The HELIII Notes were issued at a discount of 0.03% for Class A, 0.01% for Class B and 0.03% for Class C and bear interest at an annual rate of 3.75%, 4.49% and 5.32%, respectively. The cash flows generated by these solar loans are used to service the semi-annual principal and interest payments on the HELIII Notes and satisfy HELIII's expenses, and any remaining cash can be distributed to Sunnova Helios III Depositor, LLC, HELIII's sole member. In connection with the HELIII Notes, certain of our affiliates receive a fee for managing and servicing the solar energy systems pursuant to management and servicing agreements. In addition, Sunnova Energy Corporation has guaranteed, among other things, (a) the obligations of certain of our subsidiaries to manage and service the solar energy systems pursuant to management and servicing agreements, (b) the managing member's obligations, in such capacity, under the related financing fund's limited liability company agreement and (c) certain of our subsidiaries' obligations to repurchase or substitute certain ineligible solar loans eventually sold to HELIII pursuant to the related sale and contribution agreement. HELIII is also required to maintain a reserve account, a supplemental reserve account for inverter replacement and a capitalized interest reserve account for the benefit of the holders of the HELIII Notes, each of which must remain funded at all times to the levels specified in the HELIII Notes. The holders of the HELIII Notes have no recourse to our other assets except as expressly set forth in the HELIII Notes.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

TEPH Debt. In September 2019, TEPH, a wholly owned subsidiary of SEI, entered into a revolving credit facility with Credit Suisse AG, New York Branch, as administrative agent, and the lenders party thereto. The TEPH revolving credit facility allows for borrowings based on the aggregate value of solar assets owned by subsidiaries of TEPH subject to certain excess concentration limitations. Under the TEPH revolving credit facility, TEPH may borrow up to an initial aggregate committed amount of $100.0 million with a maximum commitment amount of $150.0 million and a maturity date of November 2022. The proceeds from the revolving credit facility are available for funding certain reserve accounts required by the revolving credit facility, making distributions to the parent of TEPH and paying fees incurred in connection with closing the revolving credit facility. The revolving credit facility is non-recourse to SEI and is secured by net cash flows from PPAs and leases available to the borrower after distributions to tax equity investors and payment of certain operating, maintenance and other expenses. Sunnova Energy Corporation guarantees the performance of certain affiliates who manage the collateral related to the credit facility as well as certain indemnity and repurchase obligations. Under the limited guarantee, Sunnova Energy Corporation is subject to certain financial covenants regarding tangible net worth, working capital and restrictions on the use of proceeds from the facility. In December 2019, we amended the TEPH revolving credit facility to, among other things, (a) modify the borrowing base eligibility criteria for certain solar assets relating to the timing of the expected first payments from such solar assets, (b) modify the calculation of the amount required to be deposited into the liquidity reserve account, (c) delay the application of concentration limits for an additional 90 days, (d) temporarily increase the borrowing base applied to certain solar assets and (e) include additional provisions regarding qualified financial contract rules.

Borrowings under the TEPH revolving credit facility are made in Class A loans and Class B loans. The TEPH revolving credit facility has an advance rate equal to approximately 60% of the value of the solar projects in the portfolio that have not yet begun construction and 80% of the value of the solar projects that have reached substantial completion. Interest on the borrowings under the TEPH revolving credit facility is due quarterly. Borrowings under the TEPH revolving credit facility initially bore interest at an annual rate of either LIBOR divided by a percentage equal to 100% minus a reserve percentage or a base rate (defined as, for any day, a rate of interest per annum equal to the highest of (a) the prime rate for such day and (b) the sum of the weighted average of the rates on overnight federal funds transactions with members of the federal reserve system arranged by federal funds brokers as published for such day plus 0.50%), plus a margin of between 2.90% and 4.30%, which varies based on criteria including (a) whether the availability period has expired (which is expected to occur in May 2022), (b) whether a takeout transaction has occurred in the last 18 months and (c) the ratio of Class A loans to Class B loans outstanding at such time.

In January 2020, we amended the TEPH revolving credit facility to, among other things, (a) allow a wholly-owned subsidiary of TEPH to transfer projects and other solar assets to tax equity funds owned by TEPH and (b) upon the full repayment and termination of the TEPIIH revolving credit facility, remove all cross-defaults and cross-collateralization between the TEPIIH revolving credit facility and the TEPH revolving credit facility. In February 2020, we amended the TEPH revolving credit facility to, among other things, (a) increase the aggregate commitment amount from $100.0 million to $200.0 million and (b) increase the maximum commitment amount from $150.0 million to $200.0 million. In March 2020, we amended the TEPH revolving credit facility to, among other things, (a) increase the maximum facility amount to $400.0 million, with all of the increased amount coming from Class A lenders on an uncommitted basis, (b) increase both the Class A and Class B interest rates by 0.40% and (c) modify the borrowing base calculation to shift a portion of the borrowing base from Class B to Class A lenders. In May 2020, we amended the TEPH revolving credit facility to, among other things, (a) increase the aggregate commitment amount from $200.0 million to $390.0 million and (b) increase the unused line fee on such committed amounts. In June 2020, we amended the TEPH revolving credit facility to, among other things, (a) increase the aggregate commitment amount from $390.0 million to $437.5 million, (b) increase the maximum commitment amount from $400.0 million to $437.5 million, (c) modify the advance rates for solar energy systems and (d) modify the interest rates to an adjusted LIBOR rate plus a weighted average margin of 4.15%. In October 2020, we amended the TEPH revolving credit facility to, among other things, increase the aggregate commitment amount from $437.5 million to $460.7 million and increase the maximum commitment amount from $437.5 million to $600.0 million. In November 2020, we amended the TEPH revolving credit facility to, among other things, (a) reduce the borrowing base applied to certain solar assets and (b) include a carve-out for certain solar assets in the determination of the projected hedged SREC ratio. In November 2020, proceeds from the SOLII Notes (as defined below) were used to repay $211.5 million in aggregate principal amount outstanding of TEPH debt. See Note 17, Subsequent Events.

TEPINV Debt. In December 2019, TEPINV, a special purpose wholly owned subsidiary of SEI, entered into a secured revolving credit facility with Credit Suisse AG, New York Branch, as administrative agent, and the lenders party thereto. Under the TEPINV revolving credit facility, TEPINV could borrow up to an initial aggregate committed amount of $95.2 million with a maximum commitment amount of $137.6 million and a maturity date of the earlier of (a) 27 months from the initial purchase date of eligible equipment, (b) December 2022, (c) the date on which there is no eligible equipment in the facility and (d) such earlier date as when the obligations under the TEPINV revolving credit facility become due and payable, upon an acceleration or otherwise. The proceeds from the TEPINV revolving credit facility were available for purchasing certain eligible equipment the borrower intends will allow certain related solar energy systems to qualify for the 30% Section 48(a) ITC by satisfying the

5% ITC Safe Harbor outlined in Internal Revenue Service ("IRS") notice 2018-59, funding a reserve account required by the TEPINV revolving credit facility and paying fees incurred in connection with closing the TEPINV revolving credit facility.

Borrowings under the TEPINV revolving credit facility were made in Class A loans and Class B loans. The TEPINV revolving credit facility has an advance rate equal to approximately 85% of the value of certain eligible equipment. Interest on the borrowings under the TEPINV revolving credit facility is due monthly. Borrowings under the TEPINV revolving credit facility bear interest at an annual rate of either LIBOR divided by a percentage equal to 100% minus a reserve percentage or a base rate (defined as, for any day, a rate of interest per annum equal to the highest of (a) the prime rate for such day, (b) the sum of the weighted average of the rates on overnight federal funds transactions with members of the federal reserve system arranged by federal funds brokers as published for such day plus 0.50% and (c) 0.00%), plus a margin equal to 5.99% on a blended basis. In connection with the TEPINV revolving credit facility, certain of our affiliates receive a fee for managing the equipment pursuant to a management services agreement. In addition, Sunnova Energy Corporation has guaranteed (a) the performance obligations of certain affiliates to perform under affiliate transaction documents entered into in connection with the TEPINV revolving credit facility, (b) certain indemnification obligations related to our affiliates in connection with the TEPINV revolving credit facility, (c) the borrower's obligations under the TEPINV revolving credit facility, subject to a cap of $9.5 million, which equates to 10% of the initial commitments and (d) expenses incurred by the borrower or the administrative agent in enforcing rights under certain affiliate transaction documents or the guarantee. Under the limited guarantee, Sunnova Energy Corporation is subject to certain financial covenants regarding tangible net worth, working capital and restrictions on the use of proceeds from the TEPINV revolving credit facility. The TEPINV revolving credit facility contains cross-default provisions stating that (a) an event of default under the TEPH revolving credit facility, (b) a breach, default or event of default by certain affiliates under the applicable tax equity transaction documents, (c) any acceleration of debt of Sunnova Energy Corporation or (d) a breach or default in other debt of the loan parties or the pledgor, in each case is an event of default under the TEPINV revolving credit facility. In September 2020, we amended the TEPINV revolving credit facility to, among other things, expand the scope of the eligible equipment that TEPINV can borrow against to include energy storage systems. In December 2020, the availability period for additional borrowings under the TEPINV revolving credit facility ended.

SOLI Debt. In February 2020, we pooled and transferred eligible solar energy systems and the related asset receivables into wholly-owned subsidiaries of SOLI, a special purpose entity, that issued $337.1 million in aggregate principal amount of Series 2020-1 Class A solar asset-backed notes and $75.4 million in aggregate principal amount of Series 2020-1 Class B solar asset-backed notes (collectively, the "SOLI Notes") with a maturity date of January 2055. The SOLI Notes were issued at a discount of 0.89% for Class A and 0.85% for Class B and bear interest at an annual rate equal to 3.35% and 5.54%, respectively. The cash flows generated by the solar energy systems of SOLI's subsidiaries are used to service the quarterly principal and interest payments on the SOLI Notes and satisfy SOLI's expenses, and any remaining cash can be distributed to Sunnova Sol Depositor, LLC, SOLI's sole member. In connection with the SOLI Notes, certain of our affiliates receive a fee for managing and servicing the solar energy systems pursuant to a transaction management agreement and managing and servicing agreements. In addition, Sunnova Energy Corporation has guaranteed (a) the obligations of certain of our subsidiaries to manage and service the solar energy systems pursuant to management, servicing and transaction management agreements, (b) the managing members' obligations, in such capacity, under the related financing fund's limited liability company agreement and (c) certain of our subsidiaries' obligations to repurchase or substitute certain ineligible solar energy systems eventually sold to SOLI pursuant to the sale and contribution agreement. SOLI is also required to maintain a liquidity reserve account, a tax loss insurance proceeds account and a supplemental reserve account for the benefit of the holders of the SOLI Notes, each of which must remain funded at all times to the levels specified in the SOLI Notes. The indenture requires SOLI to track the DSCR of (a) the amount of certain payments received from customers, certain performance based incentives, certain energy credits and any applicable insurance proceeds as of a specific date to (b) interest and scheduled principal due on the SOLI Notes as of such date with the potential to enter into an early amortization period if the DSCR drops below a certain threshold. The holders of the SOLI Notes have no recourse to our other assets except as expressly set forth in the SOLI Notes.

HELIV Debt. In June 2020, we pooled and transferred eligible solar loans and the related receivables into HELIV, a special purpose entity, that issued $135.9 million in aggregate principal amount of Series 2020-A Class A solar loan-backed notes and $22.6 million in aggregate principal amount of Series 2020-A Class B solar loan-backed notes (collectively, the "HELIV Notes") with a maturity date of June 2047. The HELIV Notes were issued at a discount of 0.01% for Class A and 4.18% for Class B and bear interest at an annual rate of 2.98% and 7.25%, respectively. The cash flows generated by these solar loans are used to service the monthly principal and interest payments on the HELIV Notes and satisfy HELIV's expenses, and any remaining cash can be distributed to Sunnova Helios IV Depositor, LLC, HELIV's sole member. In connection with the HELIV Notes, certain of our affiliates receive a fee for managing and servicing the solar energy systems pursuant to management and service agreements. In addition, Sunnova Energy Corporation has guaranteed, among other things, (a) the obligations of certain of our subsidiaries to manage and service the solar energy systems pursuant to management and servicing agreements and (b) certain of our subsidiaries' obligations to repurchase or substitute certain ineligible solar loans eventually sold to HELIV pursuant to the related sale and contribution agreement. HELIV is also required to maintain a reserve account, a

supplemental reserve account for equipment replacement and a capitalized interest reserve account for the benefit of the holders of the HELIV Notes, each of which must be funded at all times to the levels specified in the HELIV Notes. The holders of the HELIV Notes have no recourse to our other assets except as expressly set forth in the HELIV Notes.

AP8 Debt. In September 2020, AP8 entered into a secured revolving credit facility with Banco Popular de Puerto Rico for an aggregate committed amount of $60.0 million with a maturity date of September 2023. The proceeds of the loans under the revolving credit facility are available to purchase or otherwise acquire solar loans, fund a reserve account that is required to be maintained by AP8 in accordance with the credit agreement and pay fees and expenses incurred in connection with the revolving credit facility. The amount available for borrowings at any one time under the revolving credit facility is limited to a borrowing base amount determined at each borrowing and calculated based on a specified advance rate applied to the net outstanding principal balance of the solar loans securing the revolving credit facility. Interest on the borrowings under the revolving credit facility is due monthly. Borrowings under the AP8 revolving credit facility bear interest at an annual rate of adjusted LIBOR plus an applicable margin.

In connection with the AP8 revolving credit facility, certain of our affiliates receive a fee for managing and servicing the solar loan agreements and related solar energy systems pursuant to management and servicing agreements. In addition, Sunnova Energy Corporation has guaranteed (a) the manager's obligations to manage the solar loan agreements and related solar energy systems pursuant to the management agreement, (b) the servicer's obligations to service the solar loan agreements and related solar energy systems pursuant to the servicing agreement, (c) Sunnova Asset Portfolio 8 Holdings, LLC's obligations to repurchase or substitute certain ineligible solar loans sold to AP8 pursuant to certain sale and contribution agreements, (d) certain indemnification obligations related to its affiliates in connection with the AP8 revolving credit facility and (e) the obligation of AP8 under the AP8 revolving credit facility to the extent a default is caused by a misappropriation of funds or certain insolvency events relating to AP8, but does not provide a general guarantee of the creditworthiness of the assets of AP8 pledged as the collateral for the revolving credit facility. Under the limited guarantee, Sunnova Energy Corporation is subject to certain financial covenants regarding tangible net worth, working capital and restrictions on the use of proceeds from the AP8 revolving credit facility. See Note 17, Subsequent Events.

SOLII Debt. In November 2020, we pooled and transferred eligible solar energy systems and the related asset receivables into wholly-owned subsidiaries of SOLII, a special purpose entity, that issued $209.1 million in aggregate principal amount of Series 2020-2 Class A solar asset-backed notes and $45.6 million in aggregate principal amount of Series 2020-2 Class B solar asset-backed notes (collectively, the "SOLII Notes") with a maturity date of November 2055. The SOLII Notes were issued at a discount of 0.03% for Class A and 0.05% for Class B and bear interest at an annual rate equal to 2.73% and 5.47%, respectively. The cash flows generated by the solar energy systems of SOLII's subsidiaries are used to service the quarterly principal and interest payments on the SOLII Notes and satisfy SOLII's expenses, and any remaining cash can be distributed to Sunnova Sol II Depositor, LLC, SOLII's sole member. In connection with the SOLII Notes, certain of our affiliates receive a fee for managing and servicing the solar energy systems pursuant to a transaction management agreement and managing and servicing agreements. In addition, Sunnova Energy Corporation has guaranteed (a) the obligations of certain of our subsidiaries to manage and service the solar energy systems pursuant to management, servicing and transaction management agreements, (b) the managing members' obligations, in such capacity, under the related financing fund's limited liability company agreement and (c) certain of our subsidiaries' obligations to repurchase or substitute certain ineligible solar energy systems eventually sold to SOLII pursuant to the sale and contribution agreement. SOLII is also required to maintain certain reserve accounts for the benefit of the holders of the SOLII Notes, each of which must remain funded at all times to the levels specified in the SOLII Notes. The indenture requires SOLII to track the DSCR of (a) the amount of certain payments received from customers, certain performance based incentives, certain energy credits and any applicable insurance proceeds as of a specific date to (b) interest and scheduled principal due on the SOLII Notes as of such date with the potential to enter into an early amortization period if the DSCR drops below a certain threshold. The holders of the SOLII Notes have no recourse to our other assets except as expressly set forth in the SOLII Notes.

Fair Values of Long-Term Debt. The fair values of our long-term debt and the corresponding carrying amounts are as follows:

	As of December 31,			
	2020		2019	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
	(in thousands)			
SEI 7.75% convertible senior notes	$ —	$ —	$ 55,000	$ 37,964
SEI 9.75% convertible senior notes	95,648	100,482	—	—
Sunnova Energy Corporation notes payable	2,254	2,254	2,428	2,428
AP4 secured term loan	—	—	92,478	92,478
HELI solar asset-backed notes	211,724	220,941	222,305	223,895
LAPH secured term loan	—	—	42,876	42,876
EZOP warehouse credit facility	171,600	171,600	121,400	121,400
TEPIIH revolving credit facility	—	—	234,650	234,650
HELII solar asset-backed notes	239,281	286,579	254,314	281,850
RAYSI solar asset-backed notes	126,227	146,506	133,155	139,004
HELIII solar loan-backed notes	135,112	149,489	154,573	155,701
TEPH revolving credit facility	239,570	239,570	90,325	90,325
TEPINV revolving credit facility	54,704	54,704	95,207	95,207
SOLI solar asset-backed notes	399,674	427,511	—	—
HELIV solar loan-backed notes	146,163	145,433	—	—
AP8 revolving credit facility	46,433	46,433	—	—
SOLII solar asset-backed notes	254,700	254,674	—	—
Total (1)	$ 2,123,090	$ 2,246,176	$ 1,498,711	$ 1,517,778

(1) Amounts exclude the net deferred financing costs and net debt discounts of $87.6 million and $54.8 million as of December 31, 2020 and 2019, respectively.

For the AP4, LAPH, EZOP, TEPIIH, TEPH, TEPINV and AP8 debt, the estimated fair values approximate the carrying amounts due primarily to the variable nature of the interest rates of the underlying instruments. For the notes payable, the estimated fair value approximates the carrying amount due primarily to the short-term nature of the instruments. For the convertible senior notes and the HELI, HELII, RAYSI, HELIII, SOLI, HELIV and SOLII debt, we determined the estimated fair values based on a yield analysis of similar type debt.

Principal Maturities of Long-Term Debt. As of December 31, 2020, the principal maturities of our long-term debt were as follows:

	Principal Maturities of Long-Term Debt
	(in thousands)
2021	$ 110,883
2022	505,674
2023	107,401
2024	63,536
2025	161,088
2026 and thereafter	1,174,508
Total	$ 2,123,090

(9) Derivative Instruments

Interest Rate Swaps on AP4 Debt. During the year ended December 31, 2020, the aggregate outstanding principal amount under the AP4 financing agreement was fully repaid, AP4 unwound all outstanding interest rate swaps with an aggregate notional amount of $105.2 million and recorded a realized loss of $484,000.

Interest Rate Swaps on LAPH Debt. During the year ended December 31, 2020, the aggregate outstanding principal amount under the LAPH loan agreement was fully repaid, LAPH unwound all outstanding interest rate swaps with an aggregate notional amount of $44.2 million and recorded a realized loss of $9.1 million.

Interest Rate Swaps on EZOP Debt. During the years ended December 31, 2020 and 2019, EZOP entered into interest rate swaps for an aggregate notional amount of $155.8 million and $255.8 million, respectively, to economically hedge its exposure to the variable interest rates on a portion of the outstanding EZOP debt. No collateral was posted for the interest rate swaps as they are secured under the EZOP warehouse credit facility. In October 2020, the notional amount of the interest rate swaps began decreasing to match EZOP's estimated monthly principal payments on the debt. During the years ended December 31, 2020 and 2019, EZOP unwound interest rate swaps with a notional amount of $126.1 million and $264.6 million, respectively, and recorded a realized loss of $6.4 million and $81,000, respectively.

Interest Rate Swaps on TEPIIH Debt. During the year ended December 31, 2019, TEPIIH entered into interest rate swaps for an aggregate notional amount of $171.2 million to economically hedge its exposure to the variable interest rates on a portion of the outstanding TEPIIH debt. No collateral was posted for the interest rate swaps as they are secured under the TEPIIH revolving credit facility. During the year ended December 31, 2020, the aggregate outstanding principal amount under the TEPIIH revolving credit facility was fully repaid, TEPIIH unwound all outstanding interest rate swaps with an aggregate notional amount of $181.4 million and recorded a realized loss of $25.1 million.

Interest Rate Swaps on TEPH Debt. During the years ended December 31, 2020 and 2019, TEPH entered into interest rate swaps for an aggregate notional amount of $260.8 million and $103.1 million, respectively, to economically hedge its exposure to the variable interest rates on a portion of the outstanding TEPH debt. No collateral was posted for the interest rate swaps as they are secured under the TEPH revolving credit facility. In October 2020, the notional amount of the interest rate swaps began decreasing to match TEPH's estimated quarterly principal payments on the debt.

Interest Rate Cap on TEPINV Debt. During the year ended December 31, 2020, TEPINV entered into an interest rate cap for an aggregate notional amount of $95.2 million to economically hedge its exposure to the variable interest rates on a portion of the outstanding TEPINV debt. No collateral was posted for the interest rate cap as it is secured under the TEPINV revolving credit facility. In January 2020, the notional amount of the interest rate cap began decreasing to match TEPINV's estimated monthly principal payments on the debt.

The following table presents a summary of the outstanding derivative instruments:

	As of December 31,							
	2020				2019			
	Effective Date	Termination Date	Fixed Interest Rate	Aggregate Notional Amount	Effective Date	Termination Date	Fixed Interest Rate	Aggregate Notional Amount
	(in thousands, except interest rates)							
AP4			—%	$ —	March 2018	July 2020	2.338%	$ 99,762
LAPH			—%	—	November 2018	October 2036	3.409%	43,298
EZOP	June 2020 - November 2020	September 2029 - February 2031	0.483% - 2.620%	130,373	June 2019 - November 2019	July 2029 - March 2030	1.631% - 2.620%	100,083
TEPIIH			—%	—	September 2018 - November 2019	July 2031 - October 2041	1.909% - 3.383%	225,845
TEPH	September 2018 - January 2023	January 2023 - January 2038	0.528% - 2.114%	202,272	September 2019 - January 2023	January 2023 - July 2034	1.620% - 1.928%	55,115
TEPINV	December 2019	December 2022	2.500%	51,025			—%	—
Total				$ 383,670				$ 524,103

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

The following table presents the fair value of the interest rate swaps as recorded in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Other assets	$ —	$ 360
Other current liabilities	—	(397)
Other long-term liabilities	(13,407)	(27,092)
Total, net	$ (13,407)	$ (27,129)

We did not designate the interest rate swaps as hedging instruments for accounting purposes. As a result, we recognize changes in fair value immediately in interest expense, net. The following table presents the impact of the interest rate swaps as recorded in the consolidated statements of operations:

	Year Ended December 31,		
	2020	2019	2018
	(in thousands)		
Realized (gain) loss	$ 51,326	$ 13,195	$ (17,004)
Unrealized (gain) loss	(13,768)	19,237	6,100
Total	$ 37,558	$ 32,432	$ (10,904)

(10) Income Taxes

Our effective income tax rate is 0% for the years ended December 31, 2020, 2019 and 2018. Total income tax differs from the amounts computed by applying the statutory income tax rate to loss before income tax primarily as a result of our valuation allowance. The sources of these differences are as follows:

	Year Ended December 31,		
	2020	2019	2018
	(in thousands)		
Loss before income tax	$ (307,637)	$ (133,434)	$ (68,409)
Statutory federal tax rate	21 %	21 %	21 %
Tax benefit computed at statutory rate	(64,604)	(28,021)	(14,366)
State income tax, net of federal benefit	(16,862)	(8,344)	(4,308)
Adjustments from permanent differences:			
Redeemable noncontrolling interests	11,662	(2,293)	(1,226)
ITC recapture	232	296	989
Other	475	852	234
Increase in valuation allowance, net	69,278	37,510	18,677
Total income tax expense	$ 181	$ —	$ —

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

State, federal and foreign income taxes are $181,000, $0 and $0 for the years ended December 31, 2020, 2019 and 2018, respectively. The tax effects of temporary differences that give rise to significant portions of the deferred tax assets (liabilities) are as follows:

	As of December 31,	
	2020	2019
	(tax effected, in thousands)	
Federal net operating loss carryforward	$ 242,732	$ 169,379
State net operating loss carryforward	76,281	49,565
ITC carryforward	267,522	246,828
Federal unused interest deduction carryforward	39,036	22,559
Investment in certain financing arrangements	44,337	36,999
Other deferred tax assets	23,010	20,801
Deferred tax assets	692,918	546,131
Fixed asset basis difference	(298,032)	(235,510)
Investment in certain financing arrangements	(57,222)	(22,826)
Other deferred tax liabilities	(3,427)	(2,819)
Deferred tax liabilities	(358,681)	(261,155)
Valuation allowance	(334,237)	(284,976)
Net deferred tax asset	$ —	$ —

A full valuation allowance of $334.2 million and $285.0 million was recorded against our net deferred tax assets as of December 31, 2020 and 2019, respectively. We believe it is not more likely than not that future taxable income and the reversal of deferred tax liabilities will be sufficient to realize our net deferred tax assets. Our estimated federal tax net operating loss carryforward as of December 31, 2020 is approximately $1.2 billion, which will begin to expire in 2032 if not utilized. We also generated $20.7 million of Section 48(a) ITCs in 2020 for a net $267.5 million through December 31, 2020, which will begin to expire in 2033 if not utilized.

We assessed whether we had any significant uncertain tax positions taken in a filed tax return, planned to be taken in a future tax return or claim, or otherwise subject to interpretation and determined there were none not more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position, or prospectively approved when such approval may be sought in advance. Accordingly, we recorded no reserve for uncertain tax positions. Should a provision for any interest or penalties relative to unrecognized tax benefits be necessary, it is our policy to accrue for such in our income tax accounts. There were no such accruals as of December 31, 2020 and 2019 and we do not expect a significant change in gross unrecognized tax benefits in the next twelve months. Our tax years after 2011 remain subject to examination by the IRS and by the taxing authorities in the states and territories in which we operate.

Under the provisions of the Internal Revenue Code and similar state provisions, our net operating loss carryforwards and tax credit carryforwards are subject to review and possible adjustment by the IRS and state tax authorities. Under Sections 382 and 383 of the Internal Revenue Code, as well as similar state provisions, our net operating loss and tax credit carryforwards may be subject to an annual limitation in the event of certain cumulative changes in the ownership interest of certain significant shareholders over a three-year period in excess of 50%. This could limit the amount of tax attributes that can be utilized annually to offset future taxable income or tax liabilities. The amount of the annual limitation is determined based on the value of our company immediately prior to the ownership change. Subsequent ownership changes may further affect the limitation in future years. We experienced an ownership change in August 2020 as defined by Sections 382 and 383 of the Internal Revenue Code. While we are presently evaluating the impact of Sections 382 and 383 on our deferred tax assets as a result of the aforementioned ownership change, we maintain a full valuation allowance to reduce our deferred tax assets to the amount expected to be realized.

We conduct operations in the U.S. territories of Puerto Rico, Guam and the Commonwealth of the Northern Mariana Islands. As a result, our income tax expense includes the effects of taxes incurred in such jurisdictions where the tax code for the respective jurisdiction may have separate tax-reporting requirements. Jurisdiction-specific income taxes, in aggregate, do not adjust our effective income tax rate of 0%.

In March 2020, the U.S. enacted the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), featuring significant tax provisions and relief measures to assist individuals and businesses impacted by the economic effects of the COVID-19 pandemic. Relief measures intended to aid businesses in employee retention include payroll tax relief and a refundable tax credit for employers who retain employees during the COVID-19 pandemic. In addition, among other things, the CARES Act establishes (a) a five-year carryback of net operating losses generated in 2018, 2019 and 2020, (b) a temporary suspension of the 80% limitation on the use of net operating losses in 2018, 2019 and 2020 and (c) an increase to the adjusted taxable income limitation from 30% to 50% for business interest deductions under Section 163(j) of the U.S. Internal Revenue Code of 1986, as amended, for 2019 and 2020. We have historically maintained, and continue to maintain, a full valuation allowance against deferred tax assets. Due to our aggregate amount of net operating losses, we cannot utilize the carryback or limitation suspension provisions pertaining to the usage of net operating losses. However, the increase to the adjusted taxable income limitation for business interest deductions resulted in a decrease to our deferred tax assets for unused business interest deductions and an offsetting increase to our net operating loss carryforward.

In December 2020, the U.S. enacted the Continued Assistance for Unemployment Workers Act of 2020 ("CARES Act II"), which provided an extension of the CARES Act's unemployment benefits. It also extended unemployment benefits to independent contractors and provided independent contractors with paid sick and family leave benefits through March 2021. Neither the CARES Act nor the CARES Act II has any impact on our valuation allowance.

(11) Related-Party Transactions

SEI Debt. During 2020, certain of our affiliates who have representatives on our Board were holders of more than 10% of our common stock and were also holders of our 9.75% convertible senior notes. For the year ended December 31, 2020, we recorded expense related to such holders of approximately $1.3 million in interest expense, net in the consolidated statement of operations while the holders were classified as a related party. As of December 31, 2020, such holders no longer own more than 10% of our common stock.

Sunnova Energy Corporation Debt. During 2019 and 2018, certain of our affiliates who have representatives on our Board were holders of certain senior secured notes and convertible notes. In connection with our IPO, we redeemed the senior secured notes for cash and the holders of the convertible notes converted the principal amount plus accrued and unpaid interest into shares of common stock. We have classified these related transactions as such in the consolidated statements of operations and consolidated statements of cash flows for the years ended December 31, 2019 and 2018.

Promissory Notes. In March 2018, we entered into a bonus agreement with an executive officer providing that each year beginning in January 2019, one-fourth of the outstanding loan balance (and related accrued and unpaid interest) under the promissory notes executed by that officer and an entity controlled by that officer, in favor of Sunnova Energy Corporation, in combined aggregate principal amounts totaling $1.7 million (the "Officer Notes"), was to be forgiven provided that officer remained employed through the applicable forgiveness date, such that the full amount of the Officer Notes would be forgiven as of January 2022. In January 2019, one-fourth of the balance of the Officer Notes was forgiven. In June 2019, as additional bonus compensation, the remaining principal and interest in the amount of $1.4 million associated with the Officer Notes was forgiven and Sunnova Energy Corporation agreed to pay the officer a bonus to reimburse the officer for the expected tax liability associated with such forgiveness of $892,000, which was paid in August 2019.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(12) Redeemable Noncontrolling Interests and Noncontrolling Interests

The following table summarizes our redeemable noncontrolling interests and noncontrolling interests as of December 31, 2020:

Tax Equity Entity	Balance Sheet Classification	Date Class A Member Admitted
Sunnova TEP I, LLC	Redeemable noncontrolling interests	March 2017
Sunnova TEP II, LLC	Redeemable noncontrolling interests	December 2017
Sunnova TEP II-B, LLC	Redeemable noncontrolling interests	December 2017
Sunnova TEP III, LLC	Redeemable noncontrolling interests	January 2019
TEPIVA	Noncontrolling interests	August 2019
TEPIVB	Noncontrolling interests	December 2019
TEPIVC	Noncontrolling interests	February 2020
TEPIVD	Noncontrolling interests	May 2020
Sunnova TEP IV-F, LLC	Noncontrolling interests	July 2020
TEPIVE	Noncontrolling interests	September 2020
TEPIVG	Noncontrolling interests	November 2020

The purpose of the tax equity entities is to own and operate a portfolio of residential solar energy systems and energy storage systems. The terms of the tax equity entities' operating agreements contain allocations of income (loss), Section 48(a) ITCs and cash distributions that vary over time and adjust between the members on an agreed date (referred to as the flip date). The operating agreements specify either a date certain flip date or an internal rate of return ("IRR") flip date. The date certain flip date is based on the passage of a fixed period of time that generally corresponds to the expiration of the recapture period associated with Section 48(a) ITCs or a year thereafter. The IRR flip date is the date on which the tax equity investor has achieved a contractual rate of return. From inception through the flip date, the Class A members' allocation of taxable income (loss) and Section 48(a) ITCs is generally 99% and the Class B members' allocation of taxable income (loss) and Section 48(a) ITCs is generally 1%. TEPIVA, TEPIVB, TEPIVC, TEPIVD, TEPIVE and TEPIVG also have a step-down period prior to the flip date in which the Class A members' allocation of certain items within taxable income (loss) and Section 48(a) ITCs become 67% and the Class B members' allocation of certain items within taxable income (loss) and Section 48(a) ITCs become 33%. After the related flip date (or, if the tax equity investor has a deficit capital account, typically after such deficit has been eliminated), the Class A members' allocation of taxable income (loss) will typically decrease to 5% (or, in some cases, a higher percentage if required by the tax equity investor) and the Class B members' allocation of taxable income (loss) will increase by an inverse amount.

The redeemable noncontrolling interests and noncontrolling interests are comprised of Class A units, which represent the tax equity investors' interest in the tax equity entities. Both the Class A members and Class B members have call options to allow either member to redeem the other member's interest in the tax equity entities upon the occurrence of certain contingent events, such as bankruptcy, dissolution/liquidation and forced divestitures of the tax equity entities. Additionally, except for TEPIVG, the Class B members have the option to purchase all Class A units, which is typically exercisable at any time during the periods specified under their respective governing documents, and, in regards to the tax equity entities classified as redeemable noncontrolling interests, also have the contingent obligation to purchase all Class A units if the Class A members exercise their right to withdraw, which is typically exercisable at any time during the nine-month period commencing upon the applicable flip date. The carrying values of the redeemable noncontrolling interests were equal to or greater than the redemption values as of December 31, 2020 and 2019.

Guarantees. We are contractually obligated to make certain Class A members whole for losses they may suffer in certain limited circumstances resulting from the disallowance or recapture of Section 48(a) ITCs. We have concluded the likelihood of a significant recapture event is remote and consequently have not recorded a liability for any potential recapture exposure. The maximum potential future payments we could be required to make under this obligation would depend on the IRS successfully asserting upon audit the fair market values of the solar energy systems sold or transferred to the tax equity entities as determined by us exceed the allowable basis for the systems for purposes of claiming Section 48(a) ITCs. The fair market values of the solar energy systems and related Section 48(a) ITCs are determined, and the Section 48(a) ITCs are allocated to the Class A members, in accordance with the tax equity entities' operating agreements. Due to uncertainties associated with estimating the timing and amounts of distributions, the likelihood of an event that may trigger repayment, forfeiture or recapture of Section 48(a) ITCs to such Class A members, and the fact that we cannot determine how the IRS will

evaluate system values used in claiming Section 48(a) ITCs, we cannot determine the potential maximum future payments that are required under these guarantees.

From time to time, we incur non-performance fees, which may include, but is not limited to, delays in the installation process and interconnection to the power grid of solar energy systems and other factors. The non-performance fees are settled by either a return of a portion of the Class A members' capital contributions or an additional payment to the Class A members. During the years ended December 31, 2020 and 2019, we paid $2.1 million and $1.3 million, respectively, related to non-performance fees. During the year ended December 31, 2018, we did not make any reimbursements or payments related to non-performance fees. As of December 31, 2020 and 2019, we recorded a liability of $1.5 million and $566,000, respectively, related to non-performance fees.

(13) Stockholders' Equity

Series A and Series C Convertible Preferred Stock

The Series A and Series C convertible preferred stock was convertible into our Series A common stock at an initial conversion ratio of 1:1, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to any of our common stock and to broad-based weighted average anti-dilution protection. The Series A and Series C convertible preferred stock was mandatorily convertible into our Series A common stock upon either (a) the closing of a public offering of shares of our common stock with aggregate gross proceeds, net of underwriting discounts and commissions, of not less than $175.0 million at a per share offering price of at least 1.25 times the original purchase price of our Series A convertible preferred stock or (b) the affirmative vote of at least 80% of the shares of Series A and Series C convertible preferred stock voting as a single class and on an "as converted basis". The holders of Series A and Series C convertible preferred stock were entitled to cast the number of votes equal to the number of whole shares of Series A common stock into which the Series A and Series C convertible preferred stock held by such holders is convertible as of the record date for determining stockholders entitled to vote on such matter.

In March 2018, we increased the number of authorized voting shares of our convertible preferred stock to 64,294,899 shares, of which 47,149,592 shares were designated as Series A convertible preferred stock and 17,145,306 shares were designated as Series C convertible preferred stock. During the year ended December 31, 2018, we issued 13,006,780 shares of Series C convertible preferred stock at $13.53 per share in exchange for $176.0 million in cash. In connection with our IPO, we converted 46,351,877 shares of our Series A convertible preferred stock and 14,127,140 shares of our Series C convertible preferred stock, which represented all the outstanding shares of our Series A convertible preferred stock and Series C convertible preferred stock, into 60,479,017 shares of our common stock.

Series B Convertible Preferred Stock

The Series B convertible preferred stock was convertible into our Series A common stock at a rate determined by dividing the original issue price by the conversion price of $8.70 at or after the earlier of (a) November 9, 2018 or (b) immediately prior to the consummation of a sale of Sunnova, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to any of our common stock and to broad-based weighted average anti-dilution protection. The Series B convertible preferred stock was mandatorily convertible into our Series A common stock upon either (a) the closing of the sale of shares of any of our common stock to the public at a price of at least approximately $6.6558 per share (subject to appropriate adjustments) or (b) the affirmative vote of at least 75% of the shares of Series A and Series B convertible preferred stock. Each holder of Series B convertible preferred stock was entitled to cast the number of votes equal to the number of whole shares of Series A common stock into which the Series B convertible preferred stock held by such holder were convertible as of the record date for determining stockholders entitled to vote on such matter.

In January 2018, we issued 13,013 shares of Series B convertible preferred stock at $8.70 per share in exchange for $113,000 in cash. In March 2018, we exchanged all outstanding shares of Series B convertible preferred stock, plus accrued paid-in-kind interest thereon, for 4,763,086 shares of Series A convertible preferred stock. Immediately following the exchange, we canceled all shares of Series B convertible preferred stock. As of December 31, 2018, there was no Series B convertible preferred stock outstanding.

Series A Common Stock

In March 2018, we increased the number of authorized voting shares of Series A common stock to 77,153,879 shares, of which 64,294,899 shares were reserved for the issuance of Series A common stock upon the conversion of Series A or Series C convertible preferred stock. In connection with our IPO, our Series A common stock was redesignated as common stock.

Series B Common Stock

Our Series B non-voting common stock related to our equity-based compensation plans (see Note 14, Equity-Based Compensation). In connection with our IPO, we converted 23,870 shares of our non-voting Series B common stock, which represented all the outstanding shares of our Series B common stock, into 23,870 shares of our voting Series A common stock, which was subsequently redesignated as common stock.

Common Stock

On July 24, 2019, we priced 14,000,000 shares of common stock in our IPO at a public offering price of $12.00 per share and on July 25, 2019 our common stock began trading on the New York Stock Exchange under the symbol "NOVA". On August 19, 2019, we issued and sold an additional 865,267 shares of our common stock at a public offering price of $12.00 per share pursuant to the underwriters' exercise of their option to purchase additional shares. We received aggregate net proceeds from our IPO of approximately $162.3 million, after deducting underwriting discounts and commissions of approximately $10.7 million and offering expenses of approximately $5.4 million. We used the proceeds from our IPO to repay indebtedness and for working capital purposes.

In December 2020, we sold 4,025,000 shares of common stock at a public offering price of $37.00 per share. We received aggregate net proceeds of approximately $142.7 million, after deducting underwriting discounts and commissions of approximately $6.0 million and offering expenses of approximately $300,000. We used the net proceeds from the offering to acquire solar equipment, repay indebtedness and for working capital purposes.

During the year ended December 31, 2020, certain of the holders of our 9.75% convertible senior notes converted approximately $150.8 million aggregate principal amount, including accrued and unpaid interest to the date of each conversion, of our 9.75% convertible senior notes into 11,168,874 shares of our common stock. Such conversions resulted in a loss on extinguishment of debt under GAAP of $142.8 million for the year ended December 31, 2020. See Note 17, Subsequent Events.

(14) Equity-Based Compensation

Effective December 2013 and January 2015, we established and adopted two stock option plans (collectively, the "Prior Plans") after approval by our Board. The Prior Plans provided the aggregate number of shares of common stock that may be issued pursuant to stock options shall not exceed 26,032 shares. No further awards may be made under the Prior Plans.

Effective March 2016, we established and adopted a new stock option plan (the "2016 Plan") after approval by our Board. The 2016 Plan allowed for the issuance of non-qualified and incentive stock options. The 2016 Plan provided the aggregate number of shares of common stock that may be issued pursuant to stock options shall not exceed 4,288,950 shares. No further awards may be made under the 2016 Plan.

In connection with our IPO, approximately 50% of the non-vested stock options outstanding at that time, or 995,517 stock options, became exercisable and the vesting terms for all remaining stock options were amended so all stock options would be fully vested on the first anniversary of the closing date of our IPO. We recorded an additional $3.2 million of expense in July 2019 related to the accelerated vesting periods.

In connection with our IPO, our Board adopted the 2019 Long-Term Incentive Plan (the "LTIP") to incentivize employees, officers, directors and other service providers of SEI and its affiliates. The LTIP provides for the grant, from time to time, at the discretion of our Board or a committee thereof, of stock options, stock appreciation rights, stock awards, including restricted stock and restricted stock units, performance awards and cash awards. The LTIP provides the aggregate number of shares of common stock that may be issued pursuant to awards shall not exceed 5,229,318 shares. The number of shares available for issuance under the LTIP will be increased on the first day of each fiscal year beginning in 2020, in an amount equal to the lesser of (a) a number of shares such that the total number of shares that remain available for additional grants under the LTIP equals five percent of the outstanding shares of our common stock on the last day of the immediately preceding fiscal year or (b) such number of shares determined by our Board. Awards granted under the LTIP contain a service condition and cease vesting for employees, consultants and directors upon termination of employment or service. During the year ended December 31, 2020, we granted 1,141,413 restricted stock units to certain employees, consultants and directors with a grant date fair value of $13.7 million, which will be recognized ratably over the applicable vesting period of each award (either one year, three years or seven years).

The Prior Plans and the 2016 Plan will only allow for settlement of stock options by the issuance of common stock and restricted stock units issued under the LTIP can generally only be settled by the issuance of common stock. Therefore, we classify the stock options and restricted stock units as equity awards. We recognize the fair value of equity-based compensation awards as compensation cost in the financial statements, beginning on the grant date. We base compensation expense on the fair value of the awards we expect to vest, recognized over the service period, and adjusted for actual forfeitures that occur before vesting.

Stock Options

During 2018, we granted 1,810,016 stock options to employees and 24,860 stock options to non-employee consultants. During 2018, 1,393 stock options were net exercised (and thus, no cash was received) resulting in the issuance of 644 shares of common stock. During 2019, we granted 94,295 stock options to employees. During 2019, 2,143 stock options were exercised resulting in the issuance of 2,143 shares of common stock in exchange for an insignificant amount of cash. During 2020, no stock options were granted and 922,770 stock options were exercised resulting in the issuance of 922,770 shares of common stock in exchange for $13.6 million.

We used the following assumptions to apply the Black-Scholes option-pricing model to stock options granted during the years ended December 31, 2019 and 2018:

	Year Ended December 31,	
	2019	2018
Expected dividend yield	0.00%	0.00%
Risk-free interest rate	2.62%	2.62%
Expected term (in years)	7.94	7.94
Volatility	81%	81%

The expected volatility was calculated based on the average historical volatilities of publicly traded peer companies determined by us. The risk-free interest rate used was based on the U.S. treasury yield curve in effect at the time of grant for the expected term of the stock options to be valued. The expected dividend yield is zero as we do not anticipate paying common stock dividends within the relevant time frame. The expected term has been estimated using the average of the contractual term and weighted average life of the stock options. The following table summarizes stock option activity:

	Number of Stock Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Weighted Average Grant Date Fair Value	Aggregate Intrinsic Value
					(in thousands)
Outstanding, December 31, 2018	4,808,390	$ 15.90	8.09		$ 129
Granted	94,295	$ 13.58	9.07	$ 3.11	
Exercised	(2,143)	$ 1.85			$ 20
Forfeited	(596,233)	$ 15.85		$ 3.48	
Outstanding, December 31, 2019	4,304,309	$ 15.86	7.08		$ 242
Exercised	(922,770)	$ 14.76			$ 28,022
Forfeited	(115,191)	$ 19.19		$ 3.54	
Outstanding, December 31, 2020	3,266,348	$ 16.06	5.82		$ 94,962
Exercisable, December 31, 2020	3,266,348	$ 16.06	5.82		$ 94,962
Vested, December 31, 2020	3,266,348	$ 16.06	5.82		$ 94,962
Non-vested, December 31, 2019	964,396			$ 3.52	
Non-vested, December 31, 2020	—			$ —	

The number of stock options that vested during the years ended December 31, 2020 and 2019 was 915,501 and 1,765,410, respectively. The grant date fair value of stock options that vested during the years ended December 31, 2020 and 2019 was $3.2 million and $6.0 million, respectively. As of December 31, 2020, there was no unrecognized compensation expense related to stock options.

Restricted Stock Units

The following table summarizes restricted stock unit activity:

	Number of Restricted Stock Units	Weighted Average Grant Date Fair Value
Outstanding, December 31, 2018	—	$ —
Granted	1,431,555	$ 11.93
Forfeited	(5,416)	$ 12.00
Outstanding, December 31, 2019	1,426,139	$ 11.93
Granted	1,141,413	$ 11.98
Vested	(463,762)	$ 11.89
Forfeited	(44,606)	$ 12.31
Outstanding, December 31, 2020	2,059,184	$ 11.95

The number of restricted stock units that vested during the years ended December 31, 2020 and 2019 was 463,762 and 0, respectively. The grant date fair value of restricted stock units that vested during the years ended December 31, 2020 and 2019 was $5.5 million and $0, respectively. As of December 31, 2020, there was $17.9 million of total unrecognized compensation expense related to restricted stock units, which is expected to be recognized over the weighted average period of 1.79 years.

(15) Basic and Diluted Net Loss Per Share

The following table sets forth the computation of our basic and diluted net loss per share:

	Year Ended December 31,		
	2020	2019	2018
	(in thousands, except share and per share amounts)		
Net loss attributable to stockholders	$ (252,284)	$ (144,351)	$ (74,246)
Dividends earned on Series A convertible preferred stock	—	(19,271)	(36,346)
Dividends earned on Series C convertible preferred stock	—	(5,454)	(5,948)
Deemed dividends on convertible preferred stock exchange	—	—	(19,332)
Net loss attributable to common stockholders—basic and diluted	$ (252,284)	$ (169,076)	$ (135,872)
Net loss per share attributable to common stockholders—basic and diluted	$ (2.87)	$ (4.14)	$ (15.74)
Weighted average common shares outstanding—basic and diluted	87,871,457	40,797,976	8,634,477

The following table presents the weighted average shares of common stock equivalents that were excluded from the computation of diluted net loss per share for the periods presented because including them would have been anti-dilutive:

	Year Ended December 31,		
	2020	2019	2018
Equity-based compensation awards	6,013,797	4,954,286	4,307,614
Convertible preferred stock	—	33,960,624	53,112,246
Convertible senior notes	9,606,157	104,320	—

(16) Commitments and Contingencies

Legal. We are a party to a number of lawsuits, claims and governmental proceedings which are ordinary, routine matters incidental to our business. In addition, in the ordinary course of business, we periodically have disputes with dealers and customers. We do not expect the outcomes of these matters to have, either individually or in the aggregate, a material adverse effect on our financial position or results of operations.

Performance Guarantee Obligations. As of December 31, 2020, we recorded $5.7 million relating to our guarantee of certain specified minimum solar energy production output under our leases and loans, of which $3.3 million is recorded in other current liabilities and $2.4 million is recorded in other long-term liabilities in the consolidated balance sheet. As of December 31, 2019, we recorded $6.5 million relating to these guarantees, of which $4.1 million is recorded in other current liabilities and $2.4 million is recorded in other long-term liabilities in the consolidated balance sheet. The changes in our aggregate performance guarantee obligations are as follows:

	As of December 31,	
	2020	2019
	(in thousands)	
Balance at beginning of period	$ 6,468	$ 6,044
Accruals for obligations issued	3,155	3,101
Settlements made in cash	(3,905)	(2,677)
Balance at end of period	$ 5,718	$ 6,468

Operating and Finance Leases. We lease real estate and certain office equipment under operating leases and vehicles and certain other office equipment under finance leases. The following table presents the detail of lease expense and lease income as recorded in general and administrative expense and other operating income, respectively, in the consolidated statements of operations:

	Year Ended December 31,		
	2020	2019	2018
	(in thousands)		
Operating lease expense	$ 1,342	$ 1,248	$ 972
Finance lease amortization expense	3	8	—
Short-term lease expense	49	48	50
Variable lease expense	696	1,037	704
Sublease income	—	(73)	(70)
Total	$ 2,090	$ 2,268	$ 1,656

The following table presents the detail of right-of-use assets and lease liabilities as recorded in other assets and other current liabilities/other long-term liabilities, respectively, in the consolidated balance sheets:

	As of December 31,	
	2020	2019
	(in thousands)	
Right-of-use assets:		
Operating leases	$ 8,779	$ 9,668
Finance leases	391	5
Total right-of-use assets	$ 9,170	$ 9,673
Current lease liabilities:		
Operating leases	$ 1,094	$ 556
Finance leases	112	5
Long-term leases liabilities:		
Operating leases	9,742	9,389
Finance leases	203	—
Total lease liabilities	$ 11,151	$ 9,950

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Other information related to leases was as follows:

	Year Ended December 31,		
	2020	2019	2018
	(in thousands)		
Cash paid (received) for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating leases (1)	$ (439)	$ 1,254	$ 875
Financing cash flows from finance leases	2	8	—
Right-of-use assets obtained in exchange for lease obligations:			
Operating leases	—	8,087	—
Finance leases	392	13	—

(1) Includes reimbursements in 2020 of approximately $1.5 million for leasehold improvements.

	As of December 31,	
	2020	2019
Weighted average remaining lease term (years):		
Operating leases	8.47	9.41
Finance leases	3.99	0.68
Weighted average discount rate:		
Operating leases	3.93 %	3.94 %
Finance leases	3.39 %	4.26 %

Future minimum lease payments under our non-cancelable leases as of December 31, 2020 were as follows:

	Operating Leases	Finance Leases
	(in thousands)	
2021	$ 1,536	$ 122
2022	1,559	88
2023	1,594	69
2024	1,616	55
2025	1,633	—
2026 and thereafter	5,984	—
Total	13,922	334
Amount representing interest	(2,136)	(19)
Amount representing leasehold incentives	(950)	—
Present value of future payments	10,836	315
Current portion of lease liability	(1,094)	(112)
Long-term portion of lease liability	$ 9,742	$ 203

Letters of Credit. In connection with various security arrangements for an office lease, we have a letter of credit outstanding of $375,000 and $725,000 as of December 31, 2020 and 2019, respectively. The letter of credit is cash collateralized for the same amount or a lesser amount and this cash is classified as restricted cash recorded in other current assets and other assets in the consolidated balance sheets.

Guarantees or Indemnifications. We enter into contracts that include indemnifications and guarantee provisions. In general, we enter into contracts with indemnities for matters such as breaches of representations and warranties and covenants contained in the contract and/or against certain specified liabilities. Examples of these contracts include dealer agreements, debt agreements, asset purchases and sales agreements, service agreements and procurement agreements. We are unable to estimate

our maximum potential exposure under these agreements until an event triggering payment occurs. We do not expect to make any material payments under these agreements.

Dealer Commitments. As of December 31, 2020 and 2019, the net unamortized balance of payments to dealers for exclusivity and other similar arrangements was $55.7 million and $32.8 million, respectively. Under these agreements, we paid $25.8 million and $31.7 million during the years ended December 31, 2020 and 2019, respectively. We could be obligated to make maximum payments, excluding additional amounts payable on a per watt basis if even higher thresholds are met, as follows:

	Dealer Commitments
	(in thousands)
2021	$ 28,982
2022	35,844
2023	12,520
2024	12,515
2025	2,191
2026 and thereafter	—
Total	$ 92,052

Purchase Commitments. In August 2019, we amended an agreement with a supplier in which we agreed to purchase a minimum amount of energy storage systems and components for five years. In December 2020, we amended an agreement with a supplier in which we agreed to purchase a certain amount of energy storage systems and components for one year. These purchases are recorded to inventory in other current assets in the consolidated balance sheets. Under these agreements, we could be obligated to make minimum purchases as follows:

	Purchase Commitments
	(in thousands)
2021	$ 28,497
2022	26,810
2023	26,605
2024	19,807
2025	—
2026 and thereafter	—
Total	$ 101,719

Information Technology Commitments. We have certain long-term contractual commitments related to information technology software services and licenses. Future commitments as of December 31, 2020 were as follows:

	Information Technology Commitments
	(in thousands)
2021	$ 7,976
2022	2,112
2023	26
2024	26
2025	7
2026 and thereafter	—
Total	$ 10,147

Restricted Net Assets. Our various financing agreements contain provisions that restrict the ability of certain of our consolidated subsidiaries to transfer their net assets to SEI. Such restricted net assets amounted to approximately $863.2 million as of December 31, 2020.

(17) Subsequent Events

Common Stock. In January and February 2021, the remaining holders of our 9.75% convertible senior notes converted approximately $97.1 million aggregate principal amount, including accrued and unpaid interest to the date of each conversion, of our 9.75% convertible senior notes into 7,196,035 shares of our common stock.

TEPH Debt. In January 2021, we amended the TEPH revolving credit facility to, among other things, (a) permit certain transactions in SRECs (or proceeds therefrom) and related hedging arrangements and exclude certain of such amounts from the calculation of net cash flow available to service the indebtedness and (b) allow for borrowings with respect to certain ancillary components.

HELV Debt. In February 2021, we pooled and transferred eligible solar loans and the related receivables into Sunnova Helios V Issuer, LLC ("HELV"), a special purpose entity, that issued $150.1 million in aggregate principal amount of Series 2021-A Class A solar loan-backed notes and $38.6 million in aggregate principal amount of Series 2021-A Class B solar loan-backed notes (collectively, the "HELV Notes") with a maturity date of February 2048. The HELV Notes were issued at a discount of 0.001% for Class A and 2.487% for Class B and bear interest at an annual rate of 1.80% and 3.15%, respectively. The cash flows generated by these solar loans are used to service the monthly principal and interest payments on the HELV Notes and satisfy HELV's expenses, and any remaining cash can be distributed to Sunnova Helios V Depositor, LLC, HELV's sole member. In connection with the HELV Notes, certain of our affiliates receive a fee for managing and servicing the solar energy systems pursuant to management and service agreements. In addition, Sunnova Energy Corporation has guaranteed, among other things, (a) the obligations of certain of our subsidiaries to manage and service the solar energy systems pursuant to management and servicing agreements and (b) certain of our subsidiaries' obligations to repurchase or substitute certain ineligible solar loans eventually sold to HELV pursuant to the related sale and contribution agreement. HELV is also required to maintain certain reserve accounts for the benefit of the holders of the HELV Notes, each of which must be funded at all times to the levels specified in the HELV Notes. The holders of the HELV Notes have no recourse to our other assets except as expressly set forth in the HELV Notes.

EZOP and AP8 Debt. In February 2021, proceeds from the HELV Notes were used to repay $107.3 million and $29.5 million in aggregate principal amount of outstanding EZOP and AP8 debt, respectively.

Acquisition of SunStreet. In February 2021, we entered into an Agreement and Plan of Merger (the "Merger Agreement") with certain of our subsidiaries, SunStreet Energy Group, LLC, a Delaware limited liability company ("SunStreet"), and LEN X, LLC, a Florida limited liability company, the sole member of SunStreet and a wholly owned subsidiary of Lennar Corporation. Pursuant to the Merger Agreement, we will acquire SunStreet, Lennar Corporation's residential solar platform, in exchange for up to 7,222,229 shares of our common stock (the "Acquisition"), comprised of 3,333,333 shares in initial consideration to be issued at closing, subject to purchase price adjustment, and up to 3,888,896 shares issuable as earnout consideration after closing of the Acquisition. The Acquisition is expected to provide a new strategic path to further scale our business and develop clean and resilient residential microgrids across the U.S. The Merger Agreement contains termination rights if, among other things, the Acquisition does not close on or before September 1, 2021. The Acquisition is expected to close in the second quarter of 2021. We are currently in the process of determining the accounting treatment of the Acquisition.

(18) Selected Quarterly Financial Data (Unaudited)

The following tables present the selected quarterly financial data for the years ended December 31, 2020 and 2019.

	Three Months Ended			
	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
	(in thousands, except per share amounts)			
Revenue (1)(2)	$ 38,024	$ 50,177	$ 42,790	$ 29,829
Total operating expenses, net (2)	$ 56,002	$ 48,528	$ 47,933	$ 44,135
Operating income (loss) (1)(2)	$ (17,978)	$ 1,649	$ (5,143)	$ (14,306)
Net loss (1)(2)(3)(4)	$ (128,791)	$ (73,294)	$ (28,729)	$ (77,004)
Net loss attributable to common stockholders—basic and diluted (1)(2)(3)(4)	$ (91,770)	$ (64,181)	$ (25,258)	$ (71,075)
Net loss per share attributable to common stockholders—basic and diluted (1)(2)(3)(4)	$ (0.96)	$ (0.73)	$ (0.30)	$ (0.85)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

	Three Months Ended			
	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
	(in thousands, except per share amounts)			
Revenue (1)(2)	$ 33,614	$ 36,615	$ 34,612	$ 26,715
Total operating expenses, net (2)	$ 42,769	$ 42,513	$ 37,322	$ 31,222
Operating loss (1)(2)	$ (9,155)	$ (5,898)	$ (2,710)	$ (4,507)
Net loss (1)(2)(3)	$ (13,762)	$ (34,369)	$ (49,807)	$ (35,496)
Net loss attributable to common stockholders—basic and diluted (1)(2)(3)	$ (17,509)	$ (37,590)	$ (63,260)	$ (50,717)
Net loss per share attributable to common stockholders—basic and diluted (1)(2)(3)	$ (0.21)	$ (0.62)	$ (7.32)	$ (5.87)

(1) Fluctuations are primarily due to seasonality.
(2) Fluctuations are primarily due to growth.
(3) Fluctuations are primarily due to unrealized gains and losses on derivative instruments.
(4) Fluctuations are primarily due to losses on conversions of debt into common stock.

SCHEDULE I PARENT COMPANY CONDENSED FINANCIAL STATEMENTS

SUNNOVA ENERGY INTERNATIONAL INC.
CONDENSED BALANCE SHEETS
(in thousands, except share amounts and share par values)

	As of December 31,	
	2020	2019
Assets		
Current assets:		
Cash	$ 4,917	$ 696
Total current assets	4,917	696
Investments in subsidiaries	1,076,299	891,330
Total assets	$ 1,081,216	$ 892,026
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable, including affiliates	$ 437	$ —
Other current liabilities	1,314	83
Total current liabilities	1,751	83
Long-term debt, net	58,015	37,607
Total liabilities	59,766	37,690
Stockholders' equity:		
Common stock, 100,412,036 and 83,980,885 shares issued as of December 31, 2020 and 2019, respectively, at $0.0001 par value	10	8
Additional paid-in capital—common stock	1,462,690	987,760
Accumulated deficit	(441,250)	(133,432)
Total stockholders' equity	1,021,450	854,336
Total liabilities and stockholders' equity	$ 1,081,216	$ 892,026

See accompanying notes to parent company condensed financial statements.

SCHEDULE I PARENT COMPANY CONDENSED FINANCIAL STATEMENTS

SUNNOVA ENERGY INTERNATIONAL INC.
CONDENSED STATEMENTS OF OPERATIONS
(in thousands)

	Year Ended December 31,		
	2020	2019	2018
Revenue	$ —	$ —	$ —
General and administrative expense	2,972	418	—
Operating loss	(2,972)	(418)	—
Interest expense, net	19,578	83	—
Loss on extinguishment of long-term debt, net	142,772	—	—
Equity in losses of subsidiaries	142,496	132,933	—
Loss before income tax	(307,818)	(133,434)	—
Income tax	—	—	—
Net loss	$ (307,818)	$ (133,434)	$ —

See accompanying notes to parent company condensed financial statements.

SCHEDULE I PARENT COMPANY CONDENSED FINANCIAL STATEMENTS

SUNNOVA ENERGY INTERNATIONAL INC.
CONDENSED STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,		
	2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	$ (7,762)	$ —	$ —
CASH FLOWS FROM INVESTING ACTIVITIES			
Investments in subsidiaries	(334,471)	(219,206)	—
Distributions from subsidiaries	10,547	2	—
Net cash used in investing activities	(323,924)	(219,204)	—
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term debt	106,400	38,087	—
Payments of deferred financing costs	(1,155)	(377)	—
Proceeds from issuance of common stock, net	157,005	168,204	—
Proceeds from equity component of debt instrument, net	73,657	13,984	—
Other, net	—	2	—
Net cash provided by financing activities	335,907	219,900	—
Net increase in cash	4,221	696	—
Cash at beginning of period	696	—	—
Cash at end of period	$ 4,917	$ 696	$ —
Non-cash investing and financing activities:			
Non-cash conversion of convertible senior notes for common stock	$ 149,352	$ —	$ —
Supplemental cash flow information:			
Cash paid for interest	$ 9,191	$ —	$ —
Cash paid for income taxes	$ —	$ —	$ —

See accompanying notes to parent company condensed financial statements.

SCHEDULE I NOTES TO PARENT COMPANY CONDENSED FINANCIAL STATEMENTS

(1) Basis of Presentation

On July 24, 2019, Sunnova Energy International Inc. ("SEI") priced 14,000,000 shares of its common stock at a public offering price of $12.00 per share and on July 25, 2019, SEI's common stock began trading on the New York Stock Exchange under the symbol "NOVA". Upon the closing of our initial public offering on July 29, 2019 (our "IPO"), Sunnova Energy Corporation was contributed to SEI and SEI became the holding company of Sunnova Energy Corporation through a reverse merger. In addition, the historical financial statements of Sunnova Energy Corporation became the historical financial statements of SEI. These condensed financial statements include the condensed balance sheets, condensed statements of operations and condensed statements of cash flows and have been prepared on a parent-only basis. These parent-only financial statements do not include all of the information and notes required by accounting principles generally accepted in the United States of America for annual financial statements and therefore, these parent-only financial statements and other information included should be read in conjunction with SEI's consolidated financial statements and related notes contained within this Annual Report on Form 10-K.

(2) Guarantees

As of December 31, 2020 and 2019, SEI has not issued any guarantees on behalf of its wholly-owned subsidiaries.

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Internal Control Over Financial Reporting

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer ("CEO") and our Chief Financial Officer ("CFO"), of the effectiveness of our disclosure controls and procedures as of the end of the period covered by this Annual Report on Form 10-K, pursuant to Rules 13a-15(e) and 15d-15(e) under the Exchange Act. In connection with that evaluation, our CEO and our CFO concluded our disclosure controls and procedures were effective and designed to provide reasonable assurance the information required to be disclosed is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms as of December 31, 2020, and that such information is accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosures. The term "disclosure controls and procedures", as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure information required to be disclosed by a company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure information required to be disclosed by a company in the reports it files or submits under the Exchange Act is accumulated and communicated to the company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Management recognizes any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the fourth quarter of 2020 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives as specified above. However, our management, including our principal executive and principal financial officers, does not expect that our disclosure controls and procedures will prevent or detect all error and fraud. Any control system, no matter how well designed and operated, is based upon certain assumptions and can provide only reasonable, not absolute, assurance that its objectives will be met. Further, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, within our company have been detected.

Management's Report on Internal Control over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined by Rule 13a-15(f) under the Exchange Act). Management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission to evaluate the effectiveness of our internal control over financial reporting. Management has assessed the effectiveness of our internal control over financial reporting as of December 31, 2020 and has concluded that such internal control over financial reporting is effective. The effectiveness of our internal control over financial reporting as of December 31, 2020 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in its report which is included in Item 8 of this Annual Report on Form 10-K.

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by this Item 10 of Form 10-K will be set forth in our proxy statement to be filed with the SEC in connection with the solicitation of proxies for our 2020 Annual Meeting of Stockholders ("Proxy Statement") or an amendment to this Form 10-K and is incorporated herein by reference. The Proxy Statement will be filed with the SEC within 120 days after the year-end of the fiscal year which this report relates.

Item 11. Executive Compensation.

The information required by this Item 11 will be set forth in the Proxy Statement or an amendment to this Form 10-K and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this Item 12 will be set forth in the Proxy Statement or an amendment to this Form 10-K and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this Item 13 will be set forth in the Proxy Statement or an amendment to this Form 10-K and is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services.

The information required by this Item 14 will be set forth in the Proxy Statement or an amendment to this Form 10-K and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

Documents filed as part of this report are as follows:

(1) Consolidated Financial Statements

Our consolidated financial statements are listed in the "Index to Consolidated Financial Statements" under Item 8 of Part II of this Annual Report.

(2) Financial Statement Schedules

The required information is included elsewhere in the Annual Report, not applicable or not material.

(3) Exhibits

The exhibits listed in the accompanying "Exhibit Index" are filed or incorporated by reference as part of this Annual Report.

Exhibit Index

Exhibit No.	Description
2.1	Merger Agreement, dated as of July 29, 2019, by and among Sunnova Energy International Inc., Sunnova Energy Corporation and Sunnova Merger Sub Inc. (incorporated by reference to Exhibit 2.1 to Form 8-K filed on July 29, 2019).
2.2	Merger Agreement, by and among Sunnova Energy International Inc., Moonroad LLC, Sunnova Energy Corporation, SunStreet Energy Group, LLC and LEN X, LLC, dated as of February 17, 2021 (incorporated by reference to Exhibit 2.1 to Form 8-K filed on February 19, 2021).

Exhibit No.	Description
3.1	Second Amended and Restated Certificate of Incorporation of Sunnova Energy International Inc. (incorporated by reference to Exhibit 3.3 to Form 8-K filed on July 29, 2019).
3.2	Second Amended and Restated Bylaws of Sunnova Energy International Inc. (incorporated by reference to Exhibit 3.5 to Form 8-K filed on July 29, 2019).
4.1	Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.
4.2	Stockholders Agreement, dated July 29, 2019, by and among Sunnova Energy International Inc. and certain holders of its capital stock (incorporated by reference to Exhibit 4.1 to Form 8-K filed on July 29, 2019).
4.3	Second Amended and Restated Registration Rights Agreement, dated July 29, 2019, by and among Sunnova Energy International Inc. and certain stockholders party thereto (incorporated by reference to Exhibit 4.2 to Form 8-K filed on July 29, 2019).
4.3.1	First Amendment to The Second Amended and Restated Registration Rights Agreement, among Sunnova Energy International Inc. and the parties listed therein, dated May 14, 2020 (incorporated by reference to Exhibit 4.2.1 to Form S-1 filed on June 29, 2020).
4.4	Registration Rights Agreement among Sunnova Energy International Inc. and the parties listed therein, dated May 14, 2020 (incorporated by reference to Exhibit 4.4 to form S-1 filed on June 29, 2020).
4.5∞	Indenture, among Helios Issuer, LLC and Wells Fargo Bank, National Association, dated April 19, 2017 (incorporated by reference to Exhibit 4.5 to Form S-1 filed on June 27, 2019).
4.6	Indenture, among Sunnova Energy Corporation and Wilmington Trust, National Association, dated April 24, 2017 (incorporated by reference to Exhibit 4.6 to Form S-1 filed on June 27, 2019).
4.6.1∞	First Supplemental Indenture, among Sunnova Energy Corporation and Wilmington Trust, National Association, dated November 21, 2017 (incorporated by reference to Exhibit 4.7 to Form S-1 filed on June 27, 2019).
4.6.2	Second Supplemental Indenture, among Sunnova Energy Corporation and Wilmington Trust, National Association, dated September 28, 2018 (incorporated by reference to Exhibit 4.8 to Form S-1 filed on June 27, 2019).
4.6.3	Third Supplemental Indenture, among Sunnova Energy Corporation and Wilmington Trust, National Association, dated January 18, 2019 (incorporated by reference to Exhibit 4.9 to Form S-1 filed on June 27, 2019).
4.6.4	Fourth Supplemental Indenture, among Sunnova Energy Corporation and Wilmington Trust, National Association, dated April 5, 2019 (incorporated by reference to Exhibit 4.10 to Form S-1 filed on June 27, 2019).
4.6.5	Fifth Supplemental Indenture, among Sunnova Energy Corporation and Wilmington Trust, National Association, dated June 26, 2019 (incorporated by reference to Exhibit 4.11 to Form S-1/A filed on July 3, 2019).
4.7∞	Indenture, among Sunnova Helios II Issuer, LLC and Wells Fargo Bank, National Association, dated November 8, 2018 (incorporated by reference to Exhibit 4.11 to Form S-1 filed on June 27, 2019).
4.8∞	Indenture, among Sunnova RAYS I Issuer, LLC and Wilmington Trust, National Association, dated March 28, 2019 (incorporated by reference to Exhibit 4.12 to Form S-1 filed on June 27, 2019).
4.8.1∞	Indenture Supplement No. 1, among Sunnova RAYS I Issuer, LLC and Wilmington Trust, National Association, dated March 28, 2019 (incorporated by reference to Exhibit 4.13 to Form S-1 filed on June 27, 2019).
4.8.2∞	Indenture Supplement No. 2, among Sunnova RAYS I Issuer, LLC and Wilmington Trust, National Association, dated June 7, 2019 (incorporated by reference to Exhibit 4.14 to Form S-1 filed on June 27, 2019).
4.9∞	Indenture, among Sunnova Helios III Issuer, LLC and Wells Fargo Bank, National Association, dated June 27, 2019 (incorporated by reference to Exhibit 4.15 to Form S-1 filed on June 27, 2019).
4.10∞	Indenture, between Sunnova Sol Issuer, LLC and Wells Fargo Bank, National Association, as Indenture Trustee, dated February 12, 2020 (incorporated by reference to Exhibit 4.1 to Form 10-Q filed on May 15, 2020).
4.11∞	Indenture, between Sunnova Helios IV Issuer, LLC and Wells Fargo Bank, National Association, dated June 19, 2020 (incorporated by reference to Exhibit 4.12 to Form S-1 filed on June 29, 2020).

Exhibit No.	Description
4.12∞	Indenture, between Sunnova Sol II Issuer, LLC and Wells Fargo Bank, National Association, as Indenture Trustee, dated November 30, 2020 (incorporated by reference to Exhibit 4.1 to Form 8-K filed on November 30, 2020).
4.13∞	Indenture, between Sunnova Helios V Issuer, LLC and Wells Fargo Bank, National Association, dated February 16, 2021.
10.1∞	Note Purchase Agreement, among Sunnova RAYS I Issuer, LLC, Sunnova RAYS I Depositor, LLC, Sunnova RAYS I Management, LLC, and the Purchasers named therein, dated March 28, 2019 (incorporated by reference to Exhibit 10.1 to Form S-1/A filed on July 3, 2019).
10.1.1∞	Note Purchase Agreement Supplement No. 1, among Sunnova RAYS I Issuer, LLC, Sunnova RAYS I Depositor, LLC, Sunnova RAYS I Management LLC, and the Purchasers named therein, dated March 28, 2019 (incorporated by reference to Exhibit 10.2 to Form S-1/A filed on July 3, 2019).
10.1.2∞	Note Purchase Agreement Supplement No. 2 and Amendment among Sunnova RAYS I Issuer, LLC, Sunnova RAYS I Depositor, LLC, Sunnova RAYS I Management LLC, and the Purchasers named therein, dated June 7, 2019 (incorporated by reference to Exhibit 10.2 to Form S-1 filed on June 27, 2019).
10.2∞	Note Purchase Agreement, by and among Sunnova Sol Issuer, LLC, Sunnova Sol Depositor, LLC, Sunnova Energy Corporation and Credit Suisse Securities (USA) LLC, dated February 5, 2020 (incorporated by reference to Exhibit 10.1 to Form 8-K filed on February 11, 2020).
10.3∞	Note Purchase Agreement, by and among Sunnova Helios IV Issuer, LLC, Sunnova Helios IV Depositor, LLC, Sunnova Energy Corporation and Credit Suisse Securities (USA) LLC, dated June 15, 2020 (incorporated by reference to Exhibit 10.8 to Form S-1 filed on June 29, 2020).
10.4∞	Note Purchase Agreement, by and among Sunnova Sol II Issuer, LLC, Sunnova Sol II Depositor, LLC, Sunnova Energy Corporation and Credit Suisse Securities (USA) LLC, dated November 20, 2020 (incorporated by reference to Exhibit 10.1 to Form 8-K filed on November 23, 2020).
10.7∞	Amended and Restated Credit Agreement, among Sunnova EZ-Own Portfolio, LLC, Sunnova SLA Management, LLC, Sunnova Asset Portfolio 7 Holdings, LLC, Credit Suisse AS, New York Branch, Wells Fargo Bank, National Association, U.S. Bank National Association, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated March 27, 2019 (incorporated by reference to Exhibit 10.6 to Form S-1 filed on June 27, 2019).
10.7.1	Amendment No. 1 to Amended and Restated Credit Agreement, among Sunnova EZ-Own Portfolio, LLC, Sunnova SLA Management, LLC, Sunnova Asset Portfolio 7 Holdings, LLC, Credit Suisse AGH, New York Branch, Wells Fargo Bank, National Association, U.S. Bank National Association, the Funding Agents from time to time party thereto, and the Lender from time to time party thereto, dated June 5, 2019 (incorporated by reference to Exhibit 10.3.1 to Form S-1 filed on June 29, 2020).
10.7.2	Amendment No. 2 to Amended and Restated Credit Agreement, among Sunnova EZ-Own Portfolio, LLC, Sunnova SLA Management, LLC, Sunnova Asset Portfolio 7 Holdings, LLC, Credit Suisse AG, New York Branch, Wells Fargo Bank, National Association, U.S. Bank National Association, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated September 30, 2019 (incorporated by reference to Exhibit 10.18 to Form 10-Q filed on October 31, 2019).
10.7.3	Amendment No. 3 to the Amended and Restated Credit Agreement, among Sunnova EZ-Own Portfolio, LLC, Sunnova SLA Management, LLC, Sunnova Asset Portfolio 7 Holdings, LLC, the Lenders party thereto, the Funding Agents party thereto and Credit Suisse AG, New York Branch, dated as of December 4, 2019 (incorporated by reference to Exhibit 10.4 to Form 10-K filed on February 25, 2020).
10.7.4	Amendment No. 4 to the Amended and Restated Credit Agreement, among Sunnova EZ-Own Portfolio, LLC, Sunnova SLA Management, LLC, Sunnova Asset Portfolio 7 Holdings, LLC, the Lenders party thereto, the Funding Agents party thereto and Credit Suisse AG, New York Branch, dated as of January 29, 2020 (incorporated by reference to Exhibit 10.6 to Form 10-Q filed on May 15, 2020).
10.7.5	Amendment No. 5 to the Amended and Restated Credit Agreement, among Sunnova EZ-Own Portfolio, LLC, Sunnova SLA Management, LLC, Sunnova Asset Portfolio 7 Holdings, LLC, the Lenders party thereto, the Funding Agents party thereto and Credit Suisse AG, New York Branch, dated as of March 31, 2020 (incorporated by reference to Exhibit 10.5 to Form 10-Q filed on May 15, 2020).
10.8	Third Amended and Restated Limited Performance Guaranty among Sunnova Energy Corporation, Sunnova EZ-Own Portfolio, LLC, and Credit Suisse AG, New York Branch, dated June 27, 2019 (incorporated by reference to Exhibit 10.8 to Form S-1/A filed on July 3, 2019).

Exhibit No.	Description
10.9∞	Credit Agreement among Sunnova TEP Holdings, LLC, Sunnova TE Management, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated September 6, 2019 (incorporated by reference to Exhibit 10.16 to Form 10-Q filed on October 31, 2019).
10.9.1∞	First Amendment to the Credit Agreement, among Sunnova TEP Holdings, LLC, Sunnova TE Management, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated December 2, 2019 (incorporated by reference to Exhibit 10.32 to Form 10-K filed on February 25, 2020).
10.9.2	Consent and Second Amendment to the Credit Agreement, among Sunnova TEP Holdings, LLC, Sunnova TE Management, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated December 31, 2019 (incorporated by reference to Exhibit 10.7 to Form 10-Q filed on May 15, 2020).
10.9.3∞	Third Amendment to the Credit Agreement, among Sunnova TEP Holdings, LLC, Sunnova TE Management, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated January 31, 2020 (incorporated by reference to Exhibit 10.33 to Form 10-K filed on February 25, 2020).
10.9.4∞	Fourth Amendment to the Credit Agreement, among Sunnova TEP Holdings, LLC, Sunnova TE Management, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated February 28, 2020. (as incorporated by reference to Exhibit 10.2 to Form 10-Q filed on May 15, 2020).
10.9.5∞	Fifth Amendment to the Credit Agreement, among Sunnova TEP Holdings, LLC, Sunnova TE Management, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated March 31, 2020 (incorporated by reference to Exhibit 10.4 to Form 10-Q filed on May 15, 2020).
10.9.6∞	Omnibus Amendment to the Credit Agreement, among Sunnova TEP Holdings, LLC, Sunnova TE Management, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the lenders from time to time party thereto, dated May 14, 2020 (incorporated by reference to Exhibit 10.2.6 to Form S-1 filed on June 29, 2020).
10.9.7∞	Seventh Amendment to the Credit Agreement, among Sunnova TEP Holdings, LLC, Sunnova TE Management, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated June 26, 2020 (incorporated by reference to Exhibit 10.2.7 to Form S-1 filed on June 29, 2020).
10.9.8∞	Eighth Amendment to the Credit Agreement, among Sunnova TEP Holdings, LLC, Sunnova TE Management, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated October 28, 2020 (incorporated by reference to Exhibit 10.1 to Form 8-K filed on November 30, 2020).
10.9.9∞	Ninth Amendment to Credit Agreement among Sunnova TEP Holdings, LLC, Sunnova TE Management, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated November 9, 2020 (incorporated by reference to Exhibit 10.2 to Form 8-K filed on November 30, 2020).
10.9.10∞	Tenth Amendment and Waiver to Credit Agreement, by and among Sunnova TEP Holdings, LLC, Sunnova TE Management, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated January 29, 2021.
10.10∞	Credit Agreement among Sunnova TEP Inventory, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, dated December 30, 2019 (incorporated by reference to Exhibit 10.35 to Form 10-K filed on February 25, 2020).
10.10.1	Consent and Amendment, by and among Sunnova TEP Inventory, LLC, Credit Suisse AG, New York Branch, the Funding Agents from time to time party thereto, and the Lenders from time to time party thereto, Sunnova Inventory Pledgor, LLC, and Sunnova TEP Developer, LLC, dated November 30, 2020 (incorporated by reference to Exhibit 10.1 to Form 8-K filed on November 30, 2020).
10.10.2∞	First Amendment to Credit Agreement and Security Agreements, by and among Sunnova TEP Inventory, LLC, Credit Suisse AG, New York Branch, the Lenders and Funding Agents party thereto, Sunnova Energy Corporation, Sunnova Inventory Pledgor, LLC and Sunnova TEP Developer, LLC, dated September 18, 2020 (incorporated by reference to Exhibit 10.2 to Form 10-Q filed on October 29, 2020).

Exhibit No.	Description
10.11	Parent Guaranty, dated December 30, 2019, by and among Sunnova Energy Corporation, Sunnova TEP Inventory, LLC and Credit Suisse AG, New York Branch (incorporated by reference to Exhibit 10.36 to Form 10-K filed on February 25, 2020).
10.11.1	Amended and Restated Parent Guaranty, by Sunnova Energy Corporation, Sunnova TEP Inventory, LLC and Credit Suisse AG, New York Branch, dated September 18, 2020 (incorporated by reference to Exhibit 10.3 to Form 10-Q filed on October 29, 2020).
10.12∞	Credit Agreement, by and among Sunnova Asset Portfolio 8, LLC, Sunnova SLA Management, LLC, Sunnova Asset Portfolio 8 Holdings, LLC, the Lenders party thereto, the Funding Agents party thereto and Banco Popular de Puerto Rico, dated September 30, 2020 (incorporated by reference to Exhibit 10.4 to Form 10-Q filed on October 29, 2020).
10.13	Limited Performance Guaranty, among Sunnova Energy Corporation, Sunnova Asset Portfolio 8, LLC and Banco Popular de Puerto Rico, dated September 30, 2020 (incorporated by reference to Exhibit 10.5 to Form 10-Q filed on October 29, 2020).
10.14∞	Purchase and Exchange Agreement, by and among Sunnova Energy International Inc. and the Investors, as defined therein, dated May 13, 2020 (incorporated by reference to Exhibit 10.6 to Form S-1 filed on June 29, 2020).
10.15	Board Designation Agreement, by and among Sunnova Energy International, Inc., Kayne Multiple Strategy Fund, L.P., Kayne Solutions Fund, L.P., San Bernardino County Employees' Retirement Association and TFGI Holdings, LLC, dated May 14, 2020 (incorporated by reference to Exhibit 10.7 to Form S-1 filed on June 29, 2020).
10.16	Office Building Lease Agreement, between Sunnova Energy Corporation and 20 Greenway Plaza LLC, dated August 29, 2014, for 42,238 square feet of office space known as Suites 350, 475, and 750 of the building located at 20 East Greenway Plaza, Houston, Texas 77046 (incorporated by reference to Exhibit 10.11 to Form S-1 filed on June 27, 2019).
10.16.1	Amendment No. 1 to Office Building Lease Agreement, between Sunnova Energy Corporation and 20 Greenway Plaza LLC, dated as dated May 18, 2015 (incorporated by reference to Exhibit 10.12 to Form S-1 filed on June 27, 2019).
10.16.2	Amendment No. 2 to Office Building Lease Agreement, between Sunnova Energy Corporation and 20 Greenway Plaza LLC, dated June 1, 2015 (incorporated by reference to Exhibit 10.13 to Form S-1 filed on June 27, 2019).
10.16.3	Amendment No. 3 to Office Building Lease Agreement, between Sunnova Energy Corporation and 20 Greenway Plaza LLC, dated November 15, 2018 (incorporated by reference to Exhibit 10.14 to Form S-1 filed on June 27, 2019).
10.16.4	Amendment No. 4 to Office Building Lease Agreement, between Sunnova Energy Corporation and 20 Greenway Plaza LLC, dated May 7, 2019 (incorporated by reference to Exhibit 10.15 to Form S-1 filed on June 27, 2019).
10.16.5	Amendment No. 5 to Office Building Lease Agreement by and between Sunnova Energy Corporation and SCP 20 Greenway, LLC dated September 12, 2019 (incorporated by reference to Exhibit 10.1 to Form 8-K filed on September 13, 2019).
10.17+	Amended and Restated 2013 Stock Option Plan, dated July 29, 2019 (incorporated by reference to Exhibit 10.17 to Form 8-K filed on July 29, 2019).
10.18+	Amended and Restated Stock Option Plan, dated July 29, 2019 (incorporated by reference to Exhibit 10.18 to Form S-1 filed on July 29, 2019).
10.19+	Sunnova Energy International Inc. 2019 Long-Term Incentive Plan and Form of Award Letters (incorporated by reference to Exhibit 10.16 to Form 8-K filed on July 29, 2019).
10.20+	Form of Restricted Stock Unit Award Letter (incorporated by reference to Exhibit 10.21 to Form S-1 filed on June 27, 2019).
10.21+	Form of Option Award Letter (incorporated by reference to Exhibit 10.22 to Form S-1 filed on June 27, 2019).
10.22+	Form of Restricted Stock Unit Award Letter for Non-Employee Director (incorporated by reference to Exhibit 10.23 to Form S-1 filed on June 27, 2019).
10.23+	Form of Executive Severance Agreements (incorporated by reference to Exhibit 10.26 to Form S-1/A filed on July 17, 2019).

Exhibit No.	Description
10.24+	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.27 to Form S-1/A filed on July 3, 2019).
10.25∞	Note Purchase Agreement, by and among Sunnova Helios V Issuer, LLC, Sunnova Helios V Depositor, LLC, Sunnova Energy Corporation and Credit Suisse Securities (USA) LLC, dated February 8, 2021.
10.26	Earnout Agreement, by and between LEN X, LLC and Sunnova Energy International Inc., dated as of February 17, 2021 (incorporated by reference to Exhibit 10.1 to Form 8-K filed on February 19, 2021).
21.1	List of subsidiaries of the Registrant.
23.1	Consent of Independent Registered Public Accounting Firm.
31.1	Certification of Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its tags are embedded within the inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Linkbase Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (embedded within the inline XBRL document).

+ Indicates management contract or compensatory plan.
∞ Portions of this exhibit have been omitted.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SUNNOVA ENERGY INTERNATIONAL INC.

Date: February 25, 2021 By: /s/ William J. Berger
William J. Berger
Chief Executive Officer and Director
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ William J. Berger William J. Berger	Chief Executive Officer and Director *(Principal Executive Officer)*	February 25, 2021
/s/ Robert L. Lane Robert L. Lane	Chief Financial Officer *(Principal Financial and Accounting Officer)*	February 25, 2021
/s/ Anne Slaughter Andrew Anne Slaughter Andrew	Director	February 25, 2021
/s/ Nora Brownell Nora Brownell	Director	February 25, 2021
/s/ Rahman D'Argenio Rahman D'Argenio	Director	February 25, 2021
/s/ Doug Kimmelman Doug Kimmelman	Director	February 25, 2021
/s/ Mark Longstreth Mark Longstreth	Director	February 25, 2021
/s/ Akbar Mohamed Akbar Mohamed	Director	February 25, 2021
/s/ Michael C. Morgan Michael C. Morgan	Director	February 25, 2021
/s/ C. Park Shaper C. Park Shaper	Director	February 25, 2021

Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934

As of the date of our Annual Report on Form 10-K of which this Exhibit is part, Sunnova Energy International Inc., a Delaware corporation ("Sunnova"), had one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: common stock, par value $0.0001 per share ("common stock"). The following contains a description of our common stock, as well as certain related additional information. This description is a summary only and does not purport to be complete. We encourage you to read the complete text of Sunnova's Second Amended and Restated Certificate of Incorporation (the "certificate of incorporation"), Sunnova's Second Amended and Restated Bylaws (the "bylaws"), and any amendments thereto, which we have filed or incorporated by reference as exhibits to Sunnova's Annual Report on Form 10-K. References to "we," "our" and "us" refer to Sunnova, unless the context otherwise requires. References to "stockholders" refer to holders of our common stock, unless the context otherwise requires.

General

Pursuant to our certificate of incorporation, we have the authority to issue 1,010,000,000 shares of capital stock, consisting of 1,000,000,000 shares of our common stock, par value $0.0001 per share; and 10,000,000 shares of preferred stock, par value $0.0001 per share ("preferred stock"). As of the date of our Annual Report on Form 10-K, there were no issued and outstanding shares of preferred stock.

Description of Common Stock

Dividend Rights

Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of our common stock are entitled to receive dividends out of funds legally available if our board of directors, in its discretion, determines to issue dividends and then only at the times and in the amounts that our board of directors may determine.

Voting Rights

Holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders. Stockholders do not have the ability to cumulate votes for the election of directors.

No Preemptive or Similar Rights

Our common stock is not entitled to preemptive rights and is not subject to conversion, redemption or sinking fund provisions.

Right to Receive Liquidation Distributions

If we become subject to a liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock and any participating preferred stock outstanding at that time, subject to prior satisfaction of all outstanding debt and liabilities and the preferential rights and payment of liquidation preferences, if any, on any outstanding shares of preferred stock.

Fully Paid and Non-Assessable

All of the shares of our common stock are fully paid and non-assessable.

Description of Preferred Stock

As of the date of our Annual Report on Form 10-K, no shares of our preferred stock were outstanding. Pursuant to our certificate of incorporation, our board of directors has the authority, without further vote or action by our stockholders, to issue from time to time shares of preferred stock in one or more series and to establish from

time to time the number of shares to be included in each series. Our board of directors may designate the powers, rights, preferences, and privileges of the shares of each series of preferred stock and any of its qualifications, limitations or restrictions, including dividend rights, conversion rights, voting rights, redemption rights, liquidation preference, and sinking fund terms, in each case without further vote or action by our stockholders. Our board of directors may also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding, without any further vote or action by our stockholders. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions an other corporate purposes, could, among other things, have the effect of delaying, deterring, or preventing a change in control, restricting dividends on our common stock, diluting the voting power and other rights of our common stock, and impairing the liquidation rights of our common stock. Such issuance could have the effect of decreasing the market price of our common stock. We currently have no plans to issue any shares of preferred stock.

Listing

Our common stock is traded on the New York Stock Exchange under the symbol "NOVA."

Anti-Takeover Provisions

Certain provisions of Delaware law, our certificate of incorporation, and our bylaws, which are summarized below, may have the effect of delaying, deferring, or discouraging another person from acquiring control of us. They are also designed, in part, to encourage persons seeking to acquire control of us to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

Delaware Law

A corporation may elect not to be subject to Section 203 of the General Corporation Law of the State of Delaware (the "DGCL"). We have elected to not be subject to the provisions of Section 203 of the DGCL. However, our certificate of incorporation contains provisions that are similar to Section 203. In general, our certificate of incorporation prohibits us from engaging in a "business combination" while our common stock is registered under Section 12(b) or 12(g) under the Securities and Exchange Act of 1934, as amended, with an "interested stockholder" for a period of three years after the date of the transaction in which the person became an interested stockholder, unless:

- The business combination or the transaction was approved by our board of directors prior to the time that the stockholder became an interested stockholder;

- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding shares owned by directors who are also officers of the corporation and shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or

- at or subsequent to the time the stockholder became an interested stockholder, the business combination was approved by our board of directors and authorized at an annual or special meeting of the stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

Generally, a business combination includes a merger of us or any of our subsidiaries with the interested stockholder or any sale or disposition (except proportionately as our stockholder) of assets representing more than 10% of our consolidated assets or the aggregate market value of our capital stock. Subject to certain exceptions, an interested stockholder is a person who, together with affiliates and associates, owns 15% or more of our voting stock or is an affiliate of us and, within the previous three years owned, 15% or more of our voting stock. In our case,

however, the ECP Stockholders (meaning, for purposes of our certificate of incorporation, Energy Capital Partners III, LP, Energy Capital Partners III-A, LP, Energy Capital Partners III-B, LP, Energy Capital Partners III-C, LP, Energy Capital Partners III-D, LP, Energy Capital Partners III (Sunnova Co-Invest), LP and each of their respective affiliates that owns any shares of our common stock or preferred stock) and their affiliates or associates and any of their direct transferees (excluding any person who acquires voting stock through a broker's transaction on an exchange or pursuant to an underwritten public offering) will not be deemed to be interested stockholders regardless of the percentage of our voting stock owned by them, and accordingly will not be subject to such restrictions, subject to certain exceptions for the acquisition of additional shares of common stock. This provision could delay mergers or other takeover or change in control attempts with respect to us and, accordingly, may discourage attempts to acquire us.

Amended and Restated Certificate of Incorporation and Amended and Restated Bylaw Provisions

Our certificate of incorporation and our bylaws will include a number of provisions that could delay or discourage an unsolicited takeover or a change in control or changes in our board of directors or management team, including the following:

- establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or new business to be brought before meetings of our stockholders. These procedures provide that notice of stockholder proposals must be timely given in writing to our corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary date of the annual meeting for the preceding year. Our bylaws will specify the requirements as to form and content of all stockholders' notices. These requirements may preclude stockholders from bringing matters before the stockholders at an annual or special meeting;

- provide our board of directors the ability to authorize undesignated preferred stock. This ability makes it possible for our board of directors to issue, without stockholder approval, preferred stock with voting or other rights or preferences that could impede the success of any attempt to change control of us. These and other provisions may have the effect of deferring hostile takeovers or delaying changes in control or management of us;

- provide that the authorized number of directors on our board of directors may be changed only by resolution of our board of directors;

- provide that all vacancies, including newly created directorships, may, except as otherwise required by law or, if applicable, the rights of holders of a series of preferred stock or the stockholders agreement, be filled by the affirmative vote of a majority of directors then in office, even if less than a quorum;

- provide that any action required or permitted to be taken by the stockholders must be effected at a duly called annual or special meeting of stockholders and may not be effected by any consent in writing in lieu of a meeting of such stockholders, subject to the rights of the holders of any series of preferred stock with respect to such series;

- provide that our certificate of incorporation and bylaws may only be amended by the affirmative vote of the holders of at least two-thirds of our then outstanding common stock;

- provide that special meetings of our stockholders may only be called by our board of directors, the chief executive officer or the chairman of our board of directors; and

- provide that our bylaws can be amended by our board of directors.

Choice of Forum

Our certificate of incorporation will provide that, unless we consent in writing to the selection of an alternative forum, the sole and exclusive forum for (1) any derivative action or proceeding brought on our or our stockholders' behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, employees, agents and stockholders to us or our stockholders, (3) any action asserting a claim arising pursuant to any provision of the DGCL, our certificate of incorporation or bylaws, (4) any action as to which the DGCL confers jurisdiction to the Court of Chancery of the State of Delaware, or (5) any other action asserting a claim that is governed by the internal affairs doctrine shall be the Court of Chancery of the State of Delaware. Our certificate of incorporation will also provide that, to the fullest extent permitted by applicable law, the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act of 1933, as amended, subject to and contingent upon a final adjudication in the State of Delaware of the enforceability of such exclusive forum provision.

Notwithstanding the foregoing, the exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Exchange Act of 1934, as amended, or any other claim for which the federal courts have exclusive jurisdiction. Any person or entity purchasing or otherwise acquiring an interest in any shares of our capital stock shall be deemed to have notice of and to have consented to the forum provisions in our certificate of incorporation. These choice-of-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that he, she or it believes to be favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits. Alternatively, if a court were to find these provisions of our certificate of incorporation inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could materially adversely affect our business, financial condition and results of operations and result in a diversion of the time and resources of our management and board of directors.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

Limitation of Liability and Indemnification

Our certificate of incorporation and bylaws contain provisions that limit the liability of our directors and officers for monetary damages to the fullest extent permitted by the DGCL. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except liability:

- for any breach of the director's duty of loyalty to our company or our stockholders;
- for any act or omission not in good faith or that involve intentional misconduct or knowing violation of law;
- under Section 174 of the DGCL regarding unlawful dividends and stock purchases; or
- for any transaction from which the director derived an improper personal benefit.

Any amendment to, or repeal of, these provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission or claim that occurred or arose prior to that amendment or repeal. If the DGCL is amended to provide for further limitations on the personal liability of directors of corporations, then the personal liability of our directors will be further limited to the greatest extent permitted by the DGCL. We have entered into and intend to continue to enter into separate indemnification agreements with each of our directors and officers that provide the maximum indemnity allowed to directors and executive officers by Section 145 of the Delaware General Corporation Law and also to provide for certain additional procedural protections. We believe that these agreements and insurance policies are necessary to attract and retain qualified individuals to serve as directors and executive officers.

Exhibit 4.13

Execution Copy

Sunnova Helios V Issuer, LLC

Issuer

and

Wells Fargo Bank, National Association

Indenture Trustee

Indenture

Dated as of February 16, 2021

$188,641,000

Sunnova Helios V Issuer, LLC
Solar Loan Backed Notes, Series 2021-A

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

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[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

This Indenture (as amended or supplemented from time to time, this "*Indenture*") is dated as of February 16, 2021 between Sunnova Helios V Issuer, LLC, a limited liability company organized under the laws of the State of Delaware, as issuer (the "*Issuer*"), and Wells Fargo Bank, National Association, a national banking association, not in its individual capacity but solely in its capacity as indenture trustee (together with its successors and assigns in such capacity, the "*Indenture Trustee*").

Preliminary Statement

Pursuant to this Indenture, there is hereby duly authorized the execution and delivery of two classes of notes designated as the Issuer's 1.80% Solar Loan Backed Notes, Series 2021-A, Class A (the "*Class A Notes*") and the Issuer's 3.15% Solar Loan Backed Notes, Series 2021-A, Class B (the "*Class B Notes*" and together with the Class A Notes, the "*Notes*"). All covenants and agreements made by the Issuer herein are for the benefit and security of the Holders of the Notes. The Issuer is entering into this Indenture, and the Indenture Trustee is accepting the trusts created hereby, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

Granting Clause

The Issuer hereby Grants to the Indenture Trustee, for the benefit of the Holders of the Notes, as their interests may appear, all of the rights, title, interest and benefits of the Issuer whether now existing or hereafter arising in and to (i) the Initial Solar Loans, any Subsequent Solar Loans and any Qualified Substitute Solar Loans, (ii) all Solar Loan Files related to the Solar Loans and any property or assets of the Obligors pledged as collateral under a Solar Loan to secure the repayment of such Solar Loan, including without limitation the related PV System and/or Energy Storage System, each now and hereafter owned, (iii) each Solar Loan Agreement including the right to (a) receive all amounts due under or required to be paid pursuant to such Solar Loan Agreement on and after the related Cut-Off Date (including all interest capitalized and added to the Solar Loan Balance of a Solar Loan on a Section 25D Credit Payment Date, if any), (b) all security interests, liens and assignments securing payment of such Solar Loan Agreement and (c) all books, records and computer tapes relating to such Solar Loan Agreement; (iv) the Issuer's rights in the Electronic Vault, (v) all rights and remedies under the Contribution Agreement, the Performance Guaranty, the Management Agreement, the Servicing Agreement, the Custodial Agreement, any Letter of Credit and all other Transaction Documents, (vi) amounts (including all amounts collected from each Obligor under its Solar Loan Agreement) deposited from time to time into the Lockbox Account, the Collection Account, the Reserve Account, the Prefunding Account, the Capitalized Interest Account, the Equipment Replacement Reserve Account, the Section 25D Interest Account and all amounts deposited from time to time and all Eligible Investments in each such account, (vii) all other assets of the Issuer, and (viii) the proceeds of any and all of the foregoing including all proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or other property (collectively, the "*Trust Estate*"). Notwithstanding the foregoing, the Trust Estate shall not include (i) any returned items required to be returned to the financial institution maintaining the Lockbox Account nor (ii) Obligor Security Deposits on deposit in the Obligor Security Deposit Account.

Such Grant is made in trust, to secure payments of amounts due with respect to the Notes ratably and without prejudice, priority or distinction between or among the Notes, and to secure (i) the payment of all amounts on the Notes as such amounts become due in accordance with their terms; (ii) the payment of all other sums payable in accordance with the provisions of this Indenture; and (iii) compliance with the provisions of this Indenture, all as provided in this Indenture.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

The Indenture Trustee acknowledges such Grant, accepts the trusts hereunder in accordance with the provisions of this Indenture, and agrees to perform the duties herein required pursuant to the terms and provisions of this Indenture and subject to the conditions hereof.

Article I.

Definitions

Section 1.01 General Definitions and Rules of Construction. Except as otherwise specified or as the context may otherwise require, capitalized terms used in this Indenture shall have the respective meanings given to such terms in the Standard Definitions attached hereto as Annex A, which is hereby incorporated by reference into this Indenture as if set forth fully in this Indenture. The rules of construction set forth in Annex A shall apply to this Indenture and are hereby incorporated by reference into this Indenture as if set forth fully in this Indenture.

Section 1.02 Calculations. Calculations required to be made pursuant to this Indenture shall be made on the basis of information or accountings as to payments on each Note furnished by the Servicer. Except to the extent they are incorrect on their face, such information or accountings may be conclusively relied upon in making such calculations, but to the extent that it is later determined that any such information or accountings are incorrect, appropriate corrections or adjustments will be made.

Article II.

The Notes; Reconveyance

Section 2.01 General. (a) The Notes shall be designated as the "Sunnova Helios V Issuer, LLC, 1.80% Solar Loan Backed Notes, Series 2021-A, Class A" and the "Sunnova Helios V Issuer, LLC, 3.15% Solar Loan Backed Notes, Series 2021-A, Class B".

(b) All payments of principal and interest with respect to the Notes shall be made only from the Trust Estate on the terms and conditions specified herein. Each Noteholder and each Note Owner, by its acceptance of a Note, agrees that, subject to the repurchase obligations of Sunnova ABS Holdings V and the Depositor in the Contribution Agreement and the indemnification obligations provided for herein and in the Contribution Agreement, the Management Agreement and the Servicing Agreement and the obligations of the Performance Guarantor under the Performance Guaranty, it will have recourse solely against such Trust Estate and such repurchase and indemnification obligations.

(c) Except as otherwise provided herein, all Notes shall be substantially identical in all respects. Except as specifically provided herein, all Notes issued, authenticated and delivered under this Indenture shall be in all respects equally and ratably entitled to the benefits hereof without preference, priority or distinction on account of the actual time or times of authentication and delivery, all in accordance with the terms and provisions of this Indenture.

(d) The Initial Outstanding Note Balance of the Class A Notes and the Class B Notes, that may be executed by the Issuer and authenticated and delivered by the Indenture Trustee and Outstanding at any given time under this Indenture is limited to $150,079,000 and $38,562,000, respectively.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

(e) Holders of the Notes shall be entitled to payments of interest and principal as provided herein. Each Class of Notes shall have a final maturity on the Rated Final Maturity. All Notes of the same Class shall be secured on parity with one another, with no Note of any Class having any priority over any other Note of that same Class.

(f) The Notes that are authenticated and delivered to the Noteholders by the Indenture Trustee upon an Issuer Order on the Closing Date shall be dated as of the Closing Date. Any Note issued later in exchange for, or in replacement of, any Note issued on the Closing Date shall be dated the date of its authentication.

(g) The Class A Notes are issuable in minimum denominations of $100,000 and the Class B Notes are issuable in minimum denominations of $500,000 and, in each case, integral multiples of $1,000 in excess thereof; provided that one Note of each Class of Notes may be issued in an additional amount equal to any remaining portion of the Initial Outstanding Note Balance of such Class of Notes; provided, further, that the foregoing shall not restrict or prevent the transfer in accordance with the last sentence of Section 2.07 hereof of any Note with a remaining Outstanding Note Balance of less than $100,000 in the case of the Class A Notes and $500,000 in the case of the Class B Notes.

Section 2.02 Forms of Notes. The Notes shall be in substantially the form set forth in Exhibit A-1 and Exhibit A-2, as applicable, with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may, consistently herewith, be determined by the Issuer, as evidenced by its execution thereof.

The Definitive Notes shall be typewritten, printed, lithographed or engraved or produced by any combination of these methods, all as determined by the officers executing such Notes, as evidenced by their execution of such Notes.

Each Note shall be dated the date of its authentication. The terms of the Notes are set forth in Exhibit A-1 and Exhibit A-2 and are part of the terms of this Indenture.

(a) *Global Notes*. The Notes are being offered and sold by the Issuer to the Initial Purchasers pursuant to the Note Purchase Agreement.

Notes offered and sold within the United States to QIBs in reliance on Rule 144A shall be issued initially in the form of Rule 144A Global Notes, which shall be deposited on behalf of the purchasers of the Notes represented thereby with the Indenture Trustee, as custodian for the Securities Depository, and registered in the name of the Securities Depository or a nominee of the Securities Depository, duly executed by the Issuer and authenticated by the Indenture Trustee as hereinafter provided. The Outstanding Note Balance of the Rule 144A Global Notes may from time to time be increased or decreased by adjustments made on the records of the Indenture Trustee and the Securities Depository or its nominee as hereinafter provided. The Indenture Trustee shall not be liable for any error or omission by the Securities Depository in making such record adjustments and the records of the Indenture Trustee shall be controlling with regard to outstanding principal amount of Notes hereunder.

Notes offered and sold outside of the United States in reliance on Regulation S under the Securities Act shall initially be issued in the form of a Regulation S Temporary Global Note, which shall be deposited on behalf of the purchasers of the Notes represented thereby with the Indenture Trustee, as

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

custodian for the Securities Depository, and registered in the name of the Securities Depository or the nominee of the Securities Depository for the investors' respective accounts at Euroclear Bank S.A./N.V. as operator of the Euroclear System ("*Euroclear*") or Clearstream Banking *société anonyme* ("*Clearstream*"), duly executed by the Issuer and authenticated by the Indenture Trustee as hereinafter provided. Beneficial interests in the Regulation S Temporary Global Notes may be held only through Euroclear or Clearstream.

Within a reasonable period of time following the expiration of the "40-day distribution compliance period" (as defined in Regulation S), beneficial interests in the Regulation S Temporary Global Note shall be exchanged for beneficial interests in Regulation S Permanent Global Notes upon the receipt by the Indenture Trustee of (i) a written certificate from the Securities Depository, together with copies of certificates from Euroclear and Clearstream, certifying that they have received certification of non-United States beneficial ownership of 100% of the Outstanding Note Balance of the Regulation S Temporary Global Note (except to the extent of any beneficial owners thereof who acquired an interest therein pursuant to another exemption from registration under the Securities Act and who will take delivery of a beneficial ownership interest in a Rule 144A Global Note, all as contemplated by Section 2.08(a)(ii)), and (ii) an Officer's Certificate from the Issuer. The Regulation S Permanent Global Notes will be deposited with the Indenture Trustee, as custodian, and registered in the name of a nominee of the Securities Depository. Simultaneously with the authentication of the Regulation S Permanent Global Notes, the Indenture Trustee shall cancel the Regulation S Temporary Global Note. The Outstanding Note Balance of the Regulation S Temporary Global Note and the Regulation S Permanent Global Notes may from time to time be increased or decreased by adjustments made on the records of the Indenture Trustee and the Securities Depository or its nominee, as the case may be, in connection with transfers of interest as hereinafter provided. The Indenture Trustee shall incur no liability for any error or omission of the Securities Depository in making such record adjustments and the records of the Indenture Trustee shall be controlling with regard to outstanding principal amount of Regulation S Global Notes hereunder.

Each Global Note shall represent such of the outstanding Notes as shall be specified therein and each shall provide that it shall represent the aggregate amount of outstanding Notes from time to time endorsed thereon and that the aggregate amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges and prepayments. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the amount of outstanding Notes represented thereby shall be made by the Indenture Trustee, or by the Note Registrar at the direction of the Indenture Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.08.

The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "Management Regulations" and "Instructions to Participants" of Clearstream shall be applicable to interests in the Regulation S Temporary Global Note and the Regulation S Permanent Global Notes that are held by the members of, or participants in, the Securities Depository ("*Agent Members*") through Euroclear or Clearstream.

Except as set forth in Section 2.08, the Global Notes may be transferred, in whole and not in part, only to another nominee of the Securities Depository or to a successor of the Securities Depository or its nominee.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

(b) *Book-Entry Provisions.* This Section 2.02(b) shall apply only to the Global Notes deposited with or on behalf of the Securities Depository.

The Issuer shall execute and the Indenture Trustee shall, in accordance with this Section 2.02(b), authenticate and deliver one Global Note for each Class of Notes which (i) shall be registered in the name of the Securities Depository or the nominee of the Securities Depository and (ii) shall be delivered by the Indenture Trustee to the Securities Depository or pursuant to the Securities Depository's instructions or held by the Indenture Trustee as custodian for the Securities Depository.

Agent Members shall have no rights either under this Indenture with respect to any Global Note held on their behalf by the Securities Depository or by the Indenture Trustee as custodian for the Securities Depository or under such Global Note, and the Securities Depository may be treated by the Issuer, the Indenture Trustee and any agent of the Issuer or the Indenture Trustee as the absolute owner of such Global Note for all purposes whatsoever. Notwithstanding the foregoing, nothing herein shall prevent the Issuer, the Indenture Trustee or any agent of the Issuer or the Indenture Trustee from giving effect to any written certification, proxy or other authorization furnished by the Securities Depository or impair, as between the Securities Depository and its Agent Members, the operation of customary practices of such Securities Depository governing the exercise of the rights of an owner of a beneficial interest in any Global Note.

The Note Registrar and the Indenture Trustee shall be entitled to treat the Securities Depository for all purposes of this Indenture (including the payment of principal of and interest on the Notes and the giving of instructions or directions hereunder) as the sole Holder of the Notes, and shall have no obligation to the Note Owners.

The rights of Note Owners shall be exercised only through the Securities Depository and shall be limited to those established by law and agreements between such Note Owners and the Securities Depository and/or the Agent Members pursuant to the Note Depository Agreement. The initial Securities Depository will make book-entry transfers among the Agent Members and receive and transmit payments of principal of and interest on the Notes to such Agent Members with respect to such Global Notes.

Whenever this Indenture requires or permits actions to be taken based upon instructions or directions of Holders of Notes evidencing a specified percentage of the Outstanding amount of the Notes, the Securities Depository shall be deemed to represent such percentage only to the extent that it has received instructions to such effect from Note Owners and/or Agent Members owning or representing, respectively, such required percentage of the beneficial interest in the Notes and has delivered such instructions to the Indenture Trustee.

(c) *Definitive Notes.* Except as provided in Sections 2.08 and 2.13, owners of beneficial interests in Global Notes will not be entitled to receive physical delivery of certificated definitive, fully registered Notes (the "*Definitive Notes*").

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Section 2.03 Payment of Interest. (a) Noteholders shall, subject to the priorities and conditions set forth in the Priority of Payments, be entitled to receive payments of interest and principal on each Payment Date. Any payment of interest or principal payable with respect to the Notes on the applicable Payment Date shall be made to the Person in whose name such Note is registered as of the Record Date for such Payment Date in the manner provided in Section 5.09.

(b) On each Payment Date, the Interest Distribution Amount for each Class of Notes will be distributed to the registered Noteholders of the applicable Class of Notes as of the related Record Date to the extent Available Funds are sufficient for such distribution in accordance with the Priority of Payments or the Acceleration Event Priority of Payments, as applicable. Interest on the Notes with respect to any Payment Date will accrue at the applicable Note Rate based on the Interest Accrual Period.

(c) If the Aggregate Outstanding Note Balance has not been paid in full on or before the Anticipated Repayment Date, additional interest (the "*Post-ARD Additional Interest Amounts*") will begin to accrue during each Interest Accrual Period thereafter on each outstanding Class of Notes at the related Post-ARD Additional Interest Rate. The Post-ARD Additional Interest Amounts, if any, for a Class of Notes will only be due and payable (i) after the Aggregate Outstanding Note Balance, any Note Balance Write-Down Amounts and any Deferred Interest amounts have been paid in full or (ii) on the date on which a Voluntary Prepayment of all outstanding Notes in full is being made. Prior to such time, the Post-ARD Additional Interest Amounts accruing on a Class of Notes will be deferred and added to any Post-ARD Additional Interest Amounts previously deferred and remaining unpaid ("*Deferred Post-ARD Additional Interest Amounts*"). Deferred Post-ARD Additional Interest Amounts will not bear interest.

Section 2.04 Payments to Noteholders. (a) Principal payments and interest on a Class of Notes will be made on each Payment Date to the Noteholders of each Class as of the related Record Date pursuant to the Priority of Payments. The remaining Outstanding Note Balance of each Class of Notes, if any, shall be payable no later than the Rated Final Maturity.

(b) All reductions in the principal balance of a Note (or one or more Predecessor Notes) effected by payments of principal made on any Payment Date shall be binding upon all Holders of such Note and of any Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof, whether or not such payment is noted on such Note.

(c) The Note Balance Write-Down Amount shall be applied in the following order of priority: (i) to the Class B Notes until the Outstanding Note Balance of the Class B Notes is reduced to zero and (ii) to the Class A Notes until the Outstanding Note Balance of the Class A Notes is reduced to zero. The application of the Note Balance Write-Down Amount to a Class of Notes will not reduce such Class' entitlement to unpaid principal and interest.

Section 2.05 Execution, Authentication, Delivery and Dating. (a) The Notes shall be executed by the Issuer. The signature of such Authorized Officer on the Notes may be manual or facsimile. Notes bearing the manual or facsimile signature of any individual who was, at the time of execution thereof, an Authorized Officer of the Issuer shall bind the Issuer, notwithstanding the fact that such individual ceased to hold such office prior to the authentication and delivery of such Notes or did not hold such office at the date of issuance of such Notes.

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(b) On the Closing Date, the Issuer shall, and at any time and from time to time after the execution and delivery of this Indenture, the Issuer may deliver Notes executed by the Issuer to the Indenture Trustee for authentication, and the Indenture Trustee, upon receipt of the Notes and of an Issuer Order, shall authenticate and deliver such Notes; *provided, however*, that the Indenture Trustee shall not authenticate the Notes on the Closing Date unless and until it shall have received the documents listed in Section 2.12.

(c) Each Note authenticated and delivered by the Indenture Trustee to or upon an Issuer Order on or prior to the Closing Date shall be dated the Closing Date. All other Notes that are authenticated after the Closing Date for any other purpose under this Indenture shall be dated the date of their authentication.

(d) Notes issued upon transfer, exchange or replacement of other Notes shall be issued in authorized denominations reflecting the Outstanding Note Balance so transferred, exchanged or replaced, but shall represent only the Outstanding Note Balance so transferred, exchanged or replaced. In the event that any Note is divided into more than one Note in accordance with this Article II, such Outstanding Note Balance shall be divided among the Notes delivered in exchange therefor.

(e) No Note shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Note a certificate of authentication, substantially in the form provided for herein, executed by the Indenture Trustee by the manual signature of a Responsible Officer of the Indenture Trustee, and such executed certificate upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly authenticated and delivered.

Section 2.06 Temporary Notes. Except for the Notes maintained in book-entry form, temporary Notes shall be issuable in any authorized denomination, and substantially in the form of the Definitive Notes but with such omissions, insertions and variations as may be appropriate for temporary Notes, all as may be determined by the Issuer. Every such temporary Note shall be executed by the Issuer and authenticated by the Indenture Trustee upon the same conditions and in substantially the same manner, and with the same effect, as the Definitive Notes. Without unreasonable delay, the Issuer will execute and deliver to the Indenture Trustee Definitive Notes (other than in the case of Notes in global form) and thereupon any or all temporary Notes (other than in the case of Notes in global form) may be surrendered in exchange therefor, at the Corporate Trust Office, and the Indenture Trustee shall authenticate and deliver in exchange for such temporary Notes an equal aggregate principal amount of Definitive Notes. Such exchange shall be made by the Issuer at its own expense and without any charge therefor. Until so exchanged, the temporary Notes shall in all respects be entitled to the same benefits and subject to the same limitations under this Indenture as Definitive Notes authenticated and delivered hereunder.

Section 2.07 Registration, Registration of Transfer and Exchange. (a) The Indenture Trustee (in such capacity, the "*Note Registrar*") shall cause to be kept at its Corporate Trust Office a register (the "*Note Register*"), in which, subject to such reasonable regulations as it may prescribe, the Note Registrar shall provide for the registration of the Notes and the registration of transfers of such Notes. The Notes are intended to be obligations in registered form for purposes of Section 163(f), Section 871(h)(2) and Section 881(c)(2) of the Code.

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(b) Each Person who has or who acquires any Ownership Interest in a Note shall be deemed by the acceptance or acquisition of such Ownership Interest to have agreed to be bound by the provisions of this Section 2.07 and Section 2.08.

(c) Each purchaser of Global Notes, other than the Initial Purchasers, by its acceptance thereof, will be deemed to have acknowledged, represented and agreed as follows:

(i) The purchaser (A) (1) is a QIB, (2) is aware that the sale to it is being made in reliance on Rule 144A and (3) is acquiring the Notes or interests therein for its own account (and not for the account of others) or as a fiduciary agent for others (which others are also QIBs and have executed an agreement containing substantially the same representations as provided herein); or (B)(i) is not a U.S. Person and is purchasing the Notes or interests therein in an offshore transaction pursuant to Regulation S and (ii) with respect to the Class B Notes only (x) is a QIB and (y) is acquiring the Notes or interests therein for its own account (and not for the account of others) or as a fiduciary agent for others (which others are also QIBs and have executed an agreement containing substantially the same representations as provided in this Section 2.07). The purchaser is aware that it (or any account of a QIB for which it is purchasing) may be required to bear the economic risk of an investment in the Notes for an indefinite period, and it (or such account) is able to bear such risk for an indefinite period.

(ii) The purchaser understands that the Notes and interests therein are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Notes have not been and will not be registered under the Securities Act or any other applicable securities laws and that (A) if in the future it decides to offer, resell, pledge or otherwise transfer any of the Notes or any interests therein, such Class A Notes (or the interests therein) may not be offered, resold, pledged or otherwise transferred in denominations (the "*Minimum Denomination*") lower than $100,000 and such Class B Notes (or the interests therein) may not be offered, resold, pledged or otherwise transferred in Minimum Denominations lower than $500,000, and in each case, in integral multiples of $1,000 in excess thereof, and only (i) in the United States to a person whom the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A (acting for its own account and not for the account of others, or as a fiduciary or agent for other QIBs to whom notice is given that the sale, pledge or transfer is being made in reliance on Rule 144A), (ii) outside the United States in a transaction complying with the provisions of Regulation S under the Securities Act and, with respect to the Class B Notes only, to a person whom the seller reasonably believes is a QIB, or (iii) pursuant to another exemption from registration under the Securities Act (if available and evidenced by an opinion of counsel acceptable to the Issuer and the Indenture Trustee), in each of cases (i) through (iii) in accordance with any applicable securities laws of any state of the U.S. and any other applicable jurisdiction, and that (B) the purchaser will, and each subsequent holder is required to, notify any subsequent purchaser of such Notes or interests therein from it of the resale restrictions referred to above. Notwithstanding the foregoing restriction, any Note that has originally been properly issued in an amount no less than the Minimum Denomination, or any interest therein, may be offered, resold, pledged or otherwise transferred in a denomination less than the Minimum Denomination if such lesser denomination is solely a result of a reduction of principal due to payments made in accordance with this Indenture.

(iii) The purchaser acknowledges that none of the Issuer, Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Manager, the Servicer, the Backup

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Servicer, the Transition Manager, the Depositor, the Indenture Trustee or the Initial Purchasers or any person representing the Issuer, Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Manager, the Servicer, the Backup Servicer, the Transition Manager, the Depositor, the Indenture Trustee or the Initial Purchasers has made any representation to it with respect to the Issuer or Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Manager, the Servicer, the Backup Servicer, the Transition Manager, the Depositor, the Indenture Trustee or the Initial Purchasers or the sale of any Notes, other than the information contained in the Offering Circular, which Offering Circular has been delivered to it and upon which it is relying in making its investment decision with respect to the Notes; accordingly, it acknowledges that no representation or warranty is made by the Issuer, Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Manager, the Servicer, the Backup Servicer, the Transition Manager, the Depositor, the Indenture Trustee or the Initial Purchasers as to the accuracy or completeness of such materials; and it has had access to such financial and other information concerning the Issuer, Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Manager, the Servicer, the Backup Servicer, the Transition Manager, the Depositor, the Indenture Trustee and the Notes as it has deemed necessary in connection with its decision to purchase any of the Notes, including an opportunity to ask questions and request information from the Issuer, Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Manager, the Servicer, the Backup Servicer, the Transition Manager, the Depositor, the Indenture Trustee and the Initial Purchasers. It acknowledges that the delivery of the Offering Circular at any time does not imply that information herein is correct as of any time subsequent to this date.

(iv) The purchaser understands that the applicable Notes will, until such Notes may be resold pursuant to Rule 144(b)(1) of the Securities Act, unless otherwise agreed by the Issuer and the holder thereof, bear a legend substantially to the following effect:

THIS NOTE (OR ITS PREDECESSOR) HAS NOT BEEN AND WILL NOT BE REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER THE SECURITIES OR BLUE SKY LAWS OF ANY STATE IN THE UNITED STATES OR ANY FOREIGN SECURITIES LAWS. NEITHER THIS NOTE NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE OR ANY INTEREST HEREIN IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE OR INTEREST HEREIN MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

[EACH PURCHASER AND TRANSFEREE BY ITS PURCHASE OF THIS CLASS A NOTE OR INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED AND WARRANTED THAT IT IS EITHER (1) NOT, AND NOT ACQUIRING THE NOTE OR INTEREST THEREIN FOR OR ON BEHALF OF OR WITH THE ASSETS OF, ANY EMPLOYEE BENEFIT PLAN AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(E)(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH A "BENEFIT

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PLAN INVESTOR"), OR ANY PLAN THAT IS SUBJECT TO ANY LAW SUBSTANTIALLY SIMILAR TO ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), OR (2) IF THE PURCHASER OR TRANSFEREE IS A BENEFIT PLAN INVESTOR OR A PLAN SUBJECT TO SIMILAR LAW, THE PURCHASER AND TRANSFEREE AND THE FIDUCIARY OF SUCH BENEFIT PLAN INVESTOR OR PLAN BY ITS PURCHASE OF THIS NOTE OR INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED AND WARRANTED THAT THE PURCHASE, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN DOES NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER ERISA OR SECTION 4975 OF THE CODE OR A NON-EXEMPT PROHIBITED TRANSACTION UNDER OR VIOLATION OF SIMILAR LAW AND WILL BE CONSISTENT WITH ANY APPLICABLE FIDUCIARY DUTIES THAT MAY BE IMPOSED UPON THE PURCHASER OR TRANSFEREE.] [FOR CLASS A NOTES]

[EACH PURCHASER AND TRANSFEREE BY ITS PURCHASE OF THIS CLASS B NOTE OR INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED AND WARRANTED THAT IT IS NOT, AND IS NOT ACQUIRING THE NOTE OR INTEREST THEREIN FOR OR ON BEHALF OF OR WITH THE ASSETS OF, ANY EMPLOYEE BENEFIT PLAN AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(E)(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH A "BENEFIT PLAN INVESTOR"), OR ANY PLAN THAT IS SUBJECT TO ANY LAW SUBSTANTIALLY SIMILAR TO ERISA OR SECTION 4975 OF THE CODE.] [FOR CLASS B NOTES]

THE HOLDER OF THIS NOTE OR ANY INTEREST HEREIN AGREES FOR THE BENEFIT OF THE ISSUER THAT (A) THIS NOTE AND ANY INTEREST HEREIN MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN DENOMINATIONS (THE "MINIMUM DENOMINATION") LOWER THAN $[100,000] [FOR CLASS A NOTES]/ $[500,000] [FOR CLASS B NOTES] AND IN INTEGRAL MULTIPLES OF $1,000 IN EXCESS THEREOF, AND ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A (acting for its own account and not for the account of others, or as a fiduciary or agent for other QIBs to whom notice is given that the sale, pledge or transfer is being made in reliance on Rule 144A), (II) OUTSIDE THE U.S. IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT AND, WITH RESPECT TO THE CLASS B NOTES ONLY, TO A PERSON WHOM THE TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), OR (III) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE AND EVIDENCED BY AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER AND THE INDENTURE TRUSTEE), IN EACH OF CASES (I) THROUGH (III) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS NOTE OR ANY INTEREST

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HEREIN FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. Notwithstanding the foregoing restriction, any Note that has originally been properly issued in an amount no less than the Minimum Denomination, or any interest therein, may be offered, resold, pledged or otherwise transferred in a denomination less than the Minimum Denomination if such lesser denomination is solely a result of a reduction of principal due to payments made in accordance with the Indenture.

The purchaser understands that the Issuer may receive a list of participants holding positions in the Notes from the Securities Depository.

(v) The purchaser understands that any Note offered in reliance on Regulation S will, during the 40-day distribution compliance period commencing on the day after the later of the commencement of the offering and the date of original issuance of the Notes, bear a legend substantially to the following effect:

THIS NOTE IS A TEMPORARY GLOBAL NOTE FOR PURPOSES OF REGULATION S UNDER THE SECURITIES ACT WHICH IS EXCHANGEABLE FOR A PERMANENT REGULATION S GLOBAL NOTE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN THE INDENTURE.

PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING AND THE ORIGINAL ISSUE DATE OF THE NOTES, THIS NOTE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES OR TO A U.S. PERSON EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

Following the 40-day distribution compliance period, interests in a Regulation S Temporary Global Note will be exchanged for interests in a Regulation S Permanent Global Note.

(vi) Each purchaser and transferee by its purchase of a Note or interest therein shall be deemed to have represented and warranted that (a) for the Class B Notes, that it is not, and is not acquiring the Note or any interest therein for or on behalf of or with the assets of, any employee benefit plan as defined in Section 3(3) of ERISA that is subject to Title I of ERISA or any other "plan" as defined in Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code or any entity whose underlying assets include plan assets by reason of an employee benefit plan's or plan's investment in such entity (each a "*Benefit Plan Investor*"), or any plan that is subject to any law substantially similar to ERISA or Section 4975 of the Code (each a "*Similar Law*"), and (b) for the Class A Notes (i) it is not, and is not acquiring such Note or interest therein for or on behalf of or with the assets of, any Benefit Plan Investor or any plan that is subject to any Similar Law or (ii) if the purchaser or transferee is a Benefit Plan Investor or a plan subject to Similar Law, the purchaser and transferee and the fiduciary of such Benefit Plan Investor or plan by its purchase of the Note or interest therein will be deemed to have represented and warranted that the purchase, holding and disposition of the Note or interest therein will not result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code or non-exempt prohibited transaction under or violation of Similar Law and will be consistent with any applicable fiduciary duties that may be imposed upon the purchaser or transferee.

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(vii) Each purchaser and transferee by its purchase of a Note or interest therein shall be deemed to have represented and warranted that at the time of its purchase and throughout the period that it holds such Note or interest therein, that it will not sell or otherwise transfer the Note or interest therein to any person without first obtaining the same foregoing representations, warranties and covenants from that person.

(viii) Each purchaser and transferee by its purchase of a Note or interest therein shall be deemed to have agreed to treat such Note as indebtedness and indicate on all federal, state and local income tax and information returns and reports required to be filed with respect to such Note, under any applicable federal, state or local tax statute or any rule or regulation under any of them, that such Note is indebtedness unless otherwise required by Applicable Law.

(ix) The purchaser acknowledges that the Issuer, Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Manager, the Servicer, the Backup Servicer, the Transition Manager, the Depositor, the Indenture Trustee, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations, warranties, and agreements and agrees that, if any of the acknowledgments, representations, warranties and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it shall promptly notify the Initial Purchasers. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such investor account.

(x) The purchaser understands that the Issuer may receive a list of participants holding positions in the Notes from the Securities Depository.

(d) Other than with respect to Notes maintained in book-entry form, at the option of a Noteholder, Notes may be exchanged for other Notes of any authorized denominations and of a like Outstanding Note Balance and Class upon surrender of the Notes to be exchanged at the Corporate Trust Office. Whenever any Notes are so surrendered for exchange, the Issuer shall execute, and the Indenture Trustee shall authenticate and deliver, the Notes which the Noteholder making the exchange is entitled to receive.

(e) Other than with respect to Notes maintained in book-entry form, any Note presented or surrendered for registration of transfer or exchange of Notes shall be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Indenture Trustee duly executed. All Notes issued upon any registration of transfer or exchange of Notes shall be the valid obligations of the Issuer, evidencing the same rights, and entitled to the same benefits under this Indenture, as the Class of Notes surrendered upon such registration of transfer or exchange. No service charge shall be made for any registration of transfer or exchange of Notes, but the Issuer and the Indenture Trustee may require payment of a sum sufficient to cover any Tax or other governmental charge as may be imposed in connection with any registration of transfer or exchange of Notes, other than exchanges pursuant to Section 2.08 not involving any transfer.

The Notes have not been and will not be registered under the Securities Act or securities laws of any jurisdiction. Consequently, the Notes are not transferable other than pursuant to an exemption from the registration requirements of the Securities Act and satisfaction of provisions set forth in this Indenture.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

(f) Each purchaser and transferee by its purchase of a Class B Note or a beneficial interest therein shall have to provide the Issuer, the Indenture Trustee and the Note Registrar with representations substantially in the form of the transferee certification in Exhibit E attached hereto and upon accepting a beneficial interest in the Class B Notes will be deemed to have made all of the certifications, representations and warranties set forth in Section 2.08(e). Any transfer of a beneficial interest in a Class B Note in violation of any of the foregoing will be of no force and effect and void *ab initio*.

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Section 2.08 Transfer and Exchange. (a) The transfer and exchange of Global Notes or beneficial interests therein shall be effected through the Securities Depository, in accordance with this Indenture and the procedures of the Securities Depository therefor, which shall include restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Beneficial interests in a Global Note may be transferred to persons who take delivery thereof in the form of a beneficial interest in the same Global Note in accordance with the transfer restrictions set forth in the legends in subsections of Section 2.07(c), as applicable. Transfers of beneficial interests in the Global Notes to persons required or permitted to take delivery thereof in the form of an interest in another Global Note shall be permitted as follows:

(i) *Rule 144A Global Note to Regulation S Global Note*. If, at any time, an owner of a beneficial interest in a Rule 144A Global Note deposited with the Securities Depository (or the Indenture Trustee as custodian for the Securities Depository) wishes to transfer its interest in such Rule 144A Global Note to a person who is required or permitted to take delivery thereof in the form of an interest in a Regulation S Global Note, such owner shall, subject to compliance with the applicable procedures described herein (the "*Applicable Procedures*"), exchange or cause the exchange of such interest for an equivalent beneficial interest in a Regulation S Global Note as provided in this Section 2.08(a)(i). Upon receipt by the Indenture Trustee of (1) instructions given in accordance with the Applicable Procedures from an Agent Member directing the Indenture Trustee to credit or cause to be credited a beneficial interest in the Regulation S Global Note in an amount equal to the beneficial interest in the Rule 144A Global Note to be exchanged, (2) a written order given in accordance with the Applicable Procedures containing information regarding the participant account of the Securities Depository and the Euroclear or Clearstream account to be credited with such increase, and (3) a certificate in the form of Exhibit B-1 hereto given by the Note Owner of such beneficial interest stating that the transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with Rule 903 or Rule 904 of Regulation S, then the Indenture Trustee, as Note Registrar, shall instruct the Securities Depository to reduce or cause to be reduced the initial Outstanding Note Balance of the applicable Rule 144A Global Note and to increase or cause to be increased the initial Outstanding Note Balance of the applicable Regulation S Global Note by the initial principal amount of the beneficial interest in the Rule 144A Global Note to be exchanged, to credit or cause to be credited to the account of the person specified in such instructions a beneficial interest in the Regulation S Global Note equal to the reduction in the initial Outstanding Note Balance of the Rule 144A Global Note, and to debit, or cause to be debited, from the account of the person making such exchange or transfer the beneficial interest in the Rule 144A Global Note that is being exchanged or transferred.

(ii) *Regulation S Global Note to Rule 144A Global Note.* If, at any time an owner of a beneficial interest in a Regulation S Global Note deposited with the Securities Depository or with the Indenture Trustee as custodian for the Securities Depository wishes to transfer its interest in such Regulation S Global Note to a person who is required or permitted to take delivery thereof in the form of an interest in a Rule 144A Global Note, such owner shall, subject to the Applicable Procedures, exchange or cause the exchange of such interest for an equivalent beneficial interest in a Rule 144A Global Note as provided in this Section 2.08(a)(ii). Upon receipt by the Indenture Trustee of (1) instructions from Euroclear or Clearstream, if applicable, and the Securities Depository, directing the Indenture Trustee, as Note Registrar, to credit or cause to be credited a beneficial interest in the Rule 144A Global Note equal to the beneficial

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interest in the Regulation S Global Note to be exchanged, such instructions to contain information regarding the participant account with the Securities Depository to be credited with such increase, (2) a written order given in accordance with the Applicable Procedures containing information regarding the participant account of the Securities Depository and (3) if such transfer is being effected prior to the expiration of the "40-day distribution compliance period" (as defined by Regulation S under the Securities Act), a certificate in the form of Exhibit B-2 attached hereto given by the Note Owner of such beneficial interest stating (A) if the transfer is pursuant to Rule 144A, that the person transferring such interest in a Regulation S Global Note reasonably believes that the person acquiring such interest in a Rule 144A Global Note is a QIB and is obtaining such beneficial interest in a transaction meeting the requirements of Rule 144A and any applicable blue sky or securities laws of any State, (B) that the transfer complies with the requirements of Rule 144A under the Securities Act and any applicable blue sky or securities laws of any State or (C) if the transfer is pursuant to any other exemption from the registration requirements of the Securities Act, that the transfer of such interest has been made in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the requirements of the exemption claimed, such statement to be supported by an Opinion of Counsel from the transferee or the transferor in form reasonably acceptable to the Issuer and to the Indenture Trustee, then the Indenture Trustee, as Note Registrar, shall instruct the Securities Depository to reduce or cause to be reduced the initial Outstanding Note Balance of such Regulation S Global Note and to increase or cause to be increased the initial Outstanding Note Balance of the applicable Rule 144A Global Note by the initial principal amount of the beneficial interest in the Regulation S Global Note to be exchanged, and the Indenture Trustee, as Note Registrar, shall instruct the Securities Depository, concurrently with such reduction, to credit or cause to be credited to the account of the person specified in such instructions a beneficial interest in the applicable Rule 144A Global Note equal to the reduction in the Outstanding Note Balance at maturity of such Regulation S Global Note and to debit or cause to be debited from the account of the person making such transfer the beneficial interest in the Regulation S Global Note that is being transferred.

(b) *Transfer and Exchange from Definitive Notes to Definitive Notes*. When Definitive Notes are presented by a Holder to the Note Registrar with a request:

(i) to register the transfer of Definitive Notes in the form of other Definitive Notes; or

(ii) to exchange such Definitive Notes for an equal principal amount of Definitive Notes of other authorized denominations,

the Note Registrar shall register the transfer or make the exchange as requested; *provided, however*, that the Definitive Notes presented or surrendered for register of transfer or exchange shall be duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Note Registrar duly executed by such Holder or by his attorney, duly authorized in writing; and

(i)if such Definitive Note is being transferred to a QIB in accordance with Rule 144A or in an offshore transaction pursuant to Regulation S, a certification to that effect from such Holder (in the form of Exhibit B-3 hereto);

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(ii)if such Definitive Note is being transferred in reliance on any other exemption from the registration requirements of the Securities Act, a certification to that effect from such Holder (in the form of Exhibit B-3 hereto) and an Opinion of Counsel from such Holder or the transferee reasonably acceptable to the Issuer and to the Indenture Trustee to the effect that such transfer is in compliance with the Securities Act; or

(iii)if such Definitive Note is a Class B Note, a certification by the transferee in the form of Exhibit E hereto.

(c) *Restrictions on Transfer and Exchange of Global Notes.* Notwithstanding any other provision of this Indenture, a Global Note may not be transferred except by the Securities Depository to a nominee of the Securities Depository or by a nominee of the Securities Depository to the Securities Depository or another nominee of the Securities Depository or by the Securities Depository or any such nominee to a successor Securities Depository or a nominee of such successor Securities Depository.

(d) *Initial Issuance of the Notes*. The Initial Purchasers shall not be required to deliver, and neither the Issuer nor the Indenture Trustee shall demand therefrom, any of the certifications or opinions described in this Section 2.08 (other than the certifications described in Section 2.08(e)) in connection with the initial issuance of the Notes and the delivery thereof by the Issuer.

(e) *Transfer Restrictions for the Class B Notes.* Notwithstanding anything to the contrary herein, no transfer of a beneficial interest in a Class B Note shall be effective, and any attempted transfer shall be void ab initio, unless, prior to and as a condition of such transfer, each of the prospective transferee of the beneficial interest (including the initial transferee of the beneficial interest) and any subsequent transferee of the beneficial interest in a Class B Note, truthfully represents, warrants and covenants, in writing, substantially in the form of the transferee certification set forth in Exhibit E hereto to the Issuer, the Indenture Trustee and the Note Registrar, as applicable, and any of their respective successors or assigns that:

(i) Either (a) it is not and will not become, for U.S. federal income tax purposes, a partnership, S corporation, grantor trust or an entity that is disregarded as separate from any of the foregoing (each such entity a "**flow-through entity**") or (b) if it is or becomes a flow-through entity, then (1) none of the direct or indirect beneficial owners of any of the interests in such flow-through entity has or ever will have 50% or more of the value of its interest in such flow-through entity attributable to the beneficial interest of such flow-through entity in any Class B Note, other interest (direct or indirect) in the Issuer, or any interest created under this Indenture and (2) it is not and will not be a principal purpose of the arrangement involving the flow-through entity's beneficial interest in any Class B Note to permit any entity to satisfy the 100-partner limitation of Section 1.7704-1(h)(1)(ii) of the Treasury Regulations necessary for such entity not to be classified as a publicly traded partnership for U.S. federal income tax purposes.

(ii) It will not (a) acquire, sell, transfer, assign, participate, pledge or otherwise dispose of any of its interests in any Class B Note (or any interest therein that is described in Section 1.7704-1(a)(2)(i)(B) of the Treasury Regulations), or attempt to do any of the foregoing, on or through an "established securities market" within the meaning of Section 1.7704-1(b) of the Treasury Regulations (an "**Exchange**"), including, without limitation, any of the following: (x) a U.S. national, regional or local securities exchange, (y) a foreign securities exchange or (z) an inter-dealer quotation system that regularly disseminates firm buy or sell quotations by

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identified brokers or dealers (including, without limitation, the National Association of Securities Dealers Automated Quotation System) or (b) cause any of its interests in any Class B Note (or any interest therein that is described in Section 1.7704-1(a)(2)(i)(B) of the Treasury Regulations) to be marketed on or through an Exchange.

(iii) It will not cause any beneficial interest in any Class B Note to be traded or otherwise marketed on or through an "established securities market" or a "secondary market (or the substantial equivalent thereof)," each within the meaning of Section 7704(b) of the Code and the Treasury Regulations promulgated thereunder, including, without limitation, an interdealer quotation system that regularly disseminates firm buy or sell quotations.

(iv) Its beneficial interest in any Class B Note is not and will not be in an amount that is less than the Minimum Denomination (which for this purpose includes a lesser denomination if such denomination is solely a result of a reduction of principal due to payments made in accordance with this Indenture), and it does not and will not hold any beneficial interest in any Class B Note on behalf of any person whose beneficial interest in any Class B Note is in an amount that is less than the Minimum Denomination. It will not sell, transfer, assign, participate, pledge or otherwise dispose of any beneficial interest in any Class B Note or enter into any financial instrument or contract the value of which is determined by reference in whole or in part to any Class B Note, in each case, if the effect of doing so would be that the beneficial interest of any person in any Class B Note would be in an amount that is less than the Minimum Denomination.

(v) It will not transfer any beneficial interest in any Class B Note (directly, through a participation thereof, or otherwise) unless, prior to the transfer, the transferee of such beneficial interest will have executed and delivered to the Issuer, the Indenture Trustee and the Note Registrar, and any of their respective successors or assigns, a transferee certification as required in the form of Exhibit E hereto.

(vi) It will not enter into any financial instrument the payment on which, or the value of which, is determined in whole or in part by reference to an interest in any Class B Note (including the amount of payments on any Class B Note, the value of any Class B Note or any contract that otherwise is described in Section 1.7704-1(a)(2)(i)(B) of the Treasury Regulations).

(vii) It will not use any Class B Note as collateral for the issuance of any securities that could cause the Issuer to become subject to taxation as a corporation or a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes.

(viii) It will not take any action that could cause, and will not omit to take any action, which omission could cause, the Issuer to become taxable as a corporation for U.S. federal income tax purposes.

(ix) It will treat each Class B Note as indebtedness and indicate on all federal, state and local income tax and information returns and reports required to be filed with respect to any Class B Note, under any applicable federal, state or local tax statute or any rule or regulation under any of them, that each Class B Note is indebtedness unless otherwise required by Applicable Law.

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(x) It acknowledges that the Issuer may prohibit any transfer of any Class B Note if it reasonably believes that such transfer would violate any of these representations, warranties, and covenants.

(xi) It acknowledges that the Originator, the Indenture Trustee, the Note Registrar, the Issuer and others will rely on the truth and accuracy of the foregoing representations, warranties and covenants and agrees that if it becomes aware that any of the foregoing are no longer accurate, it will notify the Issuer.

The Indenture Trustee shall maintain a file of all such transferee certifications delivered to it and shall make such transferee certifications available to the Issuer upon request. The Issuer may refuse to recognize, and treat as void *ab initio*, any transfer of a Class B Note that it reasonably believes would violate any of the foregoing representations, warranties, and covenants.

Section 2.09 Mutilated, Destroyed, Lost or Stolen Notes. (a) If (i) any mutilated Note is surrendered to the Indenture Trustee or the Indenture Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, and (ii) there is delivered to the Indenture Trustee such security or indemnity as may be required by the Indenture Trustee to hold each of the Issuer and the Indenture Trustee harmless, then, in the absence of actual notice to the Issuer or the Indenture Trustee that such Note has been acquired by a protected purchaser, the Issuer shall execute, and the Indenture Trustee shall authenticate and deliver upon an Issuer Order, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Note, a new Note or Notes of the same tenor and Class and principal balance bearing a number not contemporaneously outstanding; *provided, however*, that if any such mutilated, destroyed, lost or stolen Note shall have become subject to receipt of payment in full, instead of issuing a new Note, the Indenture Trustee may make a payment with respect to such Note without surrender thereof, except that any mutilated Note shall be surrendered. If, after the delivery of such new Note or payment with respect to a destroyed, lost or stolen Note pursuant to the proviso to the preceding sentence, a protected purchaser of the original Note in lieu of which such new Note was issued presents for receipt of payments such original Note, the Issuer and the Indenture Trustee shall be entitled to recover such new Note (or such payment) from the Person to whom it was delivered or any Person taking such new Note from such Person, except a protected purchaser, and each of the Issuer and the Indenture Trustee shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage or cost incurred by the Issuer or the Indenture Trustee in connection therewith.

(b) Upon the issuance of any new Note under this Section 2.09, the Issuer or the Indenture Trustee may require the payment of a sum sufficient to cover any Tax or other governmental charge that may be imposed in relation thereto.

(c) Every new Note issued pursuant to this Section 2.09 in lieu of any destroyed, lost or stolen Note shall constitute an original additional contractual obligation of the Issuer, whether or not such destroyed, lost or stolen Note shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Notes duly issued hereunder.

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(d) The provisions of this Section 2.09 are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment with respect to mutilated, destroyed, lost or stolen Notes.

Section 2.10 Persons Deemed Noteholders. Before due presentment for registration of transfer of any Note, the Issuer, the Indenture Trustee and any agent of the Issuer or the Indenture Trustee may treat the Person in whose name any Note is registered as the owner of such Note (a) on the applicable Record Date for the purpose of receiving payments with respect to principal and interest on such Note and (b) on any date for all other purposes whatsoever, whether or not such Note be overdue, and none of the Issuer, the Indenture Trustee nor any agent of the Issuer or the Indenture Trustee shall be affected by any notice to the contrary.

Section 2.11 Cancellation of Notes. All Definitive Notes surrendered for payment, registration of transfer, exchange or prepayment shall, if surrendered to any Person other than the Indenture Trustee, be delivered to the Indenture Trustee and shall be promptly canceled by it. The Issuer may at any time deliver to the Indenture Trustee for cancellation any Note previously authenticated and delivered hereunder which the Issuer may have acquired in any manner whatsoever, and all Notes so delivered shall be promptly canceled by the Indenture Trustee. No Notes shall be authenticated in lieu of or in exchange for any Notes canceled as provided in this Section 2.11 except as expressly permitted by this Indenture. All canceled Notes shall be held and disposed of by the Indenture Trustee in accordance with its standard retention and disposal policy.

Section 2.12 Conditions to Closing. The Notes shall be executed, authenticated and delivered on the Closing Date in accordance with Section 2.05 and, upon receipt by the Indenture Trustee of the following:

(a) an Issuer Order authorizing the authentication and delivery of such Notes by the Indenture Trustee;

(b) the original Notes executed by the Issuer and true and correct copies of the Transaction Documents;

(c) Opinions of Counsel addressed to the Indenture Trustee, the Initial Purchasers and the Rating Agency in form and substance satisfactory to the Initial Purchasers and the Rating Agency addressing corporate, security interest, bankruptcy and other matters;

(d) an Officer's Certificate of an Authorized Officer of the Issuer, stating that:

(i)all representations and warranties of the Issuer contained in the Transaction Documents are true and correct and no defaults exist under the Transaction Documents;

(ii)the issuance of the Notes will not result in any breach of any of the terms, conditions or provisions of, or constitute a default under, this Indenture or any other Transaction Document, the Issuer Operating Agreement or any other constituent documents of the Issuer or any indenture, mortgage, deed of trust or other agreement or instrument to which the Issuer is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which the Issuer is a party or by which it may be bound or to which it may be

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subject, and that all conditions precedent provided in this Indenture relating to the authentication and delivery of the Notes have been fully satisfied; and

(iii)the conditions precedent described in this Indenture and in the other Transaction Documents, if any, have been satisfied;

(e) an Officer's Certificate dated as of the Closing Date, of an Authorized Officer of Sunnova Intermediate Holdings that:

(i)Sunnova Intermediate Holdings is not in default under any of the Transaction Documents to which it is a party, and the transfer of the Conveyed Property by it will not result in any breach of any of the terms, conditions or provisions of, or constitute a material default under, its organizational documents or any other constituent documents of it or any indenture, mortgage, deed of trust or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which it is a party or by which it may be bound or to which it may be subject;

(ii)all representations and warranties of it contained in each of the Transaction Documents to which it is a party are true and correct on and as of the Closing Date, as though made on and as of the Closing Date; and

(iii)all conditions precedent set forth in Section 2.12 and in the other Transaction Documents have been satisfied;

(f) an Officer's Certificate dated as of the Closing Date, of an Authorized Officer of Sunnova ABS Holdings V that:

(i)Sunnova ABS Holdings V is not in default under any of the Transaction Documents to which it is a party, and the transfer of the Conveyed Property by it will not result in any breach of any of the terms, conditions or provisions of, or constitute a material default under, its organizational documents or any other constituent documents of it or any indenture, mortgage, deed of trust or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which it is a party or by which it may be bound or to which it may be subject;

(ii)all representations and warranties of it contained in each of the Transaction Documents to which it is a party are true and correct on and as of the Closing Date, as though made on and as of the Closing Date; and

(iii)all conditions precedent set forth in Section 2.12 and in the other Transaction Documents have been satisfied;

(g) an Officer's Certificate dated as of the Closing Date, of an Authorized Officer of the Depositor that:

(i)the Depositor is not in default under any of the Transaction Documents to which it is a party, and the transfer of the Conveyed Property by it and the simultaneous Grant of the Trust Estate to the Indenture Trustee by the Issuer will not result in any breach of any of the terms, conditions or provisions of, or constitute a material default under, its organizational documents

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or any other constituent documents of it or any indenture, mortgage, deed of trust or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which it is a party or by which it may be bound or to which it may be subject;

(ii)all representations and warranties of it on and as of the Closing Date, as though made on and as of the Closing Date contained in each of the Transaction Documents to which it is a party are true and correct; and

(iii)all conditions precedent set forth in Section 2.12 and in the other Transaction Documents have been satisfied;

(h) an Officer's Certificate dated as of the Closing Date, of an Authorized Officer of Sunnova Management that:

(i)Sunnova Management is not in default under any of the Transaction Documents to which it is a party, and the performance by Sunnova Management under the Transaction Documents to which it is a party, will not result in any breach of any of the terms, conditions or provisions of, or constitute a material default under, its organizational documents or any other constituent documents of it or any indenture, mortgage, deed of trust or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which it is a party or by which it may be bound or to which it may be subject;

(ii)all representations and warranties of it contained in each of the Transaction Documents to which it is a party are true and correct on and as of the Closing Date, as though made on and as of the Closing Date; and

(iii)all conditions precedent set forth in Section 2.12 and in the other Transaction Documents have been satisfied;

(i) an Officer's Certificate dated as of the Closing Date, of an Authorized Officer of Sunnova Energy that:

(i)Sunnova Energy is not in default under any of the Transaction Documents to which it is a party, and the performance by Sunnova Energy under the Transaction Documents to which it is a party, will not result in any breach of any of the terms, conditions or provisions of, or constitute a material default under, its organizational documents or any other constituent documents of it or any indenture, mortgage, deed of trust or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which it is a party or by which it may be bound or to which it may be subject;

(ii)all representations and warranties of it contained in each of the Transaction Documents to which it is a party are true and correct on and as of the Closing Date, as though made on and as of the Closing Date; and

(iii)all conditions precedent set forth in Section 2.12 and in the other Transaction Documents have been satisfied;

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(j) a Secretary's Certificate dated as of the Closing Date of each of Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, Sunnova Management, the Depositor and the Issuer regarding certain organizational matters and the incumbency of the signatures of Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, Sunnova Management, the Depositor and the Issuer;

(k) the assignment to Sunnova ABS Holdings V by Sunnova Intermediate Holdings of its right, title and interest in the Solar Loans, the assignment to the Depositor by Sunnova ABS Holdings V of its right, title and interest in the Solar Loans and the assignment to the Issuer by the Depositor of its right, title and interest in the Solar Loans, each pursuant to the Contribution Agreement duly executed by Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Depositor and the Issuer;

(l) presentment of all applicable UCC termination statements or partial releases (collectively, the "*Termination Statements*") terminating the Liens of creditors of Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Depositor, any of their Affiliates or any other Person with respect to any part of the Trust Estate (except as expressly contemplated by the Transaction Documents) and the Financing Statements (which shall constitute all of the Perfection UCCs with respect to the Closing Date) to the proper Person for filing to perfect the Indenture Trustee's first priority Lien on the Trust Estate, subject to Permitted Liens;

(m) evidence that the Indenture Trustee has established the Collection Account, the Reserve Account, the Prefunding Account, the Equipment Replacement Reserve Account, the Section 25D Interest Account and the Capitalized Interest Account;

(n) evidence that Sunnova Energy has established the Obligor Security Deposit Account;

(o) delivery by the Custodian to the Issuer and the Indenture Trustee of an executed Closing Date Certification;

(p) delivery by the Rating Agency to the Issuer and the Indenture Trustee of its rating letter assigning a rating to the Class A Notes of at least "A-(sf)" and to the Class B Notes of at least "BB-(sf)";

(q) the Servicer shall have deposited or shall have caused to be deposited all amounts received in respect of the Solar Loans since the Initial Cut-Off Date into the Collection Account (other than Obligor Security Deposits received from an Obligor, which will be deposited by the Servicer into the Obligor Security Deposit Account);

(r) the Reserve Account Required Balance shall have been deposited into the Reserve Account;

(s) the Section 25D Account Required Amount as of the Closing Date shall have been deposited into the Section 25D Interest Account;

(t) the Prefunding Account Initial Deposit shall have been deposited into the Prefunding Account;

(u) the Capitalized Interest Account Deposit shall have been deposited into the Capitalized Interest Account; and

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(v) any other certificate, document or instrument reasonably requested by the Initial Purchasers or the Indenture Trustee.

Section 2.13 Definitive Notes. The Notes will be issued as Definitive Notes, rather than to DTC or its nominee, only if (a) the Securities Depository notifies the Issuer and the Indenture Trustee that it is unwilling or unable to continue as the Securities Depository with respect to any or all of the Notes or (b) at any time the Securities Depository shall no longer be registered or in good standing under the Securities Exchange Act of 1934, as amended, or other applicable statute or regulation, as required, and in either case a successor Securities Depository is not appointed by the Issuer within 90 days after the Issuer receives notice or becomes aware of such condition, as the case may be. Upon the occurrence of any of the events described in the immediately preceding paragraph, the Issuer will issue the Notes of each Class in the form of Definitive Notes and thereafter the Indenture Trustee will recognize the holders of such Definitive Notes as Noteholders of each such Class under this Indenture. In connection with any proposed transfer outside the book entry system or exchange of beneficial interest in a Note for Notes in definitive registered form, the Issuer shall be required to provide or cause to be provided to the Indenture Trustee all information reasonably available to it that is reasonably requested by the Indenture Trustee and is otherwise necessary to allow the Indenture Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Section 6045 of the Code. The Indenture Trustee may rely on any such information provided to it and shall have no responsibility to verify or ensure the accuracy of such information. The Indenture Trustee shall not have any responsibility or liability for any actions taken or not taken by DTC.

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Section 2.14 Access to List of Noteholders' Names and Addresses. The Indenture Trustee shall furnish or cause to be furnished to the Servicer within 15 days after receipt by the Indenture Trustee of a request therefor from the Servicer in writing, a list, in such form as the Servicer may reasonably require, of the names and addresses of the Noteholders as of the most recent Record Date.

Section 2.15 Recharacterized Notes. Notwithstanding anything to the contrary herein, if (1) any taxing authority asserts that any of the Notes are not properly classifiable as indebtedness for income Tax purposes ("*Recharacterized Notes*") and (2) either (A) the Issuer determines that it will not challenge the assertion of such taxing authority or (B) any such challenge is unsuccessful, the Issuer and the Noteholders agree that (i) the Holders of the Recharacterized Notes shall be treated for all income Tax purposes as partners of a partnership from the issuance of the Notes, (ii) payments on the Recharacterized Notes shall be treated as "guaranteed payments" under Section 707 of the Code and (iii) all items of taxable income, gain, loss, deduction, or credit of the partnership for such taxable year and any separately allocable items thereof shall be allocated to the member(s) of the Issuer under the Issuer Operating Agreement. In the event it is determined that payments on the Recharacterized Notes are not properly treated as "guaranteed payments" in accordance with clause (ii) of the preceding sentence, then, prior to the application of clause (iii) of the preceding sentence, taxable income or items of gross income of the partnership for each taxable year of the partnership, in an amount corresponding to the aggregate distributions of interest to the Holders of Recharacterized Notes made pursuant to the terms of this Indenture during such taxable year, shall be specially allocated to the Holders of the Recharacterized Notes pro rata in the proportion that the amount of distributions received by each such Holder during such taxable year bears to the aggregate amount of distributions of interest received by all Holders of Recharacterized Notes pursuant to the terms of this Indenture during such taxable year; provided, that to the extent that distributions of interest to the Holders of Recharacterized Notes pursuant to the terms of this Indenture during any taxable year exceed the taxable income or gross income of the partnership during such taxable year, the amount of such excess shall be specially allocated to such Holders in accordance with the preceding provisions of this Section 2.15 in any subsequent taxable year or years of the partnership to the extent of the taxable income or gross income of the partnership in such subsequent taxable year or years. The foregoing provisions of this Section 2.15 are intended to comply with the requirements of Section 704 of the Code and the Treasury Regulations promulgated thereunder, including, without limitation, the "qualified income offset" requirement of Treasury Regulation Section 1.704-1(b)(2)(ii)(d) and the partner minimum gain chargeback provisions of Treasury Regulation Section 1.704-2, and shall be interpreted and applied in a manner consistent therewith.

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Section 2.16 Funding Events. (a) The Issuer may acquire Solar Loans during the Prefunding Period only upon the satisfaction of the following conditions:

(i)On or prior to each Transfer Date, the Issuer shall have delivered, or caused to be delivered, to the Indenture Trustee, the following:

(A) a duly executed Subsequent Solar Loan Assignment with respect to the related Subsequent Solar Loans;

(B) an executed Prefunding Notice in the form of Exhibit G relating to such Subsequent Solar Loan Transfer together with an electronic transmission of an updated Schedule of Solar Loans in a format acceptable to the Indenture Trustee shall have been delivered at least five Business Days prior to such Transfer Date; and

(C) a Prefunding Certificate in the form of Exhibit F executed by an Authorized Officer of the Issuer relating to such Subsequent Solar Loan Transfer attaching an updated Schedule of Solar Loans.

(ii)On or prior to each Transfer Date, the Custodian shall have delivered to the Issuer and the Indenture Trustee an executed Transfer Date Certification.

(iii)No Event of Default shall have occurred and be continuing or would be caused by such Subsequent Solar Loan Transfer.

(iv)The Servicer shall have deposited in the Collection Account all collections received by the Servicer in respect of the related Subsequent Solar Loans since the related Cut-Off Date (other than Obligor Security Deposits received from an Obligor, which will be deposited by the Servicer into the Obligor Security Deposit Account).

(v)The Prefunding Period Termination Date shall not have occurred.

(vi)The Issuer shall have taken any action required to maintain the first priority perfected ownership interest of the Issuer and the Indenture Trustee in the Trust Estate (including the related Subsequent Solar Loans and any rights related thereto).

(vii)If the Reserve Account Required Balance exceeds the amount on deposit in the Reserve Account as of such Transfer Date, an amount equal to such difference shall have been deposited into the Reserve Account.

(viii)The Section 25D Account Required Amount, if any, for each related Subsequent Solar Loan shall have been deposited into the Section 25D Interest Account.

(b) Upon receipt of a Prefunding Notice, the Indenture Trustee shall withdraw funds from the Prefunding Account an amount equal to the Acquisition Price of the Subsequent Solar Loans acquired on such Transfer Date and shall forward such funds to or at the direction of the Depositor on such Transfer Date, in cash by federal wire transfer funds, pursuant to the written directions provided to the Indenture Trustee in the Prefunding Notice.

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Article III.

Covenants; Collateral; Representations; Warranties

Section 3.01 Performance of Obligations. (a) The Issuer will not take any action or permit any action to be taken by others which would release any Person from any of such Person's covenants or obligations in any Transaction Document or under any instrument or agreement included in the Trust Estate or that would result in the amendment, hypothecation, subordination, termination or discharge of, or impair the validity or effectiveness of, any such instrument or agreement, except as ordered by any bankruptcy or other court or as permitted by, or expressly provided in this Indenture, the Transaction Documents or such other instrument or agreement.

(b) To the extent consistent with the Issuer Operating Agreement, the Issuer may contract with other Persons to assist it in performing its duties hereunder, and any performance of such duties shall be deemed to be action taken by the Issuer. To the extent that the Issuer contracts with other Persons which include or may include the furnishing of reports, notices or correspondence to the Indenture Trustee, the Issuer shall identify such Persons in a written notice to the Indenture Trustee.

(c) The Issuer shall and shall require that the Depositor, Sunnova Intermediate Holdings and Sunnova ABS Holdings V characterize (i) each transfer of the Conveyed Property by Sunnova Intermediate Holdings to Sunnova ABS Holdings V, each transfer of the Conveyed Property by Sunnova ABS Holdings V to the Depositor and each transfer of the Conveyed Property by the Depositor to the Issuer pursuant to the Contribution Agreement as an absolute transfer for legal purposes, (ii) the Grant of the Trust Estate by the Issuer under this Indenture as a pledge for financial accounting purposes, and (iii) the Notes as indebtedness for U.S. federal income tax purposes (unless otherwise required by Applicable Law) and for financial accounting purposes. In this regard, the financial statements of SEI and its consolidated subsidiaries will show the Solar Loans as owned by the consolidated group and the Notes as indebtedness of the consolidated group (and will contain appropriate footnotes stating that the assets of the Issuer will not be available to creditors of SEI, Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V or the Depositor or any other Person), and the U.S. federal income Tax Returns of SEI and its consolidated subsidiaries that are regarded entities for U.S. federal income tax purposes will indicate that the Notes are indebtedness unless otherwise required by Applicable Law. The Issuer will cause Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V and the Depositor to file all required Tax Returns and associated forms, reports, schedules and supplements thereto in a manner consistent with such characterizations unless otherwise required by Applicable Law.

(d) The Issuer covenants to pay, or cause to be paid, all Taxes or other similar charges levied by any governmental authority with regard to the Trust Estate, except to the extent that the validity or amount of such Taxes is contested in good faith, via appropriate Proceedings and with adequate reserves established and maintained therefor in accordance with GAAP.

(e) The Issuer hereby assumes liability for all liabilities associated with the Trust Estate or created under this Indenture, including but not limited to any obligation arising from the breach or inaccuracy of any representation, warranty or covenant of the Issuer set forth herein except as provided in the Transaction Documents. Notwithstanding the foregoing, the Issuer has and shall have no liability with respect to the payment of principal and interest on the Notes, except as otherwise provided in this Indenture.

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(f) The Issuer will perform and observe all of its obligations and agreements contained in this Indenture, the Transaction Documents and in the instruments and agreements included in the Trust Estate, including, but not limited to, preparing (or causing to be prepared) and filing (or causing to be filed) all UCC financing statements and continuation statements required to be filed by the terms of this Indenture and the other Transaction Documents in accordance with and within the time periods provided for herein and therein. Except as otherwise expressly provided therein, the Issuer shall not waive, amend, modify, supplement or terminate any Transaction Document or any provision thereof without the consent of the Indenture Trustee (acting at the direction of the Majority Noteholders of the Controlling Class).

(g) If an Event of Default or Manager Termination Event shall arise from the failure of the Manager to perform any of its duties or obligations under the Management Agreement, the Issuer shall take all reasonable steps available to it to remedy such failure, including appointing a replacement Manager pursuant to the terms of the Management Agreement.

(h) If an Event of Default or Servicer Termination Event shall arise from the failure of the Servicer to perform any of its duties or obligations under the Servicing Agreement, the Issuer shall take all reasonable steps available to it to remedy such failure, including appointing a replacement Servicer pursuant to the terms of the Servicing Agreement.

(i) The Issuer, or the Servicer on behalf of the Issuer, will supply to the Indenture Trustee for further distribution to the Noteholders, at the time and in the manner required by applicable Treasury Regulations, and to the extent required by applicable Treasury Regulations, information with respect to any original issue discount accruing on the Notes.

(j) The Issuer agrees to promptly notify the Indenture Trustee in writing, such notice to be made available to the Noteholders, if it obtains actual knowledge that any Electronic Vault is terminated or the underlying control arrangements for any Electronic Vault are changed in any manner that could reasonably be expected to be adverse to the Noteholders and if any authoritative electronic copies of Solar Loans stored therein are no longer held within an Electronic Vault or are otherwise removed from an Electronic Vault.

Section 3.02 Negative Covenants. In addition to the restrictions and prohibitions set forth in Sections 3.04 and 3.10 and elsewhere herein, the Issuer will not:

(a) sell, transfer, exchange or otherwise dispose of any portion of its interest in the Trust Estate except as expressly permitted by this Indenture or the Transaction Documents;

(b) permit the validity or effectiveness of this Indenture or any Grant hereunder to be impaired or permit any Person to be released from any covenants or obligations under this Indenture, except as may be expressly permitted hereby or under any other Transaction Document;

(c) create, incur or suffer, or permit to be created or incurred or to exist any Lien on any of the Trust Estate or (ii) permit the Lien created by this Indenture not to constitute a valid first priority, perfected Lien on the Trust Estate, in each case subject to Permitted Liens;

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(d) take any action or fail to take any action which action or failure to act may cause the Issuer to become classified as an association, a publicly traded partnership or a taxable mortgage pool that is taxable as a corporation for U.S. federal income tax purposes; or

(e) act in violation of its organization documents.

Section 3.03 Money for Note Payments. (a) All payments with respect to any Notes which are to be made from amounts withdrawn from the Collection Account pursuant to the Priority of Payments or the Acceleration Event Priority of Payments, as applicable, shall be made on behalf of the Issuer by the Indenture Trustee, and no amounts so withdrawn from an Account for payments with respect to the Notes shall be paid over to the Issuer under any circumstances except as provided in this Section 3.03 and Article V.

(b) When the Indenture Trustee is not also the Note Registrar, the Issuer shall furnish, or cause the Note Registrar to furnish, with respect to Global Notes, on each Record Date, and with respect to Definitive Notes, no later than the fifth calendar day after each Record Date, a list, in such form as the Indenture Trustee may reasonably require, of the names and addresses of the Noteholders and of the number of individual Notes and the Outstanding Note Balance held by each such Noteholder.

(c) Any money held by the Indenture Trustee in trust for the payment of any amount distributable but unclaimed with respect to any Note shall be held in a non-interest bearing trust account, and if the same remains unclaimed for two years after such amount has become due to such Noteholder, such money shall be discharged from such trust and paid to the Issuer upon an Issuer Order without any further action by any Person; and the Holder of such Note shall thereafter, as an unsecured general creditor, look only to the Issuer for payment thereof (but only to the extent of the amounts so paid to the Issuer), and all liability of the Indenture Trustee with respect to such trust money shall thereupon cease. The Indenture Trustee may adopt and employ, at the expense of the Issuer, any reasonable means of notification of such payment (including, but not limited to, mailing notice of such payment to Noteholders whose Notes have been called but have not been surrendered for prepayment or whose right to or interest in moneys due and payable but not claimed is determinable from the records of the Indenture Trustee, at the last address of record for each such Noteholder).

Section 3.04 Restriction of Issuer Activities. Until the date that is 365 days after the Termination Date, the Issuer will not on or after the date of execution of this Indenture:

(a) engage in any business or investment activities other than those necessary for, incident to, connected with or arising out of, owning and Granting the Trust Estate to the Indenture Trustee for the benefit of the Noteholders, or contemplated hereby, in the Transaction Documents and the Issuer Operating Agreement;

(b) incur any indebtedness secured in any manner by, or having any claim against, the Trust Estate or the Issuer other than indebtedness arising hereunder and in connection with the Transaction Documents and as otherwise expressly permitted in a Transaction Document;

(c) incur any other indebtedness except as permitted in the Issuer Operating Agreement;

(d) amend, or propose to the member of the Depositor for their consent any amendment of, the Issuer Operating Agreement (or, if the Issuer shall be a successor to the Person named as the Issuer

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in the first paragraph of this Indenture, amend, consent to amendment or propose any amendment of, the governing instruments of such successor), without giving notice thereof in writing, 30 days prior to the date on which such amendment is to become effective, to the Rating Agency;

(e) except as otherwise expressly permitted by this Indenture or the Transaction Documents, sell, transfer, exchange or otherwise dispose of any of the properties or assets of the Issuer, including those included in the Trust Estate;

(f) claim any credit on, or make any deduction from the principal or interest payable in respect of, the Notes (other than amounts properly withheld from such payments under the Code) or assert any claim against any present or former Noteholder by reason of the payment of the Taxes levied or assessed upon any part of the Trust Estate;

(g) permit the validity or effectiveness of this Indenture to be impaired, or permit the Lien in favor of the Indenture Trustee created by this Indenture to be amended, hypothecated, subordinated, terminated or discharged, or permit any Person to be released from any covenants or obligations with respect to the Notes under this Indenture except as may be expressly permitted hereby;

(h) permit the Lien of this Indenture not to constitute a valid perfected first priority (other than with respect to a Permitted Lien) Lien on the Trust Estate; or

(i) dissolve, liquidate, merge or consolidate with any other Person, other than in compliance with Section 3.10 if any Notes are Outstanding.

Section 3.05 Protection of Trust Estate. (a) The Issuer intends the Lien Granted pursuant to this Indenture in favor of the Indenture Trustee for the benefit of the Noteholders to be prior to all other Liens in respect of the Trust Estate, subject to Permitted Liens, and the Issuer shall take all actions necessary to obtain and maintain, in favor of the Indenture Trustee and the Noteholders, a first priority, perfected Lien on the Trust Estate, subject to Permitted Liens. Subject to Section 3.05(f), the Issuer will from time to time prepare, execute (or authorize the filing of) and deliver all such supplements and amendments hereto and all such financing statements, continuation statements, instruments of further assurance, and other instruments, and will take such other action as may be necessary or advisable to:

(i)provide further assurance with respect to such Grant and/or Grant more effectively all or any portion of the Trust Estate;

(ii)(A) maintain and preserve the Lien (and the priority thereof) in favor of the Indenture Trustee created by this Indenture and (B) enforce the terms and provisions of this Indenture or carry out more effectively the purposes hereof;

(iii)perfect or protect the validity of, any Grant made or to be made by this Indenture;

(iv)enforce its rights under the Transaction Documents; or

(v)preserve and defend title to any asset included in the Trust Estate and the rights of the Indenture Trustee and of the Noteholders in the Trust Estate against the claims of all Persons.

The Issuer shall deliver or cause to be delivered to the Indenture Trustee file-stamped copies of, or filing receipts for, any document recorded, registered or filed as provided above, as soon as available

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following such recording, registration or filing. The Issuer shall cooperate fully with the Indenture Trustee in connection with the obligations set forth above and will execute (or authorize the filing of) any and all documents reasonably required to fulfill the intent of this Section 3.05.

(b) The Issuer hereby irrevocably appoints the Indenture Trustee as its agent and attorney-in-fact (such appointment being coupled with an interest) to execute, or authorize the filing of, upon the Issuer's failure to do so, any financing statement or continuation statement required pursuant to this Section 3.05; *provided, however*, that such designation shall not be deemed to create any duty in the Indenture Trustee to monitor the compliance of the Issuer with the foregoing covenants; and *provided further*, that the Indenture Trustee shall only be obligated to execute or authorize such financing statement or continuation statement upon written direction of the Servicer and upon written notice to a Responsible Officer of the Indenture Trustee of the failure of the Issuer to comply with the provisions of Section 3.05(a); shall not be required to pay any fees, Taxes or other governmental charges in connection therewith; and shall not be required to prepare any financing statement or continuation statement required pursuant to this Section 3.05 (which shall in each case be prepared by the Issuer or the Servicer). The Issuer shall cooperate with the Servicer and provide to the Servicer any information, documents or instruments with respect to such financing statement or continuation statement that the Servicer may reasonably require. Neither the Indenture Trustee nor any of its officers, directors, employees, attorneys or agents will be responsible or liable for the existence, genuineness, value or protection of any collateral securing the Notes, for the legality, enforceability, effectiveness or sufficiency of the Transaction Documents or any financing statement or continuation statement for the creation, perfection, continuation, priority, sufficiency or protection of any of the liens, or for any defect or deficiency as to any such matters, for monitoring the status of any lien or performance of the collateral or for the accuracy or sufficiency of any financing statement or continuation statement prepared for its execution or authorization hereunder.

(c) Except as necessary or advisable in connection with the fulfillment by the Indenture Trustee of its duties and obligations described herein or in any other Transaction Document, the Indenture Trustee shall not remove any portion of the Trust Estate that consists of money or is evidenced by an instrument, certificate or other writing from the jurisdiction in which it was held as described in the most recent Opinion of Counsel that was delivered pursuant to Section 3.06 (or from the jurisdiction in which it was held as described in the Opinion of Counsel delivered at the Closing Date pursuant to Section 2.12(c), if no Opinion of Counsel has yet been delivered pursuant to Section 3.06) unless the Indenture Trustee shall have first received an Opinion of Counsel to the effect that the Lien created by this Indenture with respect to such property will continue to be maintained after giving effect to such action or actions.

(d) No later than 30 days prior to any of Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Depositor or the Issuer making any change in its or their name, identity, jurisdiction of organization or structure which would make any financing statement or continuation statement filed in accordance with Section 3.05(a) above seriously misleading within the meaning of Section 9-506 of the UCC as in effect in New York or wherever else necessary or appropriate under Applicable Law, or otherwise impair the perfection of the Lien on the Trust Estate, the Issuer shall give or cause to be given to the Indenture Trustee written notice of any such change and shall file such financing statements or amendments as may be necessary to continue the perfection of the Indenture Trustee's Lien on the Trust Estate. None of Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Depositor or the Issuer shall become or seek to become organized under the laws of more than one jurisdiction.

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(e) The Issuer shall give the Indenture Trustee written notice at least 30 days prior to any relocation of Sunnova Intermediate Holdings', Sunnova ABS Holdings V's, the Depositor's or the Issuer's respective principal executive office or jurisdiction of organization and whether, as a result of such relocation, the applicable provisions of relevant law or the UCC would require the filing of any amendment of any previously filed financing or continuation statement or of any new financing statement and shall file such financing statements or amendments as may be necessary to continue the perfection of the Indenture Trustee's Lien on the Trust Estate. The Issuer shall at all times maintain its principal executive office and jurisdiction of organization within the United States of America.

(f) Notwithstanding anything to the contrary in this Section 3.05 or otherwise in this Indenture, UCC Fixture Filings will be maintained in the name of the initial Servicer, as secured party, on behalf of the Issuer and the Indenture Trustee. A UCC Fixture Filing may, or at the direction of the Issuer or the Servicer shall, be released by the secured party in connection with an Obligor refinancing transaction or sale of the related home, so long as the Servicer re-files the UCC Fixture Filing within 10 Business Days of obtaining knowledge of, but no later than 45 calendar days of, the closing of such refinancing or sale (if applicable). Following an Event of Default or the removal of Sunnova Management as Servicer following a Servicer Termination Event, the Servicer shall cause each UCC Fixture Filing to be assigned to the Indenture Trustee as secured party. To the extent the Servicer fails to do so, the Indenture Trustee is authorized to do so, but only if the Indenture Trustee is given a written direction or an Opinion of Counsel specifying the jurisdictions in which such filings shall be made and attaching copies of the applicable assignments of the UCC Fixture Filings to be filed by the Indenture Trustee.

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Section 3.06 Opinions and Officer's Certificate as to Trust Estate. (a) On the Closing Date and, if requested by the Indenture Trustee on the date of each supplemental indenture hereto, the Issuer shall furnish to the Indenture Trustee an Opinion of Counsel to the effect that, in the opinion of such counsel, either (i) such action has been taken with respect to the recording and filing of the requisite documents (except as set forth in Section 3.05(f) and assuming the filing of any required financing statements and continuation statements) as are necessary to perfect and make effective the Lien on the Trust Estate in favor of the Indenture Trustee for the benefit of the Noteholders, created by this Indenture, subject to Permitted Liens, and reciting the details of such action or (ii) no such action is necessary to make such Lien effective.

(b) On or before the thirtieth day prior to the fifth anniversary of the Closing Date and every five years thereafter until the earlier of the Rated Final Maturity or the Termination Date, the Issuer shall furnish to the Indenture Trustee an Officer's Certificate either stating that, (i) such action has been taken with respect to the recording, filing, re-recording and re-filing of the requisite documents, except as set forth in Section 3.05(f), including the filing of any financing statements and continuation statements as is necessary to maintain the Lien created by this Indenture with respect to the Trust Estate and reciting the details of such action or (ii) no such action is necessary to maintain such Lien. The Issuer shall also provide the Indenture Trustee with a file stamped copy of any document or instrument filed as described in such Officer's Certificate contemporaneously with the delivery of such Officer's Certificate. Such Officer's Certificate shall also describe the recording, filing, re-recording and re-filing of the requisite documents, except as set forth in Section 3.05(f), including the filing of any financing statements and continuation statements that will be required to maintain the Lien of this Indenture with respect to the Trust Estate. If the Officer's Certificate delivered to the Indenture Trustee hereunder specifies future action to be taken by the Issuer, the Issuer shall furnish a further Officer's Certificate no later than the time so specified in such former Officer's Certificate to the extent required by this Section 3.06.

Section 3.07 Statement as to Compliance. The Issuer will deliver to the Indenture Trustee, the Rating Agency and the Initial Purchasers, within 120 days after the end of each calendar year (beginning with calendar year 2021), an Officer's Certificate of the Issuer stating, as to the signer thereof, that, (a) a review of the activities of the Issuer during the preceding calendar year and of its performance under this Indenture has been made under such officer's supervision, (b) to the best of such officer's knowledge, based on such review, the Issuer has fulfilled all its obligations under this Indenture throughout such year, or, if there has been a default in the fulfillment of any such obligation, specifying each such default known to such officer and the nature and status thereof and remedies therefor being pursued, and (c) to the best of such officer's knowledge, based on such review, no event has occurred and has been waived which is, or after notice or lapse of time or both would become, an Event of Default hereunder or, if such an event has occurred and has not been waived, specifying each such event known to him or her and the nature and status thereof and remedies therefor being pursued.

Section 3.08 Schedule of Solar Loans. Upon any acquisition of Subsequent Solar Loans or Qualified Substitute Solar Loans, the Issuer shall cause the Servicer to update the Schedule of Solar Loans to add such Subsequent Solar Loans or Qualified Substitute Solar Loans to the Schedule of Solar Loans and deliver such updated Schedule of Solar Loans to the Indenture Trustee.

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Section 3.09 Recording. The Issuer will, upon the Closing Date and thereafter from time to time, prepare and cause financing statements and such other instruments as may be required with respect thereto, including without limitation, the Financing Statements to be filed, registered and recorded as may be required by present or future law (with file stamped copies thereof delivered to the Indenture Trustee) to create, perfect and protect the Lien hereof upon the Trust Estate, and protect the validity of this Indenture. The Issuer shall, from time to time, perform or cause to be performed any other act as required by law and shall execute (or authorize, as applicable) or cause to be executed (or authorized, as applicable) any and all further instruments (including financing statements, continuation statements and similar statements with respect to any of said documents with file stamped copies thereof delivered to the Indenture Trustee) that are necessary or reasonably requested by the Indenture Trustee for such creation, perfection and protection. The Issuer shall pay, or shall cause to be paid, all filing, registration and recording taxes and fees incident thereto, and all expenses, Taxes and other governmental charges incident to or in connection with the preparation, execution, authorization, delivery or acknowledgment of the recordable documents, any instruments of further assurance, and the Notes.

Section 3.10 Agreements Not to Institute Bankruptcy Proceedings; Additional Covenants. (a) The Issuer shall only voluntarily institute any Proceedings to adjudicate the Issuer as bankrupt or insolvent, consent to the institution of bankruptcy or insolvency Proceedings against the Issuer, file a petition seeking or consenting to reorganization or relief under any applicable federal or State law relating to bankruptcy, consent to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of the Issuer or a substantial part of its property or admit its inability to pay its debts generally as they become due or authorize any of the foregoing to be done or taken on behalf of the Issuer, in accordance with the terms of the Issuer Operating Agreement.

(b) So long as any of the Notes are Outstanding:

(i)The Issuer will keep in full effect its existence, rights and franchises as a limited liability company under the laws of the State of Delaware and will obtain and preserve its qualification to do business in each jurisdiction in which such qualification is or shall be necessary to protect the validity and enforceability of this Indenture, the Notes and each asset included in the Trust Estate.

(ii)The Issuer shall not consolidate or merge with or into any other entity or convey or transfer its properties and assets substantially as an entirety to any entity unless (A) the entity (if other than the Issuer) formed or surviving such consolidation or merger, or that acquires by conveyance or transfer the properties and assets of the Issuer substantially as an entirety, shall be organized and existing under the laws of the United States of America or any State thereof as a special purpose bankruptcy remote entity, and shall expressly assume in form satisfactory to the Rating Agency the obligation to make due and punctual payments of principal and interest on the Notes then Outstanding and the performance of every covenant on the part of the Issuer to be performed or observed pursuant to this Indenture, (B) immediately after giving effect to such transaction, no Default or Event of Default under this Indenture shall have occurred and be continuing, (C) the Issuer shall have delivered to the Rating Agency and the Indenture Trustee an Officer's Certificate of the Issuer and an Opinion of Counsel, each stating that such consolidation, merger, conveyance or transfer complies with this Indenture and (D) the Issuer shall have given prior written notice of such consolidation or merger to the Rating Agency.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

(iii)The funds and other assets of the Issuer shall not be commingled with those of any other Person except to the extent expressly permitted under the Transaction Documents.

(iv)The Issuer shall not be, become or hold itself out as being liable for the debts of any other Person.

(v)The Issuer shall not form, or cause to be formed, any subsidiaries.

(vi)The Issuer shall act solely in its own name and through its Authorized Officers or duly authorized agents in the conduct of its business, and shall conduct its business so as not to mislead others as to the identity of the entity with which they are concerned. The Issuer shall not have any employees other than the Authorized Officers of the Issuer.

(vii)The Issuer shall maintain its records and books of account and shall not commingle its records and books of account with the records and books of account of any other Person. The books of the Issuer may be kept (subject to any provision contained in the applicable statutes) inside or outside the State of Delaware at such place or places as may be designated from time to time by the Issuer Operating Agreement.

(viii)All actions of the Issuer shall be taken by an Authorized Officer of the Issuer (or any Person acting on behalf of the Issuer).

(ix)The Issuer shall not amend its certificate of formation (except as required under Delaware law) or the Issuer Operating Agreement, without first giving prior written notice of such amendment to the Rating Agency (a copy of which shall be provided to the Indenture Trustee).

(x)The Issuer maintains and will maintain the formalities of the form of its organization.

(xi)The annual financial statements of SEI and its consolidated subsidiaries will disclose the effects of the transactions contemplated by the Transaction Documents in accordance with GAAP. Any consolidated financial statements which consolidate the assets and earnings of SEI, Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V or the Depositor with those of the Issuer will contain a footnote to the effect that the assets of the Issuer will not be available to creditors of SEI, Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V or the Depositor or any other Person other than creditors of the Issuer. The financial statements of the Issuer, if any, will disclose that the assets of SEI, Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V and the Depositor are not available to pay creditors of the Issuer.

(xii)Other than certain costs and expenses related to the issuance of the Notes and pursuant to the Performance Guaranty, none of Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V or the Depositor shall pay the Issuer's expenses, guarantee the Issuer's obligations or advance funds to the Issuer for payment of expenses except for costs and expenses for which Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V or Depositor is required to make payments, in which case the Issuer will reimburse such Person for such payment.

(xiii)All business correspondences of the Issuer are and will be conducted in the Issuer's own name.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

(xiv)Other than as contemplated by the Transaction Documents, none of Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V or the Depositor acts or will act as agent of the Issuer and the Issuer does not and will not act as agent of Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V or the Depositor.

(xv)[Reserved].

(xvi)The Issuer shall not make any expenditure (by long-term or operating lease or otherwise) to acquire capital assets (either realty or personalty) other than pursuant to the Contribution Agreement.

(xvii)The Issuer shall comply with the requirements of all Applicable Laws, the non-compliance with which would have a Material Adverse Effect with respect to the Issuer.

(xviii)The Issuer shall not, directly or indirectly, (A) pay any dividend or make any distribution (by reduction of capital or otherwise), whether in cash, property, securities or a combination thereof, to any owner of a beneficial interest in the Issuer or otherwise with respect to any ownership or equity interest or security in or of the Issuer, (B) redeem, purchase, retire or otherwise acquire for value any such ownership or equity interest or security or (C) set aside or otherwise segregate any amounts for any such purpose; *provided, however*, that the Issuer may make, or cause to be made, distributions to the Depositor as permitted by, and to the extent funds are available for such purpose under, this Indenture and the other Transaction Documents. The Issuer will not, directly or indirectly, make payments to or distributions from the Collection Account or any other Account except in accordance with this Indenture and the other Transaction Documents.

Section 3.11 Providing of Notice. (a) The Issuer, upon learning of any failure on the part of Sunnova Energy, Sunnova Management, Sunnova Intermediate Holdings, Sunnova ABS Holdings V or the Depositor to observe or perform in any material respect any covenant, representation or warranty set forth in the Contribution Agreement, the Performance Guaranty, the Management Agreement, the Servicing Agreement or any other Transaction Document to which it is a party, as applicable, or upon learning of any Default, Event of Default, Manager Termination Event or Servicer Termination Event, shall promptly notify, in writing, the Indenture Trustee, the Depositor, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, Sunnova Management or Sunnova Energy, as applicable, of such failure or Default, Event of Default, Manager Termination Event or Servicer Termination Event.

(b) The Indenture Trustee, upon receiving written notice from the Issuer of the Performance Guarantor's failure to perform any covenant or obligation of the Performance Guarantor set forth in the Performance Guaranty, shall promptly notify, in writing, the Performance Guarantor of such failure.

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Section 3.12 Representations and Warranties of the Issuer. The Issuer hereby represents and warrants to the Indenture Trustee and the Noteholders that as of the Closing Date and each Transfer Date:

(a) The Issuer is duly formed and is validly existing as a limited liability company in good standing under the laws of the State of Delaware with full power and authority to execute and deliver this Indenture, the Management Agreement, the Servicing Agreement, the Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party and to perform the terms and provisions hereof and thereof; the Issuer is duly qualified to do business as a foreign business entity in good standing, and has obtained all required licenses and approvals, if any, in all jurisdictions in which the ownership or lease of property or the conduct of its business requires such qualifications except those jurisdictions in which failure to be so qualified would not have a material adverse effect on the business or operations of the Issuer, the Trust Estate, the Noteholders or the Conveyed Property.

(b) All necessary action has been taken by the Issuer to authorize the Issuer, and the Issuer has full power and authority, to execute, deliver and perform its obligations under this Indenture, the Management Agreement, the Servicing Agreement, the Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party, and no consent or approval of any Person is required for the execution, delivery or performance by the Issuer of this Indenture, the Management Agreement, the Servicing Agreement, the Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party except for any consent or approval that has previously been obtained.

(c) This Indenture, the Management Agreement, the Servicing Agreement, the Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party have been duly executed and delivered, and the execution and delivery of this Indenture, the Management Agreement, the Servicing Agreement, the Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party by the Issuer and its performance and compliance with the terms hereof and thereof will not violate its certificate of formation or the Issuer Operating Agreement or constitute a default (or an event which, with notice or lapse of time, or both, would constitute a default) under, or result in the breach of, any material contract or any other material agreement or instrument (including, without limitation, the Transaction Documents) to which the Issuer is a party or which may be applicable to the Issuer or any of its assets.

(d) This Indenture, the Management Agreement, the Servicing Agreement, the Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party constitute valid, legal and binding obligations of the Issuer, enforceable against it in accordance with their respective terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the enforcement of creditors' rights generally and to general principles of equity (regardless of whether enforcement is sought in a Proceeding at law or in equity).

(e) The Issuer is not in violation of, and the execution, delivery and performance of this Indenture, the Management Agreement, the Servicing Agreement, the Contribution Agreement, the Custodial Agreement and each other Transaction Document to which it is a party by the Issuer will not constitute a violation with respect to, any order or decree of any court or any order, regulation or demand of any federal, State, municipal or governmental agency, which violation might have consequences that would have a Material Adverse Effect with respect to the Issuer.

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(f) No Proceeding of any kind, including but not limited to litigation, arbitration, judicial or administrative, is pending or, to the Issuer's knowledge, threatened in writing against or contemplated by the Issuer which would have a Material Adverse Effect with respect to the Issuer.

(g) Each of the representations and warranties of the Issuer set forth in the Management Agreement, the Servicing Agreement, the Contribution Agreement, the Issuer Operating Agreement and each other Transaction Document to which it is a party is, as of the Closing Date, and will be, as of each Transfer Date during the Prefunding Period, true and correct in all material respects.

(h) The Issuer has not incurred debt or engaged in activities not related to the transactions contemplated hereunder or under the Transaction Documents except as permitted by the Issuer Operating Agreement or Section 3.04.

(i) The Issuer is not insolvent and did not become insolvent as a result of the Grant pursuant to this Indenture; the Issuer is not engaged and is not about to engage in any business or transaction for which any property remaining with the Issuer is unreasonably small capital or for which the remaining assets of the Issuer are unreasonably small in relation to the business of the Issuer or the transaction; the Issuer does not intend to incur, and does not believe or reasonably should not have believed that it would incur, debts beyond its ability to pay as they become due; and the Issuer has not made a transfer or incurred an obligation and does not intend to make such a transfer or incur such an obligation with actual intent to hinder, delay or defraud any entity to which the Issuer was or became, on or after the date that such transfer was made or such obligation was incurred, indebted.

(j) (i) Each transfer of the Conveyed Property by the Depositor to the Issuer pursuant to the Contribution Agreement is an absolute transfer for legal purposes, (ii) the Grant of the Trust Estate by the Issuer pursuant to the terms of this Indenture is a pledge for financial accounting purposes, and (iii) the Notes will be treated by the Issuer as indebtedness for U.S. federal income tax purposes. In this regard, (i) the financial statements of SEI and its consolidated subsidiaries will show (A) that the Conveyed Property is owned by such consolidated group and (B) that the Notes are indebtedness of the consolidated group (and will contain appropriate footnotes describing that the assets of the Issuer will not be available to creditors of SEI, Sunnova Energy, Sunnova Intermediate Holdings, Sunnova ABS Holdings V or the Depositor or any other Person other than creditors of the Issuer), and (ii) the U.S. federal income Tax Returns of SEI and its consolidated subsidiaries that are regarded entities for U.S. federal income tax purposes will indicate that the Notes are indebtedness.

(k) As of the Initial Cut-Off Date, the Aggregate Solar Loan Balance is at least $[***] and the Aggregate Closing Date Collateral Balance is at least $[***].

(l) The legal name of the Issuer is as set forth in this Indenture; the Issuer has no trade names, fictitious names, assumed names or "doing business as" names.

(m) No item comprising the Conveyed Property has been sold, transferred, assigned or pledged by the Issuer to any Person other than the Indenture Trustee; immediately prior to the pledge of the Conveyed Property to the Indenture Trustee pursuant to this Indenture, the Issuer was the sole owner thereof and had good and indefeasible title thereto, free of any Lien other than Permitted Liens.

(n) Upon the filing of the Perfection UCCs in accordance with applicable law, the Indenture Trustee, for the benefit of the Noteholders, shall have a first priority perfected Lien on the Conveyed

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Property and the other items comprising the Trust Estate and in the proceeds thereof, limited with respect to proceeds to the extent set forth in Section 9-315 of the UCC as in effect in the applicable jurisdiction, subject to Permitted Liens. All filings (including, without limitation, UCC filings) and other actions as are necessary in any jurisdiction to provide third parties with notice of and to document the transfer and assignment of the Trust Estate to the Issuer and to give the Indenture Trustee a first priority perfected Lien on the Trust Estate (subject to Permitted Liens), including delivery of the Custodian Files to the Custodian, and the payment of any fees, have been made or, with respect to Termination Statements, will be made within one Business Day of the Closing Date.

(o) None of the absolute transfers of the Conveyed Property by Sunnova Intermediate Holdings to Sunnova ABS Holdings V pursuant to the Contribution Agreement, the absolute transfers of the Conveyed Property by Sunnova ABS Holdings V to the Depositor pursuant to the Contribution Agreement, the absolute transfers of the Conveyed Property by the Depositor to the Issuer pursuant to the Contribution Agreement, or the Grant by the Issuer to the Indenture Trustee pursuant to this Indenture is subject to the bulk transfer or any similar statutory provisions in effect in any applicable jurisdiction.

(p) The Issuer is not, and after giving effect to the offering and sale of the Notes and the application of the proceeds thereof as described in the Offering Circular will not be, required to register as an "investment company" as such term is defined in the 1940 Act. In making this determination, the Issuer is relying primarily on the exclusion from the definition of "investment company" contained in Section 3(c)(5)(A) of the 1940 Act, although additional exclusions or exemptions may be available to the Issuer at the Closing Date or in the future.

(q) The Issuer is being structured so as not to constitute a "covered fund" for purposes of Section 619 of the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010, based on its current interpretations.

(r) The principal place of business and the chief executive office of the Issuer are located in the State of Texas and the jurisdiction of organization of the Issuer is the State of Delaware, and there are no other such locations.

(s) Representations and warranties regarding the Lien and Custodian Files in each case, made as of the Closing Date and each Transfer Date:

(i) The Grant contained in the "Granting Clause" of this Indenture creates a valid and continuing Lien on the Conveyed Property in favor of the Indenture Trustee, which Lien is prior to all other Liens arising under the UCC (other than Permitted Liens), and is enforceable as such against creditors of the Issuer, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally, and to general principles of equity (regardless of whether enforcement is sought in a Proceeding at law or in equity).

(ii)The Issuer has taken all steps necessary to perfect its ownership interest in the Solar Loans.

(iii)The Solar Loan Agreements related to the Solar Loans constitute either "accounts", "chattel paper", "electronic chattel paper", "instruments" or "general intangibles" within the

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meaning of the applicable UCC. The PV Systems and Energy Storage Systems constitute "Equipment" within the meaning of the UCC.

(iv)The Issuer owns and has good and marketable title to the Conveyed Property free and clear of any Lien, claim or encumbrance of any Person, other than Permitted Liens.

(v)The Issuer has caused or will have caused, within ten days of the Closing Date, the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under Applicable Law in order to perfect the Lien on the Conveyed Property granted to the Indenture Trustee hereunder.

(vi)The Issuer has received a Closing Date Certification on the Closing Date and a Transfer Date Certification on each Transfer Date from the Custodian which certifies that the Custodian is holding the Custodian Files that evidence the Solar Loans in the Electronic Vault for the Indenture Trustee for the benefit of the Noteholders.

(vii)Other than Permitted Liens, the Issuer has not pledged, assigned, sold, granted a Lien on, or otherwise conveyed any portion of the Trust Estate. The Issuer has not authorized the filing of and is not aware of any financing statements against the Issuer that include a description of collateral covering any portion of the Trust Estate other than any financing statement relating to the security interest granted to the Indenture Trustee hereunder or that have been terminated. The Issuer is not aware of any judgment or tax lien filings against the Issuer.

(viii)Except as permitted or required by the Transaction Documents no portion of any Solar Loan Agreement has any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Indenture Trustee, except for notations relating to Liens released prior to the pledge of the Trust Estate to the Indenture Trustee.

The foregoing representations and warranties in Section 3.12(s)(i) – (viii) shall remain in full force and effect and shall not be waived or amended until the Notes are paid in full or otherwise released or discharged except in accordance with this Indenture.

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Section 3.13 Representations and Warranties of the Indenture Trustee. The Indenture Trustee hereby represents and warrants to the Rating Agency and the Noteholders that as of the Closing Date:

(a) The Indenture Trustee has been duly organized and is validly existing as a national banking association;

(b) The Indenture Trustee has full power and authority and legal right to execute, deliver and perform its obligations under this Indenture and each other Transaction Document to which it is a party and has taken all necessary action to authorize the execution, delivery and performance by it of this Indenture and each other Transaction Document to which it is a party;

(c) This Indenture and each other Transaction Document to which it is a party have been duly executed and delivered by the Indenture Trustee and constitute the legal, valid, and binding obligations of the Indenture Trustee, enforceable against the Indenture Trustee in accordance with their respective terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, liquidation, moratorium, fraudulent conveyance, or similar laws affecting creditors' or creditors of banks' rights and/or remedies generally or by general principles of equity (regardless of whether such enforcement is sought in a Proceeding in equity or at law);

(d) The execution, delivery and performance of this Indenture and each other Transaction Document to which it is a party by the Indenture Trustee will not constitute a violation with respect to any order or decree of any court or any order, regulation or demand of any federal, State, municipal or governmental agency binding on the Indenture Trustee or such of its property which is material to it, which violation might have consequences that would materially and adversely affect the performance of its duties under this Indenture;

(e) The execution, delivery and performance of this Indenture and each other Transaction Document to which it is a party by the Indenture Trustee do not require any approval or consent of any Person, do not conflict with the Articles of Association and Bylaws of the Indenture Trustee, and do not and will not conflict with or result in a breach which would constitute a material default under any agreement applicable to it or such of its property which is material to it; and

(f) No Proceeding of any kind, including but not limited to litigation, arbitration, judicial or administrative, is pending or, to the Indenture Trustee's knowledge, threatened against or contemplated by the Indenture Trustee which would have a reasonable likelihood of having an adverse effect on the execution, delivery, performance or enforceability of this Indenture or any other Transaction Document to which it is a party by or against the Indenture Trustee.

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Section 3.14 Knowledge. Any references herein to the knowledge, discovery or learning of the Issuer, the Servicer, or the Manager shall mean and refer to an Authorized Officer of the Issuer, the Servicer or the Manager, as applicable.

Article IV.

Management, Administration and Servicing of Solar Loans

Section 4.01 Management Agreement; *Servicing Agreement*. (a) The Management Agreement and the Servicing Agreement, duly executed counterparts of which have been received by the Indenture Trustee, set forth the covenants and obligations of the Manager and Servicer, respectively, with respect to the Trust Estate and other matters addressed in the Management Agreement and the Servicing Agreement, and reference is hereby made to the Management Agreement and the Servicing Agreement for a detailed statement of said covenants and obligations of the Manager and the Servicer thereunder. The Issuer agrees that the Indenture Trustee, in its name or (to the extent required by law) in the name of the Issuer, may (but is not, unless so directed and indemnified by the Majority Noteholders of the Controlling Class, required to) enforce all rights of the Issuer under the Management Agreement and the Servicing Agreement for and on behalf of the Noteholders whether or not a Default has occurred and has not been waived.

(b) Promptly following a request from the Indenture Trustee (acting at the direction of the Majority Noteholders of the Controlling Class) to do so, the Issuer shall take all such commercially reasonable lawful action as the Indenture Trustee may request to compel or secure the performance and observance by the Manager and the Servicer of each of their respective obligations to the Issuer and with respect to the Trust Estate under or in connection with the Management Agreement and the Servicing Agreement, in accordance with the terms thereof, and in effecting such request shall exercise any and all rights, remedies, powers and privileges lawfully available to the Issuer under or in connection with the Management Agreement and the Servicing Agreement to the extent and in the manner directed by the Indenture Trustee, including, without limitation, the transmission of notices of default on the part of the Manager and the Servicer thereunder and the institution of Proceedings to compel or secure performance by the Manager and the Servicer of each of their respective obligations under the Management Agreement and the Servicing Agreement.

(c) The Issuer shall not waive any default by the Manager under the Management Agreement or by the Servicer under the Servicing Agreement without the written consent of the Indenture Trustee (which shall be given at the written direction of the Majority Noteholders of the Controlling Class).

(d) The Indenture Trustee does not assume any duty or obligation of the Issuer under the Management Agreement or the Servicing Agreement, and the rights given to the Indenture Trustee thereunder are subject to the provisions of Article VII.

(e) The Issuer has not and will not provide any payment instructions to any Obligor that are inconsistent with the Management Agreement or the Servicing Agreement.

(f) With respect to the Servicer's obligations under Section 6.3 of the Servicing Agreement, the Indenture Trustee shall not have any responsibility to the Issuer, the Servicer or any party hereunder

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to make any inquiry or investigation as to, and shall have no obligation in respect of, the terms of any engagement of Independent Accountant or any Qualified Service Provider by the Servicer; *provided, however*, that the Indenture Trustee shall be authorized, upon receipt of written direction from the Servicer directing the Indenture Trustee, to execute any acknowledgment or other agreement with the Independent Accountant and any Qualified Service Provider required for the Indenture Trustee to receive any of the reports or instructions provided for herein, which acknowledgment or agreement may include, among other things, (i) acknowledgement that the Servicer has agreed that the procedures to be performed by the Independent Accountant and any Qualified Service Provider are sufficient for the Issuer's purposes, (ii) acknowledgment that the Indenture Trustee has agreed that the procedures to be performed by the Independent Accountant and any Qualified Service Provider are sufficient for the Indenture Trustee's purposes and that the Indenture Trustee's purposes is limited solely to receipt of the report, (iii) releases by the Indenture Trustee (on behalf of itself and the Noteholders) of claims against the Independent Accountant and any Qualified Service Provider and acknowledgement of other limitations of liability in favor of the Independent Accountant and any Qualified Service Provider, and (iv) restrictions or prohibitions on the disclosure of information or documents provided to it by the Independent Accountant or any Qualified Service Provider (including to the Noteholders). Notwithstanding the foregoing, in no event shall the Indenture Trustee be required to execute any agreement in respect of the Independent Accountant or any Qualified Service Provider that the Indenture Trustee determines adversely affects it in its individual capacity or which is in a form that is not reasonably acceptable to the Indenture Trustee.

(g) In the event such Independent Accountant or any Qualified Service Provider require the Indenture Trustee, the Backup Servicer or the Transition Manager to agree to the procedures to be performed by such firm in any of the reports required to be prepared pursuant to Section 4.01(f), the Servicer shall direct the Indenture Trustee, the Backup Servicer or the Transition Manager in writing to so agree; it being understood and agreed that the Indenture Trustee, the Backup Servicer or the Transition Manager will deliver such letter of agreement in conclusive reliance upon the direction of the Servicer, and the Indenture Trustee, the Backup Servicer or the Transition Manager has not made any independent inquiry or investigation as to, and shall have no obligation or liability in respect of, the sufficiency, validity or correctness of such procedures. The Indenture Trustee, the Backup Servicer or the Transition Manager shall not be liable for any claims, liabilities or expenses relating to such accountants' engagement or any report issued in connection with such engagement, and the dissemination of any such report is subject to the written consent of the accountants.

Article V.

Accounts, Collections, Payments of Interest and Principal, Releases, and Statements to Noteholders

Section 5.01 Accounts. (a)(i) On or prior to the Closing Date, the Issuer shall cause the Indenture Trustee to open and maintain in the name of the Indenture Trustee, for the benefit of the Noteholders, an Eligible Account (the "*Collection Account*"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Noteholders. The Collection Account shall initially be established with the Indenture Trustee.

(ii) On or prior to the Closing Date, the Issuer shall cause the Indenture Trustee to open and maintain in the name of the Indenture Trustee, for the benefit of the Noteholders, an

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Eligible Account (the "*Equipment Replacement Reserve Account*"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Noteholders. The Equipment Replacement Reserve Account shall initially be established with the Indenture Trustee.

(iii) On or prior to the Closing Date, the Issuer shall cause the Indenture Trustee to open and maintain in the name of the Indenture Trustee, for the benefit of the Noteholders, an Eligible Account (the "*Reserve Account*"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Noteholders. The Reserve Account shall initially be established with the Indenture Trustee.

(iv) On or prior to the Closing Date, the Issuer shall cause the Indenture Trustee to open and maintain in the name of the Indenture Trustee, for the benefit of the Noteholders, an Eligible Account (the "*Section 25D Interest Account*"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Noteholders. The Section 25D Interest Account shall initially be established with the Indenture Trustee.

(v) On or prior to the Closing Date, the Issuer shall cause the Indenture Trustee to open and maintain in the name of the Indenture Trustee, for the benefit of the Noteholders, an Eligible Account (the "*Prefunding Account*"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Noteholders. The Prefunding Account shall initially be established with the Indenture Trustee.

(vi) On or prior to the Closing Date, the Issuer shall cause the Indenture Trustee to open and maintain in the name of the Indenture Trustee, for the benefit of the Noteholders, an Eligible Account (the "*Capitalized Interest Account*"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Noteholders. The Capitalized Interest Account shall initially be established with the Indenture Trustee.

(vii) Sunnova Energy has established and maintains an Eligible Account (the "*Obligor Security Deposit Account*").

(b) Funds on deposit in the Collection Account, the Equipment Replacement Reserve Account, the Reserve Account, the Prefunding Account, the Section 25D Interest Account and the Capitalized Interest Account shall be invested by the Indenture Trustee (or any custodian with respect to funds on deposit in any such account) in Eligible Investments selected in writing by the Servicer (pursuant to standing instructions or otherwise). All such Eligible Investments shall be held by or on behalf of the Indenture Trustee for the benefit of the Noteholders.

(c) All investment earnings of moneys pursuant to Section 5.01(b) deposited into the Collection Account, the Equipment Replacement Reserve Account, the Reserve Account, the Capitalized Interest Account, the Section 25D Interest Account and the Prefunding Account shall be deposited (or caused to be deposited) by the Indenture Trustee into the Collection Account, and any loss resulting from such investments shall be charged to such Account. No investment of any amount held in any of the Collection Account, the Equipment Replacement Reserve Account, the Reserve Account, the Capitalized Interest Account, the Section 25D Interest Account and the Prefunding Account shall mature later than the Business Day immediately preceding the Payment Date which is scheduled to occur immediately following the date of investment. The Servicer, on behalf of the Issuer, will not direct the

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Indenture Trustee to make any investment of any funds held in any of the Accounts unless the security interest Granted and perfected in such account will continue to be perfected in such investment, in either case without any further action by any Person.

(d) The Indenture Trustee shall not in any way be held liable by reason of any insufficiency in any of the Accounts resulting from any loss on any Eligible Investment included therein except for losses attributable to the Indenture Trustee's negligence or bad faith or its failure to make payments on such Eligible Investments issued by the Indenture Trustee, in its commercial capacity as principal obligor and not as Indenture Trustee, in accordance with their terms.

(e) Funds on deposit in any Account shall remain uninvested if (i) the Servicer shall have failed to give investment directions in writing for any funds on deposit in any Account (other than the Lockbox Account) to the Indenture Trustee by 1:00 p.m. Eastern time (or such other time as may be agreed by the Servicer and the Indenture Trustee) on the Business Day on which such investment is to be made; or (ii) based on the actual knowledge of, or receipt of written notice by, a Responsible Officer of the Indenture Trustee, a Default or Event of Default shall have occurred and be continuing with respect to the Notes but the Notes shall not have been declared due and payable, or, if such Notes shall have been declared due and payable following an Event of Default, amounts collected or receivable from the Trust Estate are being applied as if there had not been such a declaration.

(f) [Reserved].

(g) (i) The Indenture Trustee shall possess all right, title and interest in all funds on deposit from time to time in the Accounts and in all proceeds thereof (including, without limitation, all investment earnings on the Collection Account) and all such funds, investments, proceeds and income shall be part of the Trust Estate. Except as otherwise provided herein, the Accounts shall be under the control (as defined in Section 9-104 of the UCC to the extent such account is a deposit account and Section 8-106 of the UCC to the extent such account is a securities account) of the Indenture Trustee for the benefit of the Noteholders. If, at any time, any of the Accounts (other than the Lockbox Account) ceases to be an Eligible Account, the Indenture Trustee (or the Servicer on its behalf) shall within five Business Days (or such longer period as to which the Rating Agency may consent) establish a new Account as an Eligible Account and shall transfer any cash and/or any investments to such new Account. The Servicer agrees that, in the event that any of the Accounts or the Obligor Security Deposit Account are not accounts with the Indenture Trustee, the Servicer shall notify the Indenture Trustee in writing promptly upon any of such Accounts or the Obligor Security Deposit Account ceasing to be an Eligible Account.

(ii) With respect to the Account Property (other than with respect to the Lockbox Account), the Indenture Trustee agrees that:

(A) any Account Property that is held in deposit accounts shall be held solely in Eligible Accounts; and, except as otherwise provided herein, each such Eligible Account shall be subject to the exclusive custody and control of the Indenture Trustee, and the Indenture Trustee shall have sole signature authority with respect thereto;

(B) any Account Property that constitutes physical property shall be delivered to the Indenture Trustee in accordance with paragraph (i)(A) or (i)(B), as applicable, of the definition of "Delivery" and shall be held, pending maturity or disposition, solely by

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the Indenture Trustee or a securities intermediary (as such term is defined in Section 8-102(a)(14) of the UCC) acting solely for the Indenture Trustee;

(C) any Account Property that is a book-entry security held through the Federal Reserve System pursuant to federal book-entry regulations shall be delivered in accordance with paragraph (i)(C) or (i)(E), as applicable, of the definition of "Delivery" and shall be maintained by the Indenture Trustee, pending maturity or disposition, through continued book-entry registration of such Account Property as described in such paragraph;

(D) any Account Property that is an "uncertificated security" under Article 8 of the UCC and that is not governed by clause (C) above shall be delivered to the Indenture Trustee in accordance with paragraph (i)(D) of the definition of "Delivery" and shall be maintained by the Indenture Trustee, pending maturity or disposition, through continued registration of the Indenture Trustee's (or its nominee's) ownership of such security;

(E) the Servicer shall have the power, revocable by the Indenture Trustee upon the occurrence of a Servicer Event of Default, to instruct the Indenture Trustee to make withdrawals and payments from the Accounts for the purpose of permitting the Servicer and the Indenture Trustee to carry out their respective duties hereunder; and

(F) any Account held by it hereunder shall be maintained as a "securities account" as defined in the Uniform Commercial Code as in effect in New York (the "*New York UCC*"), and that it shall be acting as a "securities intermediary" for the Indenture Trustee itself as the "entitlement holder" (as defined in Section 8-102(a)(7) of the New York UCC) with respect to each such Account. The parties hereto agree that each Account shall be governed by the laws of the State of New York, and regardless of any provision in any other agreement, the "securities intermediary's jurisdiction" (within the meaning of Section 8-110 of the New York UCC) shall be the State of New York. The Indenture Trustee acknowledges and agrees that (1) each item of property (whether investment property, financial asset, security, instrument or cash) credited to the Accounts shall be treated as a "financial asset" within the meaning of Section 8-102(a)(9) of the New York UCC and (2) notwithstanding anything to the contrary, if at any time the Indenture Trustee shall receive any order from the Indenture Trustee (in its capacity as securities intermediary) directing transfer or redemption of any financial asset relating to the Accounts, the Indenture Trustee shall comply with such entitlement order without further consent by the Issuer, or any other person. In the event of any conflict of any provision of this Section 5.01(g)(ii)(F) with any other provision of this Indenture or any other agreement or document, the provisions of this Section 5.01(g)(ii)(F) shall prevail.

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Section 5.02 Equipment Replacement Reserve Account. (a)(i) On each Payment Date, to the extent of Available Funds and in accordance with and subject to the Priority of Payments, the Indenture Trustee shall, based on the Monthly Servicer Report, deposit into the Equipment Replacement Reserve Account an amount equal to the Equipment Replacement Reserve Deposit.

(ii)The Indenture Trustee shall, upon receipt of an Officer's Certificate of the Manager (x)(A) certifying that it has replaced an Inverter that no longer has the benefit of a Manufacturer Warranty and (B) requesting reimbursement for the cost of such Inverter replacement, withdraw from funds on deposit in the Equipment Replacement Reserve Account and remit to the Manager, an amount equal to the lesser of (i) the cost of the new Inverter paid by the Manager (inclusive of labor costs) and (ii) the amount on deposit in the Equipment Replacement Reserve Account or (y)(A) certifying that it has replaced an Energy Storage System (or component thereof) that no longer has the benefit of a Manufacturer Warranty and (B) requesting reimbursement for the cost of such Energy Storage System (or component thereof), withdraw from funds on deposit in the Equipment Replacement Reserve Account and remit to the Manager, an amount equal to the lesser (i) the cost of the new Energy Storage System (or component thereof) paid by the Manager (inclusive of labor costs) and (ii) the excess, if any, of (a) the amount on deposit in the Equipment Replacement Reserve Account over (b) the amount described in clause (a) of the definition of Equipment Replacement Reserve Required Balance. Upon either such request, the Indenture Trustee shall promptly withdraw such amount from the Equipment Replacement Reserve Account (to the extent it has been funded as of such date) and transfer such amount to the Manager's account specified in the related Officer's Certificate and if no such funds are on deposit, then from the Collection Account in accordance with the Priority of Payments.

(iii)On any date that the amount on deposit in the Equipment Replacement Reserve Account exceeds the Equipment Replacement Reserve Required Balance, such amount of excess will be deposited into the Collection Account on the related Payment Date as set forth in the related Monthly Servicer Report and will be part of the Available Funds distributed according to the Priority of Payments for such Payment Date.

(iv)On each Payment Date, if the amount of Available Funds (after giving effect to all amounts deposited into the Collection Account from the Reserve Account and the Section 25D Interest Account) is less than the amount necessary to make the distributions described in clauses (i) through (v) of the Priority of Payments, an amount equal to the lesser of (A) the amount on deposit in the Equipment Replacement Reserve Account and (B) the amount of such insufficiency, shall be withdrawn from the Equipment Replacement Reserve Account and deposited into the Collection Account to be used as Available Funds.

(v)All amounts on deposit in the Equipment Replacement Reserve Account shall be withdrawn and deposited into the Collection Account on the earliest of (i) the Rated Final Maturity, (ii) a Voluntary Prepayment Date in connection with a Voluntary Prepayment in whole and (iii) the Payment Date on which the balance in the Equipment Replacement Reserve Account, the Reserve Account and the Section 25D Interest Account and all other Available Funds, equals or exceeds the Aggregate Outstanding Note Balance of the Notes, all unreimbursed Note Balance Write-Down Amounts, accrued and unpaid interest (including any Deferred Interest Amounts and Post-ARD Additional Interest Amounts) on the Notes and the

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fees, expenses and indemnities due to the Indenture Trustee, the Custodian, the Manager, the Servicer, the Backup Servicer, Transition Manager, Replacement Manager and the Replacement Servicer pursuant to Section 5.07.

(b) Notwithstanding Section 5.02(a), in lieu of or in substitution for moneys otherwise required to be deposited to the Equipment Replacement Reserve Account, the Issuer may deliver or cause to be delivered to the Indenture Trustee a Letter of Credit issued by an Eligible Letter of Credit Bank in an amount equal to the Equipment Replacement Reserve Account Required Balance; *provided* that any Equipment Replacement Reserve Deposit required to be made after the replacement of amounts on deposit in the Equipment Replacement Reserve Account with the Letter of Credit shall be made in deposits to the Equipment Replacement Reserve Account as provided in the Priority of Payments or pursuant to an increase in the Letter of Credit, or addition of another Letter of Credit. The Letter of Credit shall be held as an asset of the Equipment Replacement Reserve Account and valued for purposes of determining the amount on deposit in the Equipment Replacement Reserve Account as the amount then available to be drawn on such Letter of Credit. Any references in the Transaction Documents to amounts on deposit in the Equipment Replacement Reserve Account shall include the value of the Letter of Credit unless specifically excluded. If the amounts on deposit in the Equipment Replacement Reserve Account are represented by a Letter of Credit, the Indenture Trustee shall be required to submit the drawing documents to the Eligible Letter of Credit Bank to draw the full stated amount of the Letter of Credit and deposit the proceeds therefrom in the Equipment Replacement Reserve Account in the following circumstances: (i) if the Indenture Trustee is directed by the Servicer on behalf of the Issuer, pursuant to an Officer's Certificate, to withdraw funds from the Equipment Replacement Reserve Account for any reason; (ii) upon direction, if the Letter of Credit is scheduled to expire in accordance with its terms and has not been extended or replaced with a Letter of Credit issued by an Eligible Letter of Credit Bank by the date that is ten days prior to the expiration date; or (iii) if the Indenture Trustee is directed by the Issuer, the Manager or the Majority Noteholders, pursuant to an Officer's Certificate stating that the financial institution issuing the Letter of Credit ceases to be an Eligible Letter of Credit Bank. Any drawing on the Letter of Credit may be reimbursed by the Issuer only from amounts remitted to the Issuer pursuant to clauses (xviii) or (xix) of the Priority of Payments.

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Section 5.03 Reserve Account. (a) On the Closing Date, the Issuer shall deposit or cause to be deposited the Reserve Account Required Balance into the Reserve Account.

(b) As described in the Priority of Payments, to the extent of Available Funds, the Indenture Trustee shall, on each Payment Date, deposit Available Funds into the Reserve Account until the amount on deposit therein shall equal the Reserve Account Required Balance.

(c) On the Business Day prior to each Payment Date, the Indenture Trustee shall, based on the Monthly Servicer Report, transfer funds on deposit in the Reserve Account into the Collection Account to the extent that the amount on deposit in the Collection Account as of such Payment Date is less than the amount necessary to make the distributions described in clauses (i) through (v) of the Priority of Payments. If the amount on deposit in the Reserve Account exceeds the Reserve Account Required Balance on any Payment Date during a Regular Amortization Period, the amount of such excess will be transferred into the Equipment Replacement Reserve Account. If the amount on deposit in the Reserve Account exceeds the Reserve Account Required Balance on any Payment Date during a Sequential Amortization Period, the amount of such excess will be transferred into the Collection Account and will be part of the Available Funds distributed pursuant to the Priority of Payments for such Payment Date.

(d) All amounts on deposit in the Reserve Account shall be withdrawn and deposited into the Collection Account on the earliest of (i) the Rated Final Maturity, (ii) upon the occurrence of an Acceleration Event, (iii) a Voluntary Prepayment Date in connection with a Voluntary Prepayment in whole and (iv) the Payment Date on which the balance in the Reserve Account, the Section 25D Interest Account and the Equipment Replacement Reserve Account and all other Available Funds, equals or exceeds the Aggregate Outstanding Note Balance of the Notes, unreimbursed Note Balance Write-Down Amounts, accrued and unpaid interest (including any Deferred Interest Amounts and Post-ARD Additional Interest Amounts) on the Notes and the fees, expenses and indemnities due to the Indenture Trustee, the Custodian, the Manager, the Servicer, the Backup Servicer, Transition Manager, Replacement Manager and the Replacement Servicer pursuant to Section 5.07.

(e) Notwithstanding Sections 5.03(a) and 5.03(b), in lieu of or in substitution for moneys otherwise required to be deposited to the Reserve Account, the Issuer may deliver or cause to be delivered to the Indenture Trustee a Letter of Credit issued by an Eligible Letter of Credit Bank in an amount equal to the Reserve Account Required Balance; *provided* that any deposit into the Reserve Account required to be made after the replacement of amounts on deposit in the Reserve Account with the Letter of Credit shall be made in deposits to the Reserve Account as provided in the Priority of Payments or pursuant to an increase in the Letter of Credit, or addition of another Letter of Credit. The Letter of Credit shall be held as an asset of the Reserve Account and valued for purposes of determining the amount on deposit in the Reserve Account as the amount then available to be drawn on such Letter of Credit. Any references in the Transaction Documents to amounts on deposit in the Reserve Account shall include the value of the Letter of Credit unless specifically excluded. If the amounts on deposit in the Reserve Account are represented by a Letter of Credit, the Indenture Trustee shall be required to submit the drawing documents to the Eligible Letter of Credit Bank to draw the full stated amount of the Letter of Credit and deposit the proceeds therefrom in the Reserve Account in the following circumstances: (i) if the Indenture Trustee is directed by the Servicer on behalf of the Issuer, pursuant to an Officer's Certificate, to withdraw funds from the Reserve Account for any reason; (ii) upon direction, if the Letter of Credit is scheduled to expire in accordance with its terms and has not been extended or

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replaced with a Letter of Credit issued by an Eligible Letter of Credit Bank by the date that is ten days prior to the expiration date; or (iii) if the Indenture Trustee is directed by the Issuer, the Servicer or the Majority Noteholders, pursuant to an Officer's Certificate stating that the financial institution issuing the Letter of Credit ceases to be an Eligible Letter of Credit Bank. Any drawing on the Letter of Credit may be reimbursed by the Issuer only from amounts remitted to the Issuer pursuant to clauses (xviii) or (xix) of the Priority of Payments.

Section 5.04 Section 25D Interest Account. (a) On or prior to the Closing Date, the Issuer shall cause to be deposited into the Section 25D Interest Account an amount equal to the Section 25D Interest Account Required Amount for the Closing Date. On each Transfer Date, with respect to any Subsequent Solar Loan or any Qualified Substitute Solar Loan that is a Section 25D Easy Own Solar Loan, the Issuer shall deposit or require the Depositor to deposit into the Section 25D Interest Account an amount equal to the related Section 25D Interest Amount (in addition to any required Substitution Shortfall Amount).

(b) On each Payment Date, if the amount of Available Funds (after giving effect to all amounts deposited to the Collection Account from the Reserve Account) is less than the amount necessary to make the distributions described in clauses (i) through (v) of the Priority of Payments, an amount equal to the lesser of (A) the amount on deposit in the Section 25D Interest Account and (B) the amount of such insufficiency, shall be withdrawn from the Section 25D Interest Account and deposited into the Collection Account to be used as Available Funds.

(c) On any date that the amount on deposit in the Section 25D Interest Account exceeds the Section 25D Interest Account Required Amount as of such date, such amount of excess shall be deposited into the Collection Account and will be part of the Available Funds distributed according to the Priority of Payments.

(d) All amounts on deposit in the Section 25D Interest Account shall be withdrawn and deposited into the Collection Account on the earliest of (i) the Rated Final Maturity, (ii) the acceleration of the Notes following an Event of Default, (iii) a Voluntary Prepayment Date in connection with a Voluntary Prepayment in whole and (iv) the Payment Date on which the balance in the Reserve Account, the Section 25D Interest Account, the Equipment Replacement Reserve Account and all other Available Funds, equals or exceeds the Aggregate Outstanding Note Balance of the Notes, all unreimbursed Note Balance Write-Down Amounts, accrued and unpaid interest (including any Deferred Interest Amounts and Post-ARD Additional Interest Amounts) on the Notes and the fees, expenses and indemnities due to the Indenture Trustee, the Custodian, the Manager, the Servicer, the Backup Servicer, Transition Manager, Replacement Manager and the Replacement Servicer pursuant to Section 5.07.

Section 5.05 Prefunding Account and Capitalized Interest Account. (a) (i) On the Closing Date, the Issuer shall deposit an amount equal to the Prefunding Account Initial Deposit into the Prefunding Account.

(ii)Upon receipt of a Prefunding Notice, the Indenture Trustee shall withdraw the amount specified in the related Prefunding Notice from the Prefunding Account on such Transfer Date and remit such amount to or at the direction of the Depositor. The amount of funds withdrawn from the Prefunding Account for such acquisition of Subsequent Solar Loans shall be equal to the aggregate outstanding Solar Loan Balance of the Subsequent Solar Loans being acquired by the Issuer on such Transfer Date times the Initial Advance Rate. The Indenture Trustee shall

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have no duty to verify that the Subsequent Solar Loans meet the requirements set forth in Section 2.16 hereof.

(iii)On the first Payment Date following the Prefunding Termination Date, the Indenture Trustee shall, based on the information set forth in the related Monthly Servicer Report, withdraw any remaining funds on deposit in the Prefunding Account and deposit such funds into the Collection Account to be used as Available Funds and distributed according to the Priority of Payments on such Payment Date.

(b) On the Closing Date, the Issuer shall deposit an amount equal to the Capitalized Interest Account Deposit into the Capitalized Interest Account. On each of the first three Payment Dates (so long as the Prefunding Termination Date has not occurred prior to such Payment Date), an amount equal to approximately 33.33% of the Capitalized Interest Account Deposit shall be withdrawn by the Indenture Trustee, based on the information set forth in the related Monthly Servicer Report, and deposited into the Collection Account for application in accordance with the Priority of Payments. On the first Payment Date following the Prefunding Termination Date, the Indenture Trustee, based on information set forth in the related Monthly Servicer Report, shall withdraw any remaining funds on deposit in the Capitalized Interest Account and deposit such funds into the Collection Account to be used as Available Funds and distributed according to the Priority of Payments on such Payment Date.

Section 5.06 Collection Account. (a) On the Closing Date and each Transfer Date, the Issuer shall cause to be deposited to the Collection Account all collections received in respect of the Initial Solar Loans, the Subsequent Solar Loans, and the Qualified Substitute Solar Loans, respectively, since the applicable Cut-Off Date. On each Business Day, the Issuer shall cause to be deposited into the Collection Account all amounts in the Lockbox Account (other than the Lockbox Account Retained Balance or Merchant Processing Amounts) from Obligors or otherwise in respect of the Conveyed Property (other than Obligor Security Deposits received from an Obligor, which will be deposited by the Servicer into the Obligor Security Deposit Account). The Issuer shall cause all other amounts required to be deposited therein pursuant to the Transaction Documents, to be deposited within one Business Day of receipt thereof. The Indenture Trustee shall provide or make available electronically (or upon written request, by first class mail or facsimile) monthly statements on all amounts received in the Collection Account to the Issuer and the Servicer.

(b) The Servicer will be entitled to be reimbursed from amounts on deposit in the Collection Account with respect to a Collection Period for amounts previously deposited into the Collection Account but later determined by the Servicer to have resulted from mistaken deposits or postings or checks returned for insufficient funds. The amount to be reimbursed hereunder shall be paid to the Servicer on the related Payment Date upon certification by the Servicer of such amounts; *provided, however*, that the Servicer must provide such certification prior to the Determination Date immediately following such mistaken deposit, posting or returned check or costs and expenses, as applicable.

(c) In accordance with the Servicing Agreement, upon written direction from the Servicer, the Indenture Trustee shall, if such direction is received on or prior to each Determination Date, withdraw from the Collection Account and remit to the Servicer, amounts specified by the Servicer as required to be paid by the Issuer before the next Payment Date in respect of sales, use and property taxes.

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(d) In accordance with Section 6.01(b) hereof, upon written direction from the Servicer, the Indenture Trustee shall withdraw the partial Voluntary Prepayment from the Collection Account on the related Voluntary Prepayment Date and distribute the same in accordance with such written direction.

(e) In accordance with the Account Control Agreement, to the extent that the balances on deposit in the Lockbox Account are insufficient to reimburse the Lockbox Bank for any Returned Items or Settlement Items (each as defined in the Account Control Agreement), upon demand from the Lockbox Bank of the reimbursement amount (with confirmation from the Servicer), the Indenture Trustee shall, upon written direction from the Servicer, withdraw from the Collection Account and remit to the Lockbox Bank the lesser of collected funds that are cleared funds on deposit in the Collection Account and such reimbursement amount.

Section 5.07 Distribution of Funds in the Collection Account. (a) So long as no Acceleration Event shall have occurred and is continuing, on each Payment Date, Available Funds shall be distributed by the Indenture Trustee, based solely on the information set forth in the related Monthly Servicer Report, in the following order and priority of payments (the "*Priority of Payments*"):

(i)(A) to the Indenture Trustee, (1) the Indenture Trustee Fee for such Payment Date and (2)(x) any accrued and unpaid Indenture Trustee Fees with respect to prior Payment Dates plus (y) out-of-pocket expenses and indemnities of the Indenture Trustee incurred and not reimbursed in connection with its obligations and duties under the Indenture; (B) to the Backup Servicer and the Transition Manager, (1) the Backup Servicing and Transition Manager Fee for such Payment Date and (2)(x) any accrued and unpaid Backup Servicing and Transition Manager Fees with respect to prior Payment Dates plus (y) Backup Servicer Expenses and Transition Manager Expenses; and (C) to the Backup Servicer and the Transition Manager, any accrued and unpaid transition costs; provided, that unless an Event of Default of the type described in clauses (a), (b) or (l) of the definition thereof has occurred and is continuing, the aggregate payments to the Indenture Trustee, the Backup Servicer and the Transition Manager as reimbursement for clauses (A)(2)(y) and (B)(2)(y) will be limited to $75,000 per calendar year; provided, further that the aggregate payments to the Backup Servicer and the Transition Manager as reimbursement for clause (C) will be limited to $150,000 per transition occurrence and $300,000 in the aggregate;

(ii)on a *pari passu* basis, (A) to the Manager, the Manager Fee for such Payment Date, plus any accrued and unpaid Manager Fees with respect to prior Payment Dates and (B) to the Servicer, the Servicer Fee for such Payment Date, plus any accrued and unpaid Servicer Fees with respect to prior Payment Dates;

(iii)to the Custodian, the Custodian Fee, plus any accrued and unpaid Custodian Fees with respect to prior Payment Dates plus certain extraordinary out-of-pocket expenses and indemnities of the Custodian incurred and not reimbursed in connection with its obligations and duties under the Custodial Agreement; *provided*, that payments to the Custodian as reimbursement for any such expenses and indemnities will be limited to $25,000 per calendar year as long as no Event of Default has occurred and the Notes have not been accelerated, pursuant to this Indenture;

(iv)to the Class A Noteholders, the Interest Distribution Amount for such Class and such Payment Date;

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(v)to the Class B Noteholders, the Interest Distribution Amount for such Class and such Payment Date;

(vi)to the Manager, an amount equal to the sum of the cost of purchasing any replacement Inverters or Energy Storage Systems that do not have the benefit of a Manufacturer Warranty, to the extent such costs are incurred by the Manager but not reimbursed from the Equipment Replacement Reserve Account;

(vii)to the Equipment Replacement Reserve Account, the Equipment Replacement Reserve Deposit;

(viii)(a) during a Regular Amortization Period on any Payment Date prior to the Anticipated Repayment Date, (1) to the Class A Noteholders, the Deferred Interest Amount for such Class until such Deferred Interest Amount is reduced to zero, (2) to the Class B Noteholders, the Deferred Interest Amount for such Class until such Deferred Interest Amount is reduced to zero and (3) to the Class A Noteholders and Class B Noteholders, the Principal Distribution Amount, *pro rata* based on their Initial Percentage Interests and (b) during a Sequential Amortization Period or any Payment Date after the Anticipated Repayment Date, (1) to the Class A Noteholders, the Deferred Interest Amount for such Class until such Deferred Interest Amount is reduced to zero, (2) the Principal Distribution Amount to the Class A Noteholders until the Outstanding Note Balance of the Class A Notes is reduced to zero, (3) to the Class B Noteholders, the Deferred Interest Amount for such Class until such Deferred Interest Amount is reduced to zero and (4) the Principal Distribution Amount to the Class B Noteholders until the Outstanding Note Balance of the Class B Notes is reduced to zero;

(ix)during a Regular Amortization Period, the Extra Principal Distribution Amount (a) to the Class B Noteholders until the Outstanding Note Balance of the Class B Notes is reduced to zero and (b) to the Class A Noteholders until the Outstanding Note Balance of the Class A Notes is reduced to zero;

(x)to the Reserve Account, the amount, if any, necessary to increase the balance thereof to the Reserve Account Required Balance for such Payment Date;

(xi)to the Class A Noteholders and Class B Noteholders, in that order, reimbursement of any unreimbursed Note Balance Write Down Amounts applied on prior Payment Dates;

(xii)to the Indenture Trustee, the Backup Servicer and Transition Manager, any remaining accrued but unpaid expense reimbursements and indemnities then due such parties and not paid pursuant to clause (i) above, to be paid pro rata based upon the amounts due to each such party;

(xiii)to the Custodian, any extraordinary out-of-pocket expenses and indemnities of the Custodian incurred and not reimbursed in connection with the obligations and duties under the Custodial Agreement, to the extent not paid in accordance with clause (iii) above;

(xiv)on a *pari passu* basis, (A) to the Manager, any Manager Extraordinary Expenses not previously paid and (B) to the Servicer, any Servicer Extraordinary Expenses not previously paid;

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(xv)first to the Class A Noteholders and second to the Class B Noteholders, their respective Make Whole Amount, if any;

(xvi)first to the Class A Noteholders and second to the Class B Noteholders, their respective Post-ARD Additional Interest Amounts and Deferred Post-ARD Additional Interest Amounts due on such Payment Date, if any;

(xvii)to the Class A Noteholders and Class B Noteholders, as applicable, any Voluntary Prepayment, as applicable;

(xviii)to the Eligible Letter of Credit Bank or other party as directed by the Manager (a) any fees and expenses related to the Letter of Credit and (b) any amounts which have been drawn under the Letter of Credit and any interest due thereon; and

(xix)to or at the direction of the Issuer, any remaining Available Funds.

(b) If an Acceleration Event shall have occurred and is continuing, any money collected by the Indenture Trustee in respect of the Trust Estate and any other money that may be held thereafter by the Indenture Trustee as security for the Notes, including, without limitation, the amounts on deposit in the Lockbox Account, the Collection Account, the Reserve Account, the Prefunding Account, the Section 25D Interest Account, the Equipment Replacement Reserve Account and the Capitalized Interest Account shall be applied, based on the Monthly Servicer Report, in the following order on each Payment Date (the "*Acceleration Event Priority of Payments*"):

(i)(A) to the Indenture Trustee, (1) the Indenture Trustee Fee for such Payment Date and (2)(x) any accrued and unpaid Indenture Trustee Fees with respect to prior Payment Dates plus (y) out-of-pocket expenses and indemnities of the Indenture Trustee incurred and not reimbursed in connection with its obligations and duties under the Indenture; (B) to the Backup Servicer and the Transition Manager, (1) the Backup Servicing and Transition Manager Fee for such Payment Date and (2) (x) any accrued and unpaid Backup Servicing and Transition Manager Fees with respect to prior Payment Dates plus (y) Transition Manager Expenses and Backup Servicer Expenses, as applicable; and (C) to the Backup Servicer and the Transition Manager, any accrued and unpaid transition costs;

(ii)on a *pari passu* basis, (A) to the Manager, the Manager Fee for such Payment Date, plus any accrued and unpaid Manager Fees with respect to prior Payment Dates and (B) to the Servicer, the Servicer Fee for such Payment Date, plus any accrued and unpaid Servicer Fees with respect to prior Payment Dates;

(iii)to the Custodian, the Custodian Fee, plus any accrued and unpaid Custodian Fees with respect to prior Payment Dates plus certain extraordinary out-of-pocket expenses and indemnities of the Custodian incurred and not reimbursed in connection with its obligations and duties under the Custodial Agreement;

(iv)to the Class A Noteholders, the Interest Distribution Amount for such Class and such Payment Date;

(v)to the Class A Noteholders, all remaining amounts until the Outstanding Note Balance of the Class A Notes is reduced to zero and all Note Balance Write-Down Amounts, Deferred

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Interest Amounts, Post-ARD Additional Interest Amounts and Deferred Post-ARD Additional Interest Amounts applied to the Class A Notes have been reimbursed with interest at the Note Rate for such Class A Notes;

(vi)to the Class B Noteholders, the Interest Distribution Amount for such Class and such Payment Date;

(vii)to the Class B Noteholders, all remaining amounts until the Outstanding Note Balance of the Class B Notes is reduced to zero and all Note Balance Write-Down Amounts, Deferred Interest Amounts, Post-ARD Additional Interest Amounts and Deferred Post-ARD Additional Interest Amounts applied to the Class B Notes have been reimbursed with interest at the Note Rate for such Class B Notes;

(viii)to the Manager, an amount equal to the sum of the cost of purchasing any replacement Inverters or Energy Storage Systems that do not have the benefit of a Manufacturer Warranty, to the extent such costs are incurred by the Manager but not reimbursed from the Equipment Replacement Reserve Account;

(ix)on a *pari passu* basis, (A) to the Manager, any Manager Extraordinary Expenses not previously paid and (B) to the Servicer, any Servicer Extraordinary Expenses not previously paid;

(x)to the Eligible Letter of Credit Bank or other party as directed by the Manager (a) any fees and expenses related to the Letter of Credit and (b) any amounts which have been drawn under the Letter of Credit and any interest due thereon; and

(xi)to or at the direction of the Issuer, any remaining Available Funds.

Section 5.08 Equity Cure. Sunnova Energy may, in its sole and absolute discretion, remit amounts to the Collection Account to cure an anticipated shortfall of any amounts required to be paid by the Borrower pursuant to the Priority of Payments; provided that (i) such deposits shall not exceed, cumulatively and in the aggregate for all Payment Dates, 15% of the aggregate Initial Outstanding Note Balance of the Notes and (ii) no more than one such remittance may be made in any twelve month period (each such payment by Sunnova Energy, a "Permitted Equity Cure Payment"). In the event that Sunnova Energy elects to make a Permitted Equity Cure Payment, Sunnova Energy shall notify the Issuer, the Indenture Trustee, the Backup Servicer and the Servicer of such election on or prior to the date that is not later than three Business Days prior to the related Determination Date.

Section 5.09 Note Payments. (a) The Indenture Trustee shall pay from amounts on deposit in the Collection Account in accordance with the Monthly Servicer Report and the Priority of Payments or the Acceleration Event Priority of Payments, as applicable, to each Noteholder of record as of the related Record Date either (i) by wire transfer, in immediately available funds to the account of such Noteholder at a bank or other entity having appropriate facilities therefor, if such Noteholder shall have provided to the Indenture Trustee appropriate written instructions at least five Business Days prior to the related Payment Date (which instructions may remain in effect for subsequent Payment Dates unless revoked by such Noteholder), or (ii) if not, by check mailed to such Noteholder at the address of such Noteholder

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appearing in the Note Register, the amounts to be paid to such Noteholder pursuant to such Noteholder's Notes; *provided, however*, that so long as the Notes are registered in the name of the Securities Depository such payments shall be made to the nominee thereof in immediately available funds.

(b) In the event that any withholding Tax is imposed on the Issuer's payment (or allocations of income) to a Noteholder, such withholding Tax shall reduce the amount otherwise distributable to the Noteholder in accordance with this Indenture. The Indenture Trustee is hereby authorized and directed to retain from amounts otherwise distributable to the Noteholders sufficient funds for the payment of any withholding Tax that is legally owed by the Issuer as instructed by the Servicer, in writing in a Monthly Servicer Report (but such authorization shall not prevent the Indenture Trustee from contesting at the expense of the applicable Noteholder any such withholding Tax in appropriate Proceedings, and withholding payment of such withholding Tax, if permitted by law, pending the outcome of such Proceedings). The amount of any withholding Tax imposed with respect to a Noteholder shall be treated as cash distributed to such Noteholder at the time it is withheld by the Issuer or the Indenture Trustee (at the direction of the Servicer or the Issuer) and remitted to the appropriate taxing authority. If there is a withholding Tax payable with respect to a distribution (such as a distribution to a non-U.S. Noteholder), the Indenture Trustee may in its sole discretion withhold such amounts in accordance with this clause (b). In the event that a Noteholder wishes to apply for a refund of any such withholding Tax, the Indenture Trustee shall reasonably cooperate with such Noteholder in making such claim so long as such Noteholder agrees to reimburse the Indenture Trustee for any out-of-pocket expenses incurred.

(c) Each Noteholder and Note Owner, by its acceptance of a Note, will be deemed to have consented to the provisions of the Priority of Payments or the Acceleration Event Priority of Payments, as applicable.

(d) For all Tax purposes, each Noteholder and each Note Owner, by its acceptance of a Note, will be deemed to have agreed to, and hereby instructs the Indenture Trustee to, treat the Notes as indebtedness.

(e) Each Noteholder and each Note Owner by its acceptance of a Note or an interest in a Note, will be deemed to have agreed to provide the Indenture Trustee or the Issuer, upon request, with the Noteholder Tax Identification Information and, to the extent FATCA Withholding Tax is applicable, the Noteholder FATCA Information. Each Noteholder and Note Owner shall update or replace its previously provided Noteholder Tax Identification Information and Noteholder FATCA Information promptly if requested by the Indenture Trustee; *provided* that nothing herein shall require the Indenture Trustee to make such request. In addition, each Noteholder and each Note Owner will be deemed to agree that the Indenture Trustee has the right to withhold from any amount of interest or other amounts (without any corresponding gross-up) payable to a Noteholder or Note Owner that fails to comply with the foregoing requirements. The Issuer hereby covenants with the Indenture Trustee that the Issuer will cooperate with the Indenture Trustee in obtaining sufficient information so as to enable the Indenture Trustee to (i) determine whether or not the Indenture Trustee is obliged to make any withholding, including FATCA Withholding Tax, in respect of any payments with respect to a Note and (ii) to effectuate any such withholding. The parties agree that the Indenture Trustee shall be released of any liability arising from properly complying with this Section 5.09 and FATCA. The Issuer agrees to provide to the Indenture Trustee copies of any Noteholder Tax Identification Information and any Noteholder FATCA Information received by the Issuer from any Noteholder or Note Owner. Upon reasonable request from the Indenture Trustee, the Issuer will provide such additional information that it may have to assist the Indenture Trustee in making any withholdings or informational reports.

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Section 5.10 Statements to Noteholders; Tax Returns. Within the time period required by Applicable Law after the end of each calendar year, the Issuer shall cause the Indenture Trustee to furnish to each Person who at any time during such calendar year was a Noteholder of record and received any payment thereon any information required by the Code to enable such Noteholders to prepare their U.S. federal and state income Tax Returns. The obligation of the Indenture Trustee set forth in this paragraph shall be deemed to have been satisfied to the extent that information shall be provided by the Indenture Trustee, in the form of Form 1099 or other comparable form, pursuant to any requirements of the Code.

The Issuer shall cause Sunnova Management, at Sunnova Management's expense, to cause a firm of Independent Accountants to prepare any Tax Returns required to be filed by the Issuer. The Indenture Trustee, upon reasonable written request, shall furnish the Issuer with all such information in the possession of the Indenture Trustee as may be reasonably required in connection with the preparation of any Tax Return of the Issuer.

Section 5.11 Reports by Indenture Trustee. Within five Business Days after the end of each Collection Period, the Indenture Trustee shall provide or make available electronically (or upon written request, by first class mail or facsimile) to the Servicer a written report (electronic means shall be sufficient) setting forth the amounts in the Collection Account, the Reserve Account, the Capitalized Interest Account, the Prefunding Account, the Section 25D Interest Account and the Equipment Replacement Reserve Account and the identity of the investments included therein, as applicable. Without limiting the generality of the foregoing, the Indenture Trustee shall, upon the written request of the Servicer, promptly transmit or make available electronically to the Servicer, copies of all accountings of, and information with respect to, the Collection Account, the Reserve Account, the Capitalized Interest Account, the Prefunding Account, the Section 25D Interest Account and the Equipment Replacement Reserve Account, investments thereof, as applicable, and payments thereto and therefrom.

Section 5.12 Final Balances. On the Termination Date, all moneys remaining in all Accounts (other than the Lockbox Account), shall be, subject to applicable escheatment laws, remitted to, or at the direction of, the Issuer, and after the return of such funds (or disposition thereof pursuant to applicable escheatment laws), the Indenture Trustee will have no liability with respect to such funds, and holders should look solely only to the Issuer for such amounts.

Article VI.

Voluntary Prepayment of Notes and Release of Collateral

Section 6.01 Voluntary Prepayment. (a) Prior to the Rated Final Maturity, the Issuer may, in its sole discretion, prepay the Notes, including by Class or portion of a Class (such prepayment, a "*Voluntary Prepayment*"), in whole or in part on any Business Day following the Closing Date (such date, the "*Voluntary Prepayment Date*"); *provided*, that any Voluntary Prepayment in part shall be made pro rata between the Class A Notes and the Class B Notes. Any such Voluntary Prepayment is required to be made on no less than 20 days' prior notice (or such shorter period, but not less than two Business Days, as is necessary to cure an Event of Default) by the Issuer sending the Notice of Prepayment to the Indenture Trustee and the Servicer describing the Issuer's election to prepay the Notes or portion thereof

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in the form attached hereto as Exhibit C. With respect to each Class of Notes subject to a Voluntary Prepayment, such Voluntary Prepayment shall be made pro rata among such Class.

(b) With respect to any Voluntary Prepayment in part, on or prior to the related Voluntary Prepayment Date, the Issuer shall deposit into the Collection Account, an amount equal to the sum of (i) the amount of outstanding principal of the Notes being prepaid, (ii) all accrued and unpaid interest thereon and (iii) the applicable Make Whole Amount, if any. Such partial Voluntary Prepayment will be distributed by the Indenture Trustee on the related Voluntary Prepayment Date in accordance with the written direction of the Servicer to the holders of the Notes identified by the Issuer in the Notice of Prepayment.

(c) With respect to a Voluntary Prepayment of all outstanding Notes in full, on or prior to the related Voluntary Prepayment Date, the Issuer will be required to deposit into the Collection Account an amount equal to (i) the sum of (A) the Aggregate Outstanding Note Balance, (B) all accrued and unpaid interest thereon, (C) the Make Whole Amount, if any, (D) the Note Balance Write-Down Amount, if any, (E) the Deferred Interest Amount, if any, (F) the Post-ARD Additional Interest Amount, if any, (G) the Deferred Post-ARD Additional Interest Amount, if any, and (H) all amounts owed to the Indenture Trustee, the Manager, the Servicer, the Backup Servicer, the Transition Manager and any other parties to the Transaction Documents, minus (ii) the sum of the amounts then on deposit in the Reserve Account, the Prefunding Account, the Section 25D Interest Account, the Equipment Replacement Reserve Account and the Capitalized Interest Account. The Indenture Trustee will make distributions on the related Voluntary Prepayment Date in accordance with the Priority of Payments (without giving effect to clauses (vi) through (x) thereof) and solely as specified in the related Voluntary Prepayment Servicer Report and to the extent the Aggregate Outstanding Note Balance is prepaid and all other obligations of the Issuer under the Transaction Documents have been paid, release any remaining assets in the Trust Estate to, or at the direction of, the Issuer.

(d) If a Voluntary Prepayment Date occurs prior to the Make Whole Determination Date for a Class of Notes, the Issuer will be required to pay the Noteholders the applicable Make Whole Amount. No Make Whole Amount will be due to the Noteholders if a Voluntary Prepayment is made on or after the related Make Whole Determination Date.

(e) If the Issuer elects to rescind the Voluntary Prepayment, it must give written notice of such determination at least two Business Days prior to the Voluntary Prepayment Date. If a redemption of the notes has been rescinded pursuant to this Section 6.01(e), the Indenture Trustee shall provide notice of such rescission to the registered owner of each Note which had been subject to the rescinded redemption at the address shown on the Note Register maintained by the Note Registrar with copies to the Issuer, Sunnova Energy, the Depositor and the Rating Agency.

Section 6.02 Notice of Voluntary Prepayment. Any Notice of Voluntary Prepayment received by the Indenture Trustee from the Issuer shall be made available by the Indenture Trustee not less than twenty days and not more than thirty days prior to the date fixed for prepayment to the registered owner of each Note to be prepaid with copies to the Issuer, Sunnova Energy, the Servicer and the Rating Agency. Failure to make such Notice of Prepayment available to any Noteholder, or any defect therein, shall not affect the validity of any Proceedings for the prepayment of other Notes. If a Voluntary Prepayment has been rescinded pursuant to Section 6.01(e), and to the extent the Indenture Trustee had made notice of the Voluntary Prepayment available, the Indenture Trustee shall make available notice of

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such rescission to the registered owner of each Note which had been subject to the rescinded Voluntary Prepayment with copies to the Issuer, Sunnova Energy, the Servicer and the Rating Agency.

Any notice made available as provided in this Section shall be conclusively presumed to have been duly given, whether or not the registered owner of such Notes accesses the notice.

Section 6.03 Cancellation of Notes. All Notes which have been paid in full or retired or received by the Indenture Trustee for exchange shall not be reissued but shall be canceled and destroyed in accordance with its customary procedures.

Section 6.04 Release of Collateral. (a) The Indenture Trustee shall, on or promptly after the Termination Date, release any remaining portion of the Trust Estate from the Lien created by this Indenture and shall deposit into the Collection Account any funds then on deposit in any other Account. The Indenture Trustee shall release property from the Lien created by this Indenture pursuant to this Section 6.04(a) only upon receipt by the Indenture Trustee of an Issuer Order accompanied by an Officer's Certificate and an Opinion of Counsel described in Section 314(c)(2) of the Trust Indenture Act of 1939, as amended, and meeting the applicable requirements of Section 12.02.

(b) The Lien created by this Indenture on any (A) Defective Solar Loan shall automatically be released when the Depositor or the Performance Guarantor, as applicable, repurchases such Defective Solar Loan pursuant to the Contribution Agreement or the Performance Guaranty, as applicable, or (B) Defaulted Solar Loan shall automatically be released when the Depositor or the Performance Guarantor, as applicable, repurchases such Defaulted Solar Loan pursuant to the Contribution Agreement or the Performance Guaranty, as applicable, in each case upon (I) a payment by the Depositor or the Performance Guarantor, as the case may be, of the Repurchase Price of such Solar Loan and the deposit of such payment into the Collection Account and (II) receipt by the Indenture Trustee of an Officer's Certificate of the Depositor or Performance Guarantor, as the case may be, certifying: (1) as to the identity of the Solar Loan to be released, (2) that the amount deposited into the Collection Account with respect thereto equals the Repurchase Price of such Solar Loan and (3) that all conditions in the Transaction Documents with respect to the release of such Solar Loan from the Lien of this Indenture have been met.

(c) The Lien created by this Indenture on any Replaced Solar Loan shall automatically be released upon (A) a payment by the Depositor of any Substitution Shortfall Amount and Section 25D Interest Amount, if any, due with respect to such Replaced Solar Loan and the deposit of such payment into the Collection Account or the Section 25D Interest Account, as applicable, (B) the Issuer’s acquisition of the related Qualified Substitute Solar Loans in accordance with the Contribution Agreement, and (C) receipt by the Indenture Trustee of an Officer's Certificate of the Depositor certifying: (1) as to the identity of the Replaced Solar Loan to be released, (2) that the amount, if any, deposited into the Collection Account with respect thereto equals the Substitution Shortfall Amount required to be deposited, (3) that the amount, if any, deposited into the Section 25D Interest Account with respect thereto equals the Section 25D Interest Account Amount for the related Qualified Substitute Solar Loans required to be deposited and (4) that all conditions in the Transaction Documents with respect to the release of such Replaced Solar Loan from the Lien of this Indenture have been met.

(ii)The Lien created by this Indenture on any Solar Loan shall automatically be released upon (A) deposit into the Collection Account of the amount payable by an Obligor pursuant to its Solar Loan Agreement in connection with a prepayment in whole of such Solar Loan Agreement, (B) receipt

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by the Indenture Trustee of an Officer's Certificate of the Manager certifying: (1) as to the identity of the Solar Loan to be released, (2) that the amount deposited in the Collection Account with respect thereto equals the purchase price of such Solar Loan under the related Solar Loan Agreement and (3) that all conditions in the Transaction Documents with respect to the release of such Solar Loan from the Lien of this Indenture have been met.

(d) Upon release of the Lien created by this Indenture in accordance with subsections (b) or (c), the Indenture Trustee shall release the applicable asset for all purposes and deliver to or upon the order of the Issuer (or to or upon the order of the Depositor if it has satisfied its respective obligations under Sections 7(a) or 7(b) of the Contribution Agreement with respect to a Solar Loan) the applicable Solar Loan and the related Custodian File. Upon the order of the Issuer, the Indenture Trustee shall authorize a UCC financing statement prepared by the Servicer evidencing such release. The Servicer shall file any such authorized UCC financing statements. Upon any such release of any Solar Loan, the Issuer shall cause the Servicer to update the Schedule of Solar Loans to remove such released Solar Loan from the Schedule of Solar Loans and deliver such updated Schedule of Solar Loans to the Indenture Trustee.

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Article VII.

The Indenture Trustee

Section 7.01 Duties of Indenture Trustee. (a) If a Responsible Officer of the Indenture Trustee has received notice pursuant to Section 7.02(a), or a Responsible Officer of the Indenture Trustee shall otherwise have actual knowledge that an Event of Default has occurred and is continuing, the Indenture Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs.

(b) Except during the occurrence and continuance of such an Event of Default:

(i)The Indenture Trustee need perform only those duties that are specifically set forth in this Indenture and any other Transaction Document to which it is a party and no others and no implied covenants or obligations of the Indenture Trustee shall be read into this Indenture or any other Transaction Document.

(ii)In the absence of negligence or bad faith on its part, the Indenture Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Indenture Trustee and conforming to the requirements of this Indenture or any other Transaction Document. The Indenture Trustee shall, however, examine such certificates and opinions to determine whether they conform on their face to the requirements of this Indenture or any other Transaction Document but the Indenture Trustee shall not be required to determine, confirm or recalculate information contained in such certificates or opinions.

(c) No provision of this Indenture shall be construed to relieve the Indenture Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i)This paragraph does not limit the effect of subsection (b) of this Section 7.01.

(ii)The Indenture Trustee shall not be liable in its individual capacity for any action taken, or error of judgment made, in good faith by a Responsible Officer or other officers of the Indenture Trustee, unless it is proved that the Indenture Trustee was negligent in ascertaining the pertinent facts.

(iii)The Indenture Trustee shall not be personally liable with respect to any action it takes, suffers or omits to take in good faith in accordance with a direction received by it from the Noteholders in accordance with this Indenture or any other Transaction Document or for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture or any other Transaction Document, in each case unless it is proved that the Indenture Trustee was negligent in ascertaining the pertinent facts.

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(iv)The Indenture Trustee shall have no responsibility for filing any financing or continuation statement in any public office at any time or otherwise to perfect or to maintain the perfection of any Lien on the Trust Estate or in any item comprising the Conveyed Property.

(d) No provision of this Indenture or any other Transaction Document shall require the Indenture Trustee to expend or risk its own funds or otherwise incur any financial or other liability in the performance of any of its duties hereunder or thereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not assured to it.

(e) The provisions of subsections (a), (b), (c) and (d) of this Section 7.01 shall apply to any co-trustee or separate trustee appointed by the Issuer and the Indenture Trustee pursuant to Section 7.13.

(f) The Indenture Trustee shall not in any way be held liable by reason of any insufficiency in any Account held by the Indenture Trustee resulting from any loss experienced on any item comprising the Conveyed Property except as a result of the Indenture Trustee's gross negligence or willful misconduct.

(g) In no event shall the Indenture Trustee be required to take any action that conflicts with Applicable Law, any of the provisions of this Indenture or any other Transaction Document or with the Indenture Trustee's duties hereunder or that adversely affect its rights and immunities hereunder.

(h) In no event shall the Indenture Trustee have any obligations or duties under or have any liabilities whatsoever to Noteholders under ERISA.

(i) In no event shall the Indenture Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities; it being understood that the Indenture Trustee shall resume performance as soon as practicable under the circumstances.

(j) With respect to all Solar Loans and any related part of the Trust Estate released from the Lien of this Indenture, the Indenture Trustee shall assign, without recourse, representation or warranty, to the appropriate Person as directed by the Issuer in writing, prior to the Termination Date, all the Indenture Trustee's right, title and interest in and to such assets, such assignment being in the form as prepared by the Servicer or the Issuer and acceptable to the Indenture Trustee. Such Person will thereupon own such Solar Loan and related rights appurtenant thereto free of any further obligation to the Indenture Trustee or the Noteholders with respect thereto. The Servicer or the Issuer will also prepare and the Indenture Trustee shall, upon written direction of the Issuer, also execute and deliver all such other instruments or documents as shall be reasonably requested by any such Person to be required or appropriate to effect a valid transfer of title to a Solar Loan and the related assets.

(k) In the event that the Indenture Trustee receives notice from the Custodian that the Electronic Vault Agreement will be terminated, the Indenture Trustee shall make such notice available to the Noteholders and take action in response to such notice as directed in writing by the Majority Noteholders of the Controlling Class, *provided*, *however*, if the Majority Noteholders of the Controlling Class fail to provide written direction to the Indenture Trustee within five (5) days of such notice and no

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provision has been made for a substitute electronic vault agreement to replace the Electronic Vault Agreement on terms that would not have a material adverse effect on the Noteholders' interest in the Solar Loan Agreements, as determined by an Opinion of Counsel, the Indenture Trustee shall direct the Custodian to implement a "paper out" process to convert all Solar Loan Agreements and any other electronic chattel paper held in the Electronic Vault into non-original paper copies of such chattel paper and to destroy the original electronic records evidencing such chattel paper, and such paper copies of the Solar Loan Agreements and other records shall be delivered to the Custodian. All expenses incurred in connection with such process shall be treated as expenses of the initial Servicer.

Section 7.02 Manager Termination Event, Servicer Termination Event, or Event of Default. (a) The Indenture Trustee shall not be required to take notice of or be deemed to have notice or knowledge of any default, Default, Manager Termination Event, Servicer Termination Event, Event of Default, event or information, or be required to act upon any default, Default, Manager Termination Event, Servicer Termination Event, Event of Default, event or information (including the sending of any notice) unless a Responsible Officer of the Indenture Trustee is specifically notified in writing at the address set forth in Section 12.04 or until a Responsible Officer of the Indenture Trustee shall have acquired actual knowledge of a default, a Default, a Manager Termination Event, a Servicer Termination Event, an Event of Default, an event or information and shall have no duty to take any action to determine whether any such default, Default, Manager Termination Event, Servicer Termination Event, Event of Default, or event has occurred. In the absence of receipt of such notice or actual knowledge, the Indenture Trustee may conclusively assume that there is no such default, Default, Event of Default, Servicer Termination Event, Manager Termination Event or event. If written notice of the existence of a default, a Default, an Event of Default, a Manager Termination Event, a Servicer Termination Event, an event or information has been delivered to a Responsible Officer of the Indenture Trustee or a Responsible Officer of the Indenture Trustee has actual knowledge thereof, the Indenture Trustee shall promptly provide paper or electronic notice thereof to the Issuer, the Transition Manager, the Backup Servicer, the Rating Agency and each Noteholder, but in any event, no later than five days after such knowledge or notice occurs.

(b) In the event the Servicer does not make available to the Rating Agency all reports of the Servicer and all reports to the Noteholders, upon request of the Rating Agency, the Indenture Trustee shall make available promptly after such request, copies of such Servicer reports as are in the Indenture Trustee's possession to the Rating Agency and the Noteholders.

Section 7.03 Rights of Indenture Trustee. (a) The Indenture Trustee may rely and shall be protected in acting or refraining from acting upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Indenture Trustee need not investigate any fact or matter stated in any document. The Indenture Trustee need not investigate or re-calculate, evaluate, certify, verify or independently determine the accuracy of any numerical information, report, certificate, information, statement, representation or warranty or any fact or matter stated in any such document and may conclusively rely as to the truth of the statements and the accuracy of the information therein.

(b) Before the Indenture Trustee takes any action or refrains from taking any action under this Indenture or any other Transaction Document, it may require an Officer's Certificate or an Opinion of Counsel, the costs of which (including the Indenture Trustee's reasonable and documented attorney's fees and expenses) shall be paid by the party requesting that the Indenture Trustee act or refrain from acting. The Indenture Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel.

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(c) The Indenture Trustee shall not be personally liable for any action it takes or omits to take or any action or inaction it believes in good faith to be authorized or within its rights or powers other than as a result of gross negligence or willful misconduct.

(d) The Indenture Trustee shall not be bound to make any investigation into the facts of matters stated in any reports, certificates, payment instructions, opinion, notice, order or other paper or document unless requested in writing by 25% or more of the Noteholders, and such Noteholders have provided to the Indenture Trustee indemnity satisfactory to it.

(e) The Indenture Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, affiliates or attorneys or a custodian or nominee, and the Indenture Trustee shall not be responsible for any misconduct or negligence on the part of any such agent, attorney, custodian or nominee appointed by it hereunder with due care. The Indenture Trustee may consult with counsel, accountants and other experts and the advice or opinion of counsel, accountants and other experts with respect to legal and other matters relating to any Transaction Document shall be full and complete authorization and protection from liability with respect to any action taken, omitted or suffered by it hereunder in good faith and in accordance with such advice or opinion of counsel.

(f) The Indenture Trustee shall not be required to give any bond or surety with respect to the execution of this Indenture or the powers granted hereunder.

(g) The Indenture Trustee shall not be liable for any action or inaction of the Issuer, the Manager, the Servicer, the Backup Servicer, the Transition Manager, the Custodian, or any other party (or agent thereof) to this Indenture or any Transaction Document and may assume compliance by such parties with their obligations under this Indenture or any other Transaction Document, unless a Responsible Officer of the Indenture Trustee shall have received written notice to the contrary at the Corporate Trust Office of the Indenture Trustee.

(h) The Indenture Trustee shall be under no obligation to exercise any of the trusts or powers vested in it by this Indenture or to institute, conduct or defend any litigation hereunder or in relation hereto at the request, order or direction of any of the Noteholders, pursuant to the provisions of this Indenture, unless such Noteholders shall have offered to the Indenture Trustee security or indemnity satisfactory to the Indenture Trustee against the costs, expenses and liabilities (including the reasonable and documented fees and expenses of the Indenture Trustee's counsel and agents) which may be incurred therein or thereby.

(i) The Indenture Trustee shall have no duty (i) to maintain or monitor any insurance or (ii) to see to the payment or discharge of any tax, assessment, or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of the Trust Estate.

(j) Delivery of any reports, information and documents to the Indenture Trustee provided for herein or any other Transaction Document is for informational purposes only (unless otherwise expressly stated), and the Indenture Trustee's receipt of such or otherwise publicly available information shall not constitute actual or constructive knowledge or notice of any information contained therein or determinable from information contained therein, including the Servicer's, the Manager's or the Issuer's compliance with any of its representations, warranties or covenants hereunder (as to which the Indenture Trustee is entitled to rely exclusively on Officer's Certificates). The Indenture Trustee shall not have

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actual notice of any default or any other matter unless a Responsible Officer of the Indenture Trustee receives actual written notice of such default or other matter.

(k) The Indenture Trustee does not have any obligation to investigate any matter or exercise any powers vested under this Indenture unless requested in writing by 25% or more of the Noteholders, and such Noteholders have provided to the Indenture Trustee indemnity satisfactory to it.

(l) Knowledge of the Indenture Trustee shall not be attributed or imputed to Wells Fargo's other roles in the transaction and knowledge of the Backup Servicer or the Transition Manager shall not be attributed or imputed to each other or to the Indenture Trustee (other than those where the roles are performed by the same group or division within Wells Fargo or otherwise share the same Responsible Officers), or any affiliate, line of business, or other division of Wells Fargo (and vice versa).

(m) The right of the Indenture Trustee to perform any permissive or discretionary act enumerated in this Indenture or any related document shall not be construed as a duty.

(n) None of the Indenture Trustee, the Transition Manager or the Backup Servicer shall have a duty to conduct any investigation as to an actual or alleged breach of any representation or warranty, the occurrence of any condition requiring the repurchase of any Solar Loan by any Person pursuant to the Transaction Documents, or the eligibility of any Solar Loan for purposes of the Transaction Documents. For the avoidance of doubt, none of the Indenture Trustee, the Transition Manager or the Backup Servicer shall be responsible for determining whether a breach of the representations or warranties made by Sunnova Intermediate Holdings, Sunnova ABS Holdings V or the Depositor relating to the eligibility criteria of the Solar Loans has occurred or whether any such breach materially and adversely affects the value of such Solar Loans or the interests therein of the Noteholders; provided, however, that upon actual knowledge or receiving notice of a breach of any of the representations and warranties relating to the eligibility criteria of the Solar Loans by a Responsible Officer of the Indenture Trustee, the Transition Manager or the Backup Servicer, the Indenture Trustee, the Transition Manager or the Backup Servicer, as applicable, shall give prompt written notice thereof to Sunnova Intermediate Holdings, Sunnova ABS Holdings V or the Depositor.

(o) The rights, benefits, protections, immunities and indemnities afforded to the Indenture Trustee hereunder shall extend to the Indenture Trustee (in any of its capacities) under any other Transaction Document or related agreement as though set forth therein in their entirety *mutatis mutandis*.

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Section 7.04 Not Responsible for Recitals, Issuance of Notes or Application of Moneys as Directed. The recitals contained herein and in the Notes, except the certificates of authentication on the Notes, shall be taken as the statements of the Issuer, and the Indenture Trustee assumes no responsibility for their correctness. The Indenture Trustee makes no representations with respect to the Trust Estate or as to the validity or sufficiency of the Trust Estate or this Indenture or any other Transaction Document or of the Notes. The Indenture Trustee shall not be accountable for the use or application by the Issuer of the proceeds of the Notes. Subject to Section 7.01(b), the Indenture Trustee shall not be liable to any Person for any money paid to the Issuer upon an Issuer Order, Servicer instruction or order or direction provided in a Monthly Servicer Report contemplated by this Indenture or any other Transaction Document.

Section 7.05 May Hold Notes. The Indenture Trustee or any agent of the Issuer, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with the Issuer or Sunnova Energy or any Affiliate of the Issuer or Sunnova Energy with the same rights it would have if it were not the Indenture Trustee or other agent.

Section 7.06 Money Held in Trust. The Indenture Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Issuer and except to the extent of income or other gain on investments which are obligations of the Indenture Trustee hereunder.

Section 7.07 Compensation and Reimbursement. (a) The Issuer agrees:

(i)to pay the Indenture Trustee in accordance with and subject to the Priority of Payments or the Acceleration Event Priority of Payments, as applicable, the Indenture Trustee Fee. The Indenture Trustee's compensation shall not be limited by any law with respect to compensation of a trustee of an express trust and the payments to the Indenture Trustee provided by Article V hereto shall constitute payments due with respect to the applicable fee agreement or letter;

(ii)in accordance with and subject to the Priority of Payments or the Acceleration Event Priority of Payments, as applicable, to reimburse the Indenture Trustee upon request for all reasonable and documented expenses, disbursements and advances incurred or made by the Indenture Trustee, the Backup Servicer and the Transition Manager in accordance with any provision of this Indenture (including, but not limited to, the reasonable compensation, expenses and disbursements of its agents and counsel and allocable costs of in-house counsel); *provided, however*, in no event shall the Issuer pay or reimburse the Indenture Trustee or the agents or counsel, including in-house counsel of either, for any expenses, disbursements and advances incurred or made by the Indenture Trustee in connection with any negligent action or negligent inaction on the part of the Indenture Trustee; *provided, further*, that payments to the Indenture Trustee for reimbursement for any such expenses will be as set forth in Section 5.07(a)(i) hereof;

(iii)to indemnify the Indenture Trustee and its officers, directors, employees and agents for, and to hold them harmless against, any fee, loss, liability, damage, cost or expense (including reasonable and documented attorneys' fees, costs and expenses and court costs) incurred without negligence or bad faith on the part of the Indenture Trustee, to the extent such matters have been determined by a court of competent jurisdiction, arising out of, or in connection with, the acceptance or administration of this trust and its obligations under the Transaction Documents, including, without limitation, the costs and expenses of defending itself against any claim, action

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or suit in connection with the exercise or performance of any of its powers or duties hereunder and defending itself against any claim, action or suit (including a successful defense, in whole or in part, of a breach of its standard of care) or bringing any claim, action or suit to enforce the indemnification or other obligations of the relevant transaction parties; *provided, however*, that:

(A) with respect to any such claim the Indenture Trustee shall have given the Issuer, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Depositor, the Servicer and the Manager written notice thereof promptly after the Indenture Trustee shall have actual knowledge thereof, provided, that failure to notify shall not relieve the parties of their obligations hereunder;

(B) notwithstanding anything to the contrary in this Section 7.07(a)(iii), none of the Issuer, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Depositor, the Servicer or the Manager shall be liable for settlement of any such claim by the Indenture Trustee entered into without the prior consent of the Issuer, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Depositor, the Servicer or the Manager, as the case may be, which consent shall not be unreasonably withheld or delayed; and

(C) the Indenture Trustee, its officers, directors, employees and agents, as a group, shall be entitled to counsel separate from the Issuer, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Depositor, the Servicer and the Manager; to the extent the Issuer's, Sunnova Intermediate Holdings', Sunnova ABS Holdings V's, the Depositor's, the Servicer's and the Manager's interests are not adverse to the interests of the Indenture Trustee, its officers, directors, employees or agents, the Indenture Trustee may agree to be represented by the same counsel as the Issuer, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Depositor, the Servicer and the Manager.

Such payment obligations and indemnification shall survive the resignation or removal of the Indenture Trustee as well as the discharge, termination or assignment hereof. The Indenture Trustee's expenses are intended as expenses of administration.

Anything in this Indenture to the contrary notwithstanding, in no event shall the Indenture Trustee be liable for special, indirect, punitive or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Indenture Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(b) The Indenture Trustee shall, on each Payment Date, in accordance with the Priority of Payments or the Acceleration Event Priority of Payments, as applicable, deduct payment of its fees and expenses hereunder from moneys in the Collection Account.

(c) The Issuer agrees to assume and to pay, and to indemnify, defend and hold harmless the Indenture Trustee and the Noteholders from any Taxes which may at any time be asserted with respect to, and as of the date of, the Grant of the Trust Estate to the Indenture Trustee, including, without limitation, any sales, gross receipts, general corporation, personal property, privilege or license taxes (but with respect to the Noteholders only, not including Taxes arising out of the creation or the issuance of the Notes or payments with respect thereto) and costs, expenses and reasonable counsel fees in defending against the same.

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Section 7.08 Eligibility; Disqualification. The Indenture Trustee shall always have a combined capital and surplus as stated in Section 7.09, and shall always be a bank or trust company with corporate trust powers organized under the laws of the United States or any State thereof which is a member of the Federal Reserve System and shall be rated at least investment grade by S&P.

Section 7.09 Indenture Trustee's Capital and Surplus. The Indenture Trustee and/or its parent shall at all times have a combined capital and surplus of at least $100,000,000. If the Indenture Trustee publishes annual reports of condition of the type described in Section 310(a)(2) of the Trust Indenture Act of 1939, as amended, its combined capital and surplus for purposes of this Section 7.09 shall be as set forth in the latest such report.

Section 7.10 Resignation and Removal; Appointment of Successor. (a) No resignation or removal of the Indenture Trustee and no appointment of a successor Indenture Trustee pursuant to this Section 7.10 shall become effective until the acceptance of appointment by the successor Indenture Trustee under Section 7.11.

(b) The Indenture Trustee may resign at any time by giving 30 days' prior written notice thereof to the Issuer and the Servicer. If an instrument of acceptance by a successor Indenture Trustee shall not have been delivered to the Indenture Trustee within 30 days after the giving of such notice of resignation, the resigning Indenture Trustee may petition any court of competent jurisdiction for the appointment of a successor Indenture Trustee.

(c) The Indenture Trustee may be removed at any time by the Super-Majority Noteholders of the Controlling Class upon 30 days' prior written notice, delivered to the Indenture Trustee, with copies to the Servicer and the Issuer.

(d) (i) If at any time the Indenture Trustee shall cease to be eligible under Section 7.08 or 7.09 or shall become incapable of acting or shall be adjudged bankrupt or insolvent, or a receiver of the Indenture Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Indenture Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, then, in any such case, with 30 days' prior written notice, the Issuer, with the prior written consent of the Super-Majority Noteholders of the Controlling Class, by an Issuer Order, may remove the Indenture Trustee.

(ii)If the Indenture Trustee shall be removed pursuant to Sections 7.10(c) or (d) and no successor Indenture Trustee shall have been appointed pursuant to Section 7.10(e) and accepted such appointment within 30 days of the date of removal, the removed Indenture Trustee may petition any court of competent jurisdiction for appointment of a successor Indenture Trustee acceptable to the Issuer.

(e) If the Indenture Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Indenture Trustee for any cause, the Issuer, with the prior written consent of the Majority Noteholders of the Controlling Class, by an Issuer Order shall promptly appoint a successor Indenture Trustee.

(f) The Issuer shall give to the Rating Agency and the Noteholders notice of each resignation and each removal of the Indenture Trustee and each appointment of a successor Indenture Trustee. Each

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notice shall include the name of the successor Indenture Trustee and the address of its Corporate Trust Office.

(g) The provisions of this Section 7.10 shall apply to any co-trustee or separate trustee appointed by the Issuer and the Indenture Trustee pursuant to Section 7.13.

Section 7.11 Acceptance of Appointment by Successor. (a) Every successor Indenture Trustee appointed hereunder shall execute, acknowledge and deliver to the Issuer and the retiring Indenture Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Indenture Trustee shall become effective and such successor Indenture Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Indenture Trustee. Notwithstanding the foregoing, on request of the Issuer or the successor Indenture Trustee, such retiring Indenture Trustee shall, upon payment of its fees, expenses and other charges, execute and deliver an instrument transferring to such successor Indenture Trustee all the rights, powers and trusts of the retiring Indenture Trustee and shall duly assign, transfer and deliver to such successor Indenture Trustee all property and money held by such retiring Indenture Trustee hereunder. Upon request of any such successor Indenture Trustee, the Issuer shall execute and deliver any and all instruments for more fully and certainly vesting in and confirming to such successor Indenture Trustee all such rights, powers and trusts.

(b) No successor Indenture Trustee shall accept its appointment unless at the time of such acceptance such successor Indenture Trustee shall be qualified and eligible under Sections 7.08 and 7.09.

(c) Notwithstanding the replacement of the Indenture Trustee, the obligations of the Issuer pursuant to Section 7.07(a)(iii) and (c) and the Indenture Trustee's protections under this Article VII shall continue for the benefit of the retiring Indenture Trustee.

Section 7.12 Merger, Conversion, Consolidation or Succession to Business of Indenture Trustee. Any corporation or national banking association into which the Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation, bank, trust company or national banking association resulting from any merger, conversion or consolidation to which the Indenture Trustee shall be a party, or any corporation, bank, trust company or national banking association succeeding to all or substantially all of the corporate trust business of the Indenture Trustee, shall be the successor of the Indenture Trustee hereunder if such corporation, bank, trust company or national banking association shall be otherwise qualified and eligible under Section 7.08 and 7.09, without the execution or filing of any paper or any further act on the part of any of the parties hereto. The Indenture Trustee shall provide the Rating Agency written notice of any such transaction. In case any Notes have been authenticated, but not delivered, by the Indenture Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Indenture Trustee may adopt such authentication and deliver the Notes so authenticated with the same effect as if such successor Indenture Trustee had authenticated such Notes.

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Section 7.13 Co-trustees and Separate Indenture Trustees. (a) At any time or times, for the purpose of meeting the legal requirements of any jurisdiction in which any part of the Trust Estate may at the time be located, for enforcement actions, and where a conflict of interest exists, the Indenture Trustee shall have power to appoint and, upon the written request of the Indenture Trustee, the Issuer shall for such purpose join with the Indenture Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint, one or more Persons that are approved by the Indenture Trustee either to act as co-trustee, jointly with the Indenture Trustee, of such part of the Trust Estate, or to act as separate trustee of any such property, in either case with such powers as may be provided in the instrument of appointment, and to vest in such Person or Persons in the capacity aforesaid, any property, title, right or power of the Indenture Trustee deemed necessary or desirable, in all respects subject to the other provisions of this Section 7.13. If the Issuer does not join in such appointment within 15 days after the receipt by it of a request so to do, or in case an Event of Default has occurred and is continuing, the Indenture Trustee alone shall have power to make such appointment. No notice to the Noteholders of the appointment of any co-trustee or separate trustee shall be required under this Indenture. Notice of any such appointments shall be promptly given to the Rating Agency by the Indenture Trustee.

(b) Should any written instrument from the Issuer be required by any co-trustee or separate trustee so appointed for more fully confirming to such co-trustee or separate trustee such property, title, right or power, any and all such instruments shall, on request, be executed, acknowledged and delivered by the Issuer.

(c) Every co-trustee or separate trustee shall, to the extent permitted by law, but to such extent only, be appointed subject to the following terms:

(i)The Notes shall be authenticated and delivered and all rights, powers, duties and obligations hereunder with respect to the custody of securities, cash and other personal property held by, or required to be deposited or pledged with, the Indenture Trustee hereunder, shall be exercised solely by the Indenture Trustee.

(ii)The rights, powers, duties and obligations hereby conferred or imposed upon the Indenture Trustee with respect to any property covered by such appointment shall be conferred or imposed upon and exercised or performed by the Indenture Trustee and such co-trustee or separate trustee jointly, except to the extent that under any law of any jurisdiction in which any particular act is to be performed, the Indenture Trustee shall be incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations shall be exercised and performed solely by such co-trustee or separate trustee.

(iii)The Indenture Trustee at any time, by an instrument in writing executed by it, may accept the resignation of, or remove, any co-trustee or separate trustee appointed under this Section 7.13. Upon the written request of the Indenture Trustee, the Issuer shall join with the Indenture Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal. A successor to any co-trustee or separate trustee so resigned or removed may be appointed in the manner provided in this Section 7.13.

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(iv)No co-trustee or separate trustee appointed in accordance with this Section 7.13 hereunder shall be financially or otherwise liable by reason of any act or omission of the Indenture Trustee, or any other such trustee hereunder, and the Indenture Trustee shall not be financially or otherwise liable by reason of any act or omission of any co-trustee or other such separate trustee hereunder.

(v)Any notice, request or other writing delivered to the Indenture Trustee shall be deemed to have been delivered to each such co-trustee and separate trustee.

(vi)Any separate trustee or co-trustee may, at any time, constitute the Indenture Trustee, its agent or attorney-in-fact, with full power and authority, to the extent not prohibited by law, to do any lawful act under or with respect to this Indenture on its behalf and in its name. The Indenture Trustee shall not be responsible for any action or inaction of any such separate trustee or co-trustee appointed in accordance with this Section 7.13. The Indenture Trustee shall not have any responsibility or liability relating to the appointment of any separate or co-trustee. Any such separate or co-trustee shall not be deemed to be an agent of the Indenture Trustee. If any separate trustee or co-trustee shall die, become incapable of acting, resign or be removed, all of its estate, properties, rights, remedies and trusts shall vest in and be exercised by the Indenture Trustee, to the extent permitted by law, without the appointment of a new or successor trustee.

Section 7.14 Books and Records. The Indenture Trustee agrees to provide to the Noteholders the right during normal business hours upon two days' prior notice in writing to inspect its books and records insofar as the books and records relate to the functions and duties of the Indenture Trustee pursuant to this Indenture.

Section 7.15 Control. Upon the Indenture Trustee being adequately indemnified in writing to its satisfaction, the Majority Noteholders of the Controlling Class shall have the right to direct the Indenture Trustee with respect to any action or inaction by the Indenture Trustee hereunder, the exercise of any trust or power conferred on the Indenture Trustee, or the conduct of any Proceeding for any remedy available to the Indenture Trustee with respect to the Notes or the Trust Estate provided that:

(a) such direction shall not be in conflict with any rule of law or with this Indenture or expose the Indenture Trustee to financial or other liability (for which it has not been adequately indemnified) or be unduly prejudicial to the Noteholders not approving such direction including, but not limited to and without intending to narrow the scope of this limitation, direction to the Indenture Trustee to act or omit to act, directly or indirectly, to amend, hypothecate, subordinate, terminate or discharge any Lien benefiting the Noteholders in the Trust Estate;

(b) the Indenture Trustee may take any other action deemed proper by the Indenture Trustee which is not inconsistent with such direction; and

(c) except as expressly provided otherwise herein (but only with the prior written consent of or at the direction of the Majority Noteholders of the Controlling Class), the Indenture Trustee shall have the authority to take any enforcement action which it reasonably deems to be necessary to enforce the provisions of this Indenture.

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Section 7.16 Suits for Enforcement. If an Event of Default of which a Responsible Officer of the Indenture Trustee shall have actual knowledge, shall occur and be continuing, the Indenture Trustee may, in its discretion and shall, at the direction of the Majority Noteholders of the Controlling Class (provided that the Indenture Trustee is adequately indemnified in writing to its satisfaction), proceed to protect and enforce its rights and the rights of any Noteholders under this Indenture by a Proceeding, whether for the specific performance of any covenant or agreement contained in this Indenture or in aid of the execution of any power granted in this Indenture or for the enforcement of any other legal, equitable or other remedy as the Indenture Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of the rights of the Indenture Trustee or any Noteholders, but in no event shall the Indenture Trustee be liable for any failure to act in the absence of direction the Majority Noteholders of the Controlling Class.

Section 7.17 Compliance with Applicable Anti-Terrorism and Anti-Money Laundering Regulations. In order to comply with Applicable Laws, including those relating to the funding of terrorist activities and money laundering, the Indenture Trustee is required to obtain, verify and record certain information relating to individuals and entities which maintain a business relationship with Indenture Trustee. Accordingly, each of the parties agrees to provide to Indenture Trustee upon its request from time to time such identifying information and documentation as may be available to such party in order to enable Indenture Trustee to comply with Applicable Law.

Section 7.18 Authorization. The Indenture Trustee is hereby authorized and directed to execute, deliver and perform its obligations under and make the representations contained in the Account Control Agreement on the Closing Date. Each Noteholder and each Note Owner, by its acceptance of a Note, acknowledges and agrees that the Indenture Trustee shall execute, deliver and perform its obligations under the Account Control Agreement and shall do so solely in its capacity as Indenture Trustee and not in its individual capacity. Furthermore, each Noteholder and each Note Owner, by its acceptance of a Note acknowledges and agrees that the Indenture Trustee shall have no obligation to take any action pursuant to the Account Control Agreement unless directed to do so by the Majority Noteholders of the Controlling Class.

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Article VIII.

[Reserved]

Article IX.

Event of Default

Section 9.01 Events of Default. The occurrence of any of the following events shall constitute an "Event of Default" hereunder:

(a) a default in the payment of any Interest Distribution Amount (which, for the avoidance of doubt, does not include any Deferred Interest Amounts, Post-ARD Additional Interest Amounts or Deferred Post-ARD Additional Interest Amounts) on a Payment Date, which default shall not have been cured after three Business Days;

(b) a default in the payment of the Aggregate Outstanding Note Balance and any unreimbursed Note Balance Write Down Amounts at the Rated Final Maturity;

(c) an Insolvency Event shall have occurred with respect to the Issuer;

(d) the failure of the Issuer to observe or perform in any material respect any covenant or obligation of the Issuer set forth in this Indenture (other than the failure to make any required payment with respect to the Notes), which has not been cured within 30 days from the date of receipt by the Issuer of written notice from the Indenture Trustee of such breach or default, or the failure of the Issuer to deposit into the Collection Account all amounts required to be deposited therein by the required deposit date;

(e) any representation, warranty or statement of the Issuer (other than representations and warranties as to whether a Solar Loan is an Eligible Solar Loan) contained in the Transaction Documents or any report, document or certificate delivered by the Issuer pursuant to the foregoing agreements shall prove to have been incorrect in any material respect as of the time when the same shall have been made and, within 30 days after written notice thereof shall have been given to the Indenture Trustee and the Issuer by the Servicer, the Indenture Trustee or by the Majority Noteholders of the Controlling Class, the circumstance or condition in respect of which such representation, warranty or statement was incorrect shall not have been eliminated or otherwise cured (which cure may be effected by payment of an indemnity claim) or waived by the Indenture Trustee, acting at the direction of the Majority Noteholders of the Controlling Class;

(f) the failure for any reason of the Indenture Trustee, on behalf of the Noteholders, to have a first priority perfected Lien on the Trust Estate in favor of the Indenture Trustee (subject to Permitted Liens) and such failure is not stayed, released or otherwise cured within ten days of receipt of notice or the Servicer's, the Manager's or the Issuer's knowledge thereof;

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(g) the Issuer becomes subject to registration as an "investment company" under the 1940 Act;

(h) the Issuer becomes classified as an association, a publicly traded partnership or a taxable mortgage pool that, in each case, is taxable as a corporation for U.S. federal or state income tax purposes;

(i) failure by Sunnova ABS Holdings V or the Depositor to cure, repurchase or replace a Defective Solar Loan in accordance with the Contribution Agreement (except to the extent cured by the Performance Guarantor in accordance with the Performance Guaranty);

(j) any default in the payment of any amount due by the Performance Guarantor under the Performance Guaranty;

(k) any failure of the Performance Guarantor to observe or perform any covenant or obligation of the Performance Guarantor set forth in the Performance Guaranty (other than failure to make any required payment), which has not been cured within 30 days from the earlier of (x) knowledge by the Performance Guarantor of such failure to perform and (y) the date of receipt by the Performance Guarantor of written notice from the Indenture Trustee of such failure to perform; or

(l) there shall remain in force, undischarged, unsatisfied, and unstayed for more than 30 consecutive days, any final non-appealable judgment in the amount of $100,000 or more against the Issuer not covered by insurance or bond.

In the case of an Event of Default, after the applicable grace period set forth in such subparagraphs, if any, the Indenture Trustee shall give written notice to the Noteholders, the Rating Agency, the Manager, the Servicer, the Backup Servicer, the Transition Manager and the Issuer that an Event of Default has occurred as of the date of such notice.

Section 9.02 Actions of Indenture Trustee. If an Event of Default shall have occurred and be continuing hereunder, the Indenture Trustee shall, at the direction of the Super-Majority Noteholders of the Controlling Class, do one of the following:

(a) declare the entire unpaid principal amount of the Notes, all interest accrued and unpaid thereon and all other amounts payable under this Indenture and the other Transaction Documents to become immediately due and payable;

(b) either on its own or through an agent, take possession of and sell the Trust Estate pursuant to Section 9.15, *provided, however*, that neither the Indenture Trustee nor any collateral agent may sell or otherwise liquidate the Trust Estate unless either (i) the proceeds of such sale or liquidation are sufficient to discharge in full the amounts then due and unpaid upon the Notes for principal and accrued interest and the fees and all other amounts required to be paid pursuant to the Priority of Payments or the Acceleration Event Priority of Payments, as applicable, or (ii) the Holders of 100% of the Aggregate Outstanding Note Balance consent thereto;

(c) institute Proceedings for collection of amounts due on the Notes or under this Indenture by automatic acceleration or otherwise, or if no such acceleration or collection efforts have been made, or if such acceleration or collection efforts have been made, but have been annulled or rescinded, the Indenture Trustee may elect to take possession of the Trust Estate and collect or cause the collection of

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the proceeds thereof and apply such proceeds in accordance with the applicable provisions of this Indenture;

(d) enforce any judgment obtained and collect any amounts adjudged from the Issuer;

(e) institute any Proceedings for the complete or partial foreclosure of the Lien created by the Indenture with respect to the Trust Estate; and

(f) protect the rights of the Indenture Trustee and the Noteholders by taking any appropriate action including exercising any remedy of a secured party under the UCC or any other Applicable Law.

Notwithstanding the foregoing, upon the occurrence of an Event of Default of the type described in clause (c) of the definition thereof, the Aggregate Outstanding Note Balance, all interest accrued and unpaid thereon and all other amounts payable under the Indenture and the other Transaction Documents shall automatically become immediately due and payable.

Section 9.03 Indenture Trustee May File Proofs of Claim. In case of the pendency of any Insolvency Proceeding relative to the Issuer or any other obligor upon the Notes or the property of the Issuer or of such other obligor or their creditors, the Indenture Trustee (irrespective of whether the Notes shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Indenture Trustee shall have made any demand on the Issuer for the payment of overdue principal or any interest or other amounts) shall, at the written direction of the Majority Noteholders of the Controlling Class, by intervention in such Insolvency Proceeding or otherwise,

(a) file and prove a claim for the whole amount owing and unpaid with respect to the Notes issued hereunder and file such other papers or documents as may be necessary or advisable in order to have the claims of the Indenture Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Indenture Trustee, its agents and counsel) and of the Noteholders allowed in such Insolvency Proceeding; and

(b) collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same, and any receiver, assignee, trustee, liquidator, or sequestrator (or other similar official) in any such Insolvency Proceeding is hereby authorized by each Noteholder to make such payments to the Indenture Trustee and, in the event that the Indenture Trustee shall, upon written direction from the Noteholders, consent to the making of such payments directly to the Noteholders, to pay to the Indenture Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Indenture Trustee, its agents and counsel, and any other amounts due the Indenture Trustee under Section 7.07.

Nothing herein contained shall be deemed to authorize the Indenture Trustee to authorize and consent to or accept or adopt on behalf of any Noteholder any plan of reorganization, arrangement, adjustment, or composition affecting any of the Notes or the rights of any Noteholder thereof, or to authorize the Indenture Trustee to vote with respect to the claim of any Noteholder in any such Insolvency Proceeding.

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Section 9.04 Indenture Trustee May Enforce Claim Without Possession of Notes. All rights of action and claims under this Indenture or the Notes may be prosecuted and enforced by the Indenture Trustee without the possession of any of the Notes or the production thereof in any Proceeding relating thereto, and any such Proceeding instituted by the Indenture Trustee shall be brought in its own name as trustee for the benefit of the Noteholders, and any recovery of judgment shall be applied first, to the payment of the reasonable compensation, expenses, disbursements and advances of the Indenture Trustee, its agents and counsel and any other amounts due the Indenture Trustee under Section 7.07 (provided that, any indemnification by the Issuer under Section 7.07 shall be paid only in the priority set forth in Section 5.07) and second, for the ratable benefit of the Noteholders for all amounts due to such Noteholders.

Section 9.05 Knowledge of Indenture Trustee. Any references herein to the knowledge of the Indenture Trustee shall mean and refer to actual knowledge of a Responsible Officer of the Indenture Trustee.

Section 9.06 Limitation on Suits. No Holder of any Note shall have any right to institute any Proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder unless:

(a) such Holder has previously given written notice to the Indenture Trustee of a continuing Event of Default;

(b) the Majority Noteholders of the Controlling Class shall have made written request to the Indenture Trustee to institute Proceedings with respect to such Event of Default in its own name as Indenture Trustee hereunder;

(c) such Holder or Holders have offered to the Indenture Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(d) the Indenture Trustee for 30 days after its receipt of such notice, request and offer of security or indemnity has failed to institute any such Proceedings; and

(e) no direction inconsistent with such written request has been given to the Indenture Trustee during such 30-day period by the Majority Noteholders of the Controlling Class;

it being understood and intended that no one or more Holders of Notes shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other Holders of Notes, or to obtain or to seek to obtain priority or preference over any other Holders or to enforce any right under this Indenture, except in the manner herein provided.

Section 9.07 Unconditional Right of Noteholders to Receive Principal and Interest. The Holders of the Notes shall have the right, which is absolute and unconditional, subject to the express terms of this Indenture, to receive payment of principal and interest on such Notes, subject to the respective relative priorities provided for in this Indenture, as such principal and interest becomes due and payable from the Trust Estate and, subject to Section 9.06, to institute Proceedings for the enforcement of any such payment, and such right shall not be impaired except as expressly permitted herein without the consent of such Holders.

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Section 9.08 Restoration of Rights and Remedies. If the Indenture Trustee or any Noteholder has instituted any Proceeding to enforce any right or remedy under this Indenture and such Proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Indenture Trustee or to such Noteholder, then, and in every case, the Issuer, the Indenture Trustee and the Noteholders shall, subject to any determination in such Proceeding, be restored severally and respectively to their former positions hereunder, and thereafter all rights and remedies of the Indenture Trustee and the Noteholders shall continue as though no such Proceeding had been instituted.

Section 9.09 Rights and Remedies Cumulative. Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes in Section 2.09, no right or remedy herein conferred upon or reserved to the Indenture Trustee or to the Noteholders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 9.10 Delay or Omission; Not Waiver. No delay or omission of the Indenture Trustee or of any Holder of any Note to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or any acquiescence therein. Every right and remedy given by this Article IX or by law to the Indenture Trustee or to the Noteholders may be exercised from time to time, and as often as may be deemed expedient, by the Indenture Trustee or by the Noteholders, as the case may be.

Section 9.11 Control by Noteholders. Other than as set forth herein, the Majority Noteholders of the Controlling Class shall have the right to direct the time, method and place of conducting any Proceeding for any remedy available to the Indenture Trustee or exercising any trust or power conferred on the Indenture Trustee; provided that:

(a) such direction shall not be in conflict with any rule of law or with this Indenture including, without limitation, any provision hereof which expressly provides for approval by a greater percentage of the aggregate principal amount of all Outstanding Notes;

(b) the Indenture Trustee may take any other action deemed proper by the Indenture Trustee which is not inconsistent with such direction; *provided, however*, that, subject to Section 7.01, the Indenture Trustee need not take any action which a Responsible Officer or Officers of the Indenture Trustee in good faith determines might involve it in liability (unless the Indenture Trustee is furnished with the reasonable indemnity referred to in Section 9.11(c)); and

(c) the Indenture Trustee has been furnished reasonable indemnity against costs, expenses and liabilities which it might incur in connection therewith.

Section 9.12 Waiver of Certain Events by Less Than All Noteholders. The Super-Majority Noteholders of the Controlling Class may, on behalf of the Holders of all the Notes, waive any past Default, Event of Default, Acceleration Event, Servicer Termination Event, or Manager Termination Event, and its consequences, except:

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(a) a Default in the payment of the principal of or interest on any Note, or a Default caused by the Issuer becoming subject to registration as an "investment company" under the 1940 Act, or

(b) with respect to a covenant or provision hereof which under Article X cannot be modified or amended without the consent of the Holder of each Outstanding Note affected.

Upon any such waiver, such Default, Event of Default, Acceleration Event, Servicer Termination Event or Manager Termination Event shall cease to exist, and any Default, Event of Default, Acceleration Event, Servicer Termination or Manager Termination Event or other consequence arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default, Event of Default, Servicer Termination Event or Manager Termination Event or impair any right consequent thereon.

Section 9.13 Undertaking for Costs. All parties to this Indenture agree, and each Noteholder and each Note Owner by its acceptance of a Note shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Indenture Trustee for any action taken, suffered or omitted by it as Indenture Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section 9.13 shall not apply to any suit instituted by the Indenture Trustee or to any suit instituted by any Noteholder for the enforcement of the payment of the principal of or interest on any Note on or after the Rated Final Maturity expressed in such Note.

Section 9.14 Waiver of Stay or Extension Laws. The Issuer covenants (to the extent that it may lawfully do so) that it will not, at any time, insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Issuer (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Indenture Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

Section 9.15 Sale of Trust Estate. (a) The power to effect any sale of any portion of the Trust Estate pursuant to this Article IX shall not be exhausted by any one or more sales as to any portion of the Trust Estate remaining unsold, but shall continue unimpaired until the entire Trust Estate securing the Notes shall have been sold or all amounts payable on the Notes and under this Indenture with respect thereto shall have been paid. The Indenture Trustee, acting on its own or through an agent, may from time to time postpone any sale by public announcement made at the time and place of such sale.

(b) The Indenture Trustee shall not, in any private sale, sell to a third party the Trust Estate, or any portion thereof unless the Super-Majority Noteholders of the Controlling Class direct the Indenture Trustee, in writing, to make such sale or unless either (i) the proceeds of such sale or liquidation are sufficient to discharge in full the amounts then due and unpaid upon the Notes for principal and accrued interest and the fees and all other amounts required to be paid pursuant the Priority of Payments or (ii) the Holders of 100% of the principal amount of each Class of Notes then Outstanding consent thereto. Notwithstanding the foregoing, prior to the consummation of any sale of the Trust Estate (either private or public), the Indenture Trustee shall first offer the Originator the

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opportunity to purchase the Trust Estate for a purchase price equal to the greater of (x) the fair market value of the Trust Estate and (y) the aggregate outstanding note balance of the Notes, plus accrued interest thereon and fees owed thereto (such right, the "*Right of First Refusal*"). If the Originator does not exercise its Right of First Refusal within two Business Days of receipt thereof, then the Indenture Trustee shall sell the Trust Estate as otherwise set forth in this Section 9.15; *provided*, *further*, that if the Originator does not exercise its Right of First Refusal and the Indenture Trustee elects to sell the Trust Estate in a private sale to a third party, then prior to the sale thereof, the Indenture Trustee shall offer the Originator the opportunity to purchase the Trust Estate for the purchase price being offered by such third party, and the Originator shall have two Business Days to accept such offer.

(c) The Indenture Trustee or any Noteholder may bid for and acquire any portion of the Trust Estate in connection with a public or private sale thereof, and in lieu of paying cash therefor, any Noteholder may make settlement for the purchase price by crediting against amounts owing on the Notes of such Holder or other amounts owing to such Holder secured by this Indenture, that portion of the net proceeds of such sale to which such Holder would be entitled, after deducting the reasonable costs, charges and expenses incurred by the Indenture Trustee or the Noteholders in connection with such sale. The Notes need not be produced in order to complete any such sale, or in order for the net proceeds of such sale to be credited against the Notes. The Indenture Trustee or the Noteholders may hold, lease, operate, manage or otherwise deal with any property so acquired in any manner permitted by law.

(d) The Indenture Trustee shall execute and deliver an appropriate instrument of conveyance transferring its interest in any portion of the Trust Estate in connection with a sale thereof. In addition, the Indenture Trustee is hereby irrevocably appointed the agent and attorney-in-fact of the Issuer to transfer and convey its interest in any portion of the Trust Estate in connection with a sale thereof, pursuant to this Section 9.15, and to take all action necessary to effect such sale. No purchaser or transferee at such a sale shall be bound to ascertain the Indenture Trustee's authority, inquire into the satisfaction of any conditions precedent or see to the application of any monies.

(e) The method, manner, time, place and terms of any sale of all or any portion of the Trust Estate shall be commercially reasonable.

Section 9.16 Action on Notes. The Indenture Trustee's right to seek and recover judgment on the Notes or under this Indenture shall not be affected by the seeking, obtaining or application of any other relief under or with respect to this Indenture. Neither the Lien of this Indenture nor any rights or remedies of the Indenture Trustee or the Noteholders shall be impaired by the recovery of any judgment by the Indenture Trustee against the Issuer or by the levy of any execution under such judgment upon any portion of the Trust Estate or upon any of the assets of the Issuer.

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Article X.

Supplemental Indentures

Section 10.01 Supplemental Indentures Without Noteholder Approval. (a) Without the consent of the Noteholders, provided that (x) the Issuer shall have provided written notice to the Rating Agency of such modification, (y) the Indenture Trustee shall have received an Opinion of Counsel that such modification is permitted under the terms of this Indenture and that all conditions precedent to the execution of such modification have been satisfied and (z) the Indenture Trustee shall have received a Tax Opinion, the Issuer and the Indenture Trustee, when authorized and directed by an Issuer Order, at any time and from time to time, may enter into one or more amendments or indentures supplemental hereto, in form satisfactory to the Indenture Trustee, for any of the following purposes:

(i)to correct, amplify or add to the description of any property at any time subject to the Lien of this Indenture, or better to assure, convey and confirm unto the Indenture Trustee any property subject or required to be subjected to the Lien of this Indenture, or to subject to the Lien of this Indenture additional property; *provided* that such action pursuant to this clause (i) shall not adversely affect the interests of the Noteholders in any respect;

(ii)to evidence the succession of another Person to either the Issuer or the Indenture Trustee in accordance with the terms hereof, and the assumption by any such successor of the covenants of the Issuer or the Indenture Trustee contained herein and in the Notes;

(iii)to cure any ambiguity, to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein or to conform the provisions herein to the descriptions set forth in the Offering Circular;

(iv)to add to the covenants of the Issuer or the Indenture Trustee, for the benefit of the Noteholders or to surrender any right or power herein conferred upon the Issuer; or

(v)to effect any matter specified in Section 10.06.

(b) Promptly after the execution by the Issuer and the Indenture Trustee of any amendment or supplemental indenture pursuant to this Section 10.01, the Indenture Trustee shall make available to the Noteholders and the Rating Agency a copy of such supplemental indenture. Any failure of the Indenture Trustee to make available such copy shall not, however, in any way impair or affect the validity of any such amendment or supplemental indenture.

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Section 10.02 Supplemental Indentures with Consent of Noteholders. (a) With the prior written consent of each Noteholder affected thereby, prior written notice to the Rating Agency and receipt by the Indenture Trustee of a Tax Opinion, the Issuer and the Indenture Trustee, when authorized and directed by an Issuer Order, at any time and from time to time, may enter into an amendment or a supplemental indenture for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, this Indenture or of modifying in any manner the rights of the Noteholders under this Indenture for the following purposes:

(i)to change the Rated Final Maturity of any Note, or the due date of any payment of interest on any Note, or reduce the principal amount thereof, or the interest rate thereon, change the place of payment where, or the coin or currency in which any Note or any interest thereon is payable, or impair the right to institute suit for the enforcement of the payment of interest due on any Note on or after the due date thereof or for the enforcement of the payment of the entire remaining unpaid principal amount of any Note on or after the Rated Final Maturity thereof or change any provision of Article VI regarding the amounts payable upon any Voluntary Prepayment of the Notes;

(ii)to reduce the percentage of the Outstanding Note Balance of either Class of Notes, the consent of the Noteholders of which is required to approve any such supplemental indenture; or the consent of the Noteholders of which is required for any waiver of compliance with provisions of this Indenture, Events of Default, Manager Termination Events under the Indenture or under the Management Agreement or Servicer Termination Events under this Indenture or under the Servicing Agreement and their consequences provided for in this Indenture or for any other purpose hereunder;

(iii)to modify any of the provisions of this Section 10.02;

(iv)to modify or alter the provisions of the proviso to the definition of the term "Outstanding"; or

(v)to permit the creation of any other Lien with respect to any part of the Trust Estate or terminate the Lien of this Indenture on any property at any time subject hereto or, except with respect to any action which would not have a material adverse effect on any Noteholder (as certified by the Issuer), deprive the Noteholder of the security afforded by the Lien of this Indenture.

(b) With the prior written consent of the Majority Noteholders of the Controlling Class, and receipt by the Indenture Trustee of a Tax Opinion, the Issuer and the Indenture Trustee, when authorized by an Issuer Order, at any time and from time to time, may enter into one or more amendments or indentures supplemental hereto, in form satisfactory to the Indenture Trustee for the purpose of modifying, eliminating or adding to the provisions of this Indenture; provided that such supplemental indentures shall not have any of the effects described in paragraphs (i) through (v) of Section 10.02(a).

(c) Promptly after the execution by the Issuer and the Indenture Trustee of any amendment or supplemental indenture pursuant to this Section 10.02, the Indenture Trustee shall make available to the Noteholders and the Rating Agency a copy of such supplemental indenture. Any failure of the

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Indenture Trustee to make available such copy shall not, however, in any way impair or affect the validity of any such supplemental indenture.

(d) Whenever the Issuer or the Indenture Trustee solicits a consent to any amendment or supplement to this Indenture, the Issuer shall fix a record date in advance of the solicitation of such consent for the purpose of determining the Noteholders entitled to consent to such amendment or supplement. Only those Noteholders at such record date shall be entitled to consent to such amendment or supplement whether or not such Noteholders continue to be Holders after such record date.

Section 10.03 Execution of Amendments and Supplemental Indentures. In executing, or accepting the additional trusts created by, any amendment or supplemental indenture permitted by this Article X or the modifications thereby of the trusts created by this Indenture, the Indenture Trustee shall be entitled to receive, and (subject to Section 7.01) shall be fully protected in relying upon, an Opinion of Counsel (i) describing that the execution of such supplemental indenture is authorized or permitted by this Indenture and (ii) in accordance with Section 3.06(a) hereof. The Indenture Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Indenture Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 10.04 Effect of Amendments and Supplemental Indentures. Upon the execution of any amendment or supplemental indenture under this Article X, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Notes which have theretofore been or thereafter are authenticated and delivered hereunder shall be bound thereby.

Section 10.05 Reference in Notes to Amendments and Supplemental Indentures. Notes authenticated and delivered after the execution of any amendment or supplemental indenture pursuant to this Article X may, and if required by the Issuer shall, bear a notation as to any matter provided for in such supplemental indenture. If the Issuer shall so determine, new Notes so modified as to conform to any such supplemental indenture may be prepared and executed by the Issuer and authenticated and delivered by the Indenture Trustee in exchange for Outstanding Notes.

Section 10.06 Indenture Trustee to Act on Instructions. Notwithstanding any provision herein to the contrary (other than Section 10.02), in the event the Indenture Trustee is uncertain as to the intention or application of any provision of this Indenture or any other agreement to which it is a party, or such intention or application is ambiguous as to its purpose or application, or is, or appears to be, in conflict with any other applicable provision thereof, or if this Indenture or any other agreement to which it is a party permits or does not prohibit any determination by the Indenture Trustee, or is silent or incomplete as to the course of action which the Indenture Trustee is required or is permitted or may be permitted to take with respect to a particular set of facts or circumstances, the Indenture Trustee shall, at the expense of the Issuer, be entitled to request and rely upon the following: (a) written instructions of the Issuer directing the Indenture Trustee to take certain actions or refrain from taking certain actions, which written instructions shall contain a certification that the taking of such actions or refraining from taking certain actions is in the best interest of the Noteholders and (b) prior written consent of the Majority Noteholders of the Controlling Class. In such case, the Indenture Trustee shall have no liability to the Issuer or the Noteholders for, and the Issuer shall hold harmless the Indenture Trustee from, any liability, costs or expenses arising from or relating to any action taken by the Indenture Trustee acting upon such instructions, and the Indenture Trustee shall have no responsibility to the Noteholders with

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respect to any such liability, costs or expenses. The Issuer shall provide a copy of such written instructions to the Rating Agency.

Article XI.

[Reserved]

Article XII.

Miscellaneous

Section 12.01 Compliance Certificates and Opinions; Furnishing of Information. Upon any application or request by the Issuer to the Indenture Trustee to take any action under any provision of this Indenture (except with respect to ordinary course actions under this Indenture and except as otherwise specifically provided in this Indenture), the Issuer at the request of the Indenture Trustee shall furnish to the Indenture Trustee a certificate describing that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel describing that, in the opinion of such counsel, all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of certificates and Opinions of Counsel are specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or Opinion of Counsel need be furnished.

Section 12.02 Form of Documents Delivered to Indenture Trustee. (a) If several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

(b) Any certificate or opinion of an Authorized Officer of the Issuer may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by outside counsel, unless such Authorized Officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion or any Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an Authorized Officer of any relevant Person, describing that the information with respect to such factual matters is in the possession of such Person, unless such officer or counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous. Any Opinion of Counsel may be based on the written opinion of other counsel, in which event such Opinion of Counsel shall be accompanied by a copy of such other counsel's opinion and shall include a statement to the effect that such counsel believes that such counsel and the Indenture Trustee may reasonably rely upon the opinion of such other counsel.

(c) Where any Person is required to make, give or execute two or more applications, requests, consents, notices, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

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(d) Wherever in this Indenture, in connection with any application or certificate or report to the Indenture Trustee, it is provided that the Issuer, the Servicer or the Manager shall deliver any document as a condition of the granting of such application, or as evidence of the Issuer's, the Servicer's or the Manager's compliance with any term hereof, it is intended that the truth and accuracy, at the time of the granting of such application or at the effective date of such notice or report (as the case may be), of the facts and opinions stated in such document shall in such case be conditions precedent to the right of the Issuer to have such application granted or to the sufficiency of such notice or report. The foregoing shall not, however, be construed to affect the Indenture Trustee's right to rely upon the truth and accuracy of any statement or opinion contained in any such document as provided in Section 7.01(b)(ii).

(e) Wherever in this Indenture it is provided that the absence of the occurrence and continuation of a Default, an Event of Default, a Servicer Termination Event or a Manager Termination Event is a condition precedent to the taking of any action by the Indenture Trustee at the request or direction of the Issuer, then notwithstanding that the satisfaction of such condition is a condition precedent to the Issuer's or the Indenture Trustee's right to make such request or direction, the Indenture Trustee shall be protected in acting in accordance with such request or direction if a Responsible Officer of the Indenture Trustee does not have actual knowledge of the occurrence and continuation of such Default, Event of Default, Servicer Termination Event or Manager Termination Event.

Section 12.03 Acts of Noteholders. (a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Noteholders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Noteholders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Indenture Trustee, and, where it is hereby expressly required, to the Issuer. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "*Act*" of the Noteholders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 7.01) conclusive in favor of the Indenture Trustee and the Issuer, if made in the manner provided in this Section 12.03.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Whenever such execution is by an officer of a corporation or a member of a limited liability company or a partnership on behalf of such corporation, limited liability company or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority.

(c) The ownership of Notes shall be proved by the Note Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Notes shall bind the Holder of every Note issued upon the registration or transfer thereof or in exchange therefor or in lieu thereof, with respect to anything done, omitted or suffered to be done by the Indenture Trustee or the Issuer in reliance thereon, whether or not notation of such action is made upon such Notes.

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Section 12.04 Notices, Etc. Any request, demand, authorization, direction, notice, consent, waiver or act of Noteholders or other documents provided or permitted by this Indenture to be made upon, given or furnished to, or filed with:

(a) the Indenture Trustee by any Noteholder or by the Issuer, shall be in writing and shall be delivered personally, mailed by first-class registered or certified mail, postage prepaid, by facsimile transmission or electronic transmission in PDF format or overnight delivery service, postage prepaid, and received by, a Responsible Officer of the Indenture Trustee at its Corporate Trust Office listed below, or

(b) any other Person shall be in writing and shall be delivered personally or by facsimile transmission, electronic transmission in PDF format or prepaid overnight delivery service at the address listed below or at any other address subsequently furnished in writing to the Indenture Trustee by the applicable Person.

To the Indenture Trustee: Wells Fargo Bank, National Association
600 S. 4th Street
MAC N9300-061
Minneapolis, MN 55415
Attention: Corporate Trust Services – Asset-Backed Administration
Phone: (612) 667-8058
Fax: (612) 667-3464

To the Issuer: Sunnova Helios V Issuer, LLC
20 East Greenway Plaza, Suite 540
Houston, Texas 77046
Attention: Chief Financial Officer
Email: notices@sunnova.com
Phone: (281) 417-0916
Fax: (281) 985-9907

with a copy to: Sunnova Energy Corporation
20 East Greenway Plaza, Suite 540
Houston, Texas 77046
Attention: Chief Financial Officer
Email: notices@sunnova.com
Phone: (281) 417-0916
Fax: (281) 985-9907

To KBRA: Kroll Bond Rating Agency, LLC
805 Third Avenue, 29th Floor
New York, New York 10022
Attention: ABS Surveillance
Email: abssurveillance@kbra.com
Phone: (212) 702-0707

Notices delivered to the Rating Agency shall be by electronic delivery to the email address set forth above where information is available in electronic format. In addition, upon the written request of

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any beneficial owner of a Note, the Indenture Trustee shall provide to such beneficial owner copies of such notices, reports or other information delivered, in one or more of the means requested, by the Indenture Trustee hereunder to other Persons as such beneficial owner may reasonably request.

Section 12.05 Notices and Reports to Noteholders; Waiver of Notices. (a) Where this Indenture provides for notice to Noteholders of any event or the mailing of any report to the Noteholders, such notice or report shall be written and shall be sufficiently given (unless otherwise herein expressly provided) if mailed, first-class, postage-prepaid, to each Noteholder affected by such event or to whom such report is required to be mailed or sent via electronic mail, at the address or electronic mail address of such Noteholder as it appears on the Note Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice or the mailing of such report. In any case where a notice or report to Noteholders is mailed in the manner provided above, neither the failure to mail such notice or report, nor any defect in any notice or report so mailed, to any particular Noteholder shall affect the sufficiency of such notice or report with respect to other Noteholders, and any notice or report which is mailed in the manner herein provided shall be conclusively presumed to have been duly given or provided.

(b) Where this Indenture provides for notice in any manner, such notice may be waived in writing by any Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Noteholders shall be filed with the Indenture Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

(c) If, by reason of the suspension of regular mail service as a result of a strike, work stoppage or similar activity, it shall be impractical to mail notice of any event to the Noteholders when such notice is required to be given pursuant to any provision of this Indenture, then any manner of giving such notice as shall be satisfactory to the Indenture Trustee shall be deemed to be a sufficient giving of such notice.

(d) The Indenture Trustee shall promptly upon written request furnish to each Noteholder each Monthly Servicer Report and, unless directed to do so under any other provision of this Indenture or any other Transaction Document (in which case no request shall be necessary), a copy of all reports, financial statements and notices received by the Indenture Trustee pursuant to this Indenture and the other Transaction Documents, but only with the use of a password provided by the Indenture Trustee; *provided, however,* the Indenture Trustee shall have no obligation to provide such information described in this Section 12.05 until it has received the requisite information from the Issuer or the Servicer. The Indenture Trustee will make no representation or warranties as to the accuracy or completeness of such documents and will assume no responsibility therefor. The Indenture Trustee's internet website will initially be located at www.CTSLink.com or at such other address as the Indenture Trustee shall notify the parties to the Indenture from time to time. In connection with providing access to the Indenture Trustee's website, the Indenture Trustee may require registration and the acceptance of a disclaimer. The Indenture Trustee shall not be liable for the dissemination of information in accordance with this Indenture.

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Section 12.06 Rules by Indenture Trustee. The Indenture Trustee may make reasonable rules for any meeting of Noteholders.

Section 12.07 Issuer Obligation. Each of the Indenture Trustee and each Noteholder accepts that the enforcement against the Issuer under this Indenture and under the Notes shall be limited to the assets of the Issuer, whether tangible or intangible, real or person (including the Trust Estate) and the proceeds thereof. No recourse may be taken, directly or indirectly, against (a) any member, manager, officer, employee, trustee, agent or director of the Issuer or of any predecessor of the Issuer, (b) any member, manager, beneficiary, officer, employee, trustee, agent, director or successor or assign of a holder of a member or limited liability company interest in the Issuer, or (c) any incorporator, subscriber to capital stock, stockholder, officer, director, employee or agent of the Indenture Trustee or any predecessor or successor thereof, with respect to the Issuer's obligations with respect to the Notes or any of the statements, representations, covenants, warranties or obligations of the Issuer under this Indenture or any Note or other writing delivered in connection herewith or therewith.

Section 12.08 Enforcement of Benefits. The Indenture Trustee for the benefit of the Noteholders shall be entitled to enforce and, at the written direction (electronic means shall be sufficient) of and with indemnity by the Super-Majority Noteholders of the Controlling Class, the Indenture Trustee shall enforce the covenants and agreements of the Manager contained in the Management Agreement, the Servicer contained in the Servicing Agreement, Sunnova ABS Holdings V and the Depositor contained in the Contribution Agreement, the Performance Guarantor in the Performance Guaranty and each other Transaction Document.

Section 12.09 Effect of Headings and Table of Contents. The Section and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 12.10 Successors and Assigns. All covenants and agreements in this Indenture by the Issuer and the Indenture Trustee shall bind their respective successors and assigns, whether so expressed or not.

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Section 12.11 Separability. If any provision in this Indenture or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as part of this Indenture, a provision as similar in its terms and purpose to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

Section 12.12 Benefits of Indenture. Nothing in this Indenture or in the Notes, expressed or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any separate trustee or co-trustee appointed under Section 7.13 and the Noteholders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 12.13 Legal Holidays. If the date of any Payment Date or any other date on which principal of or interest on any Note is proposed to be paid or any date on which mailing of notices by the Indenture Trustee to any Person is required pursuant to any provision of this Indenture, shall not be a Business Day, then (notwithstanding any other provision of the Notes or this Indenture) payment or mailing of such notice need not be made on such date, but may be made or mailed on the next succeeding Business Day with the same force and effect as if made or mailed on the nominal date of any such Payment Date or other date for the payment of principal of or interest on any Note, or as if mailed on the nominal date of such mailing, as the case may be, and in the case of payments, no interest shall accrue for the period from and after any such nominal date, provided such payment is made in full on such next succeeding Business Day.

Section 12.14 Governing Law; Jurisdiction; Waiver of Jury Trial. (a) This Indenture and each Note shall be construed in accordance with and governed by the substantive laws of the State of New York (including New York General Obligations Laws §§ 5-1401 and 5-1402, but otherwise without regard to conflicts of law provisions thereof, except with regard to the UCC) applicable to agreements made and to be performed therein.

(b) The parties hereto agree to the non-exclusive jurisdiction of the Commercial Division, New York State Supreme Court, and federal courts in the borough of Manhattan in the City of New York in the State of New York.

(c) TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HERETO AND EACH NOTEHOLDER BY ACCEPTANCE OF A NOTE IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION PROCEEDING OR COUNTERCLAIM BASED ON, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS INDENTURE, ANY OTHER DOCUMENT IN CONNECTION HEREWITH OR ANY MATTER ARISING HEREUNDER OR THEREUNDER.

Section 12.15 Electronic Signatures and Counterparts. This Indenture may be executed in multiple counterparts (including electronic PDF), each of which shall be an original and all of which taken together shall constitute but one and the same agreement. This Indenture shall be valid, binding, and enforceable against a party only when executed by an authorized individual on behalf of the party by means of (i) an electronic signature that complies with the federal Electronic Signatures in Global and National Commerce Act, state enactments of the Uniform Electronic Transactions Act, and/or any other relevant electronic signatures law, in each case to the extent applicable; (ii) an original manual signature;

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or (iii) a faxed, scanned, or photocopied manual signature; provided, execution by electronic signature as contemplated in clause (i) shall be limited to instances of force majeure or other circumstances that make execution by such means necessary, unless the parties otherwise agree. Each electronic signature or faxed, scanned, or photocopied manual signature shall for all purposes have the same validity, legal effect, and admissibility in evidence as an original manual signature. Each party hereto shall be entitled to conclusively rely upon, and shall have no liability with respect to, any electronic signature or faxed, scanned, or photocopied manual signature of any other party and shall have no duty to investigate, confirm or otherwise verify the validity or authenticity thereof. This Indenture may be executed in any number of counterparts, each of which shall be deemed to be an original, but such counterparts shall, together, constitute only one instrument. Notwithstanding the foregoing, with respect to any notice provided for in this Indenture or any instrument required or permitted to be delivered hereunder, any party hereto receiving or relying upon such notice or instrument shall be entitled to request execution thereof by original manual signature as a condition to the effectiveness thereof.

Section 12.16 Recording of Indenture. If this Indenture is subject to recording in any appropriate public recording offices, the Issuer shall effect such recording at its expense in compliance with an Opinion of Counsel to the effect that such recording is necessary either for the protection of the Noteholders or any other person secured hereunder or for the enforcement of any right or remedy granted to the Indenture Trustee under this Indenture or any other Transaction Document.

Section 12.17 Further Assurances. The Issuer agrees to do and perform, from time to time, any and all acts and to execute any and all further instruments required or reasonably requested by the Indenture Trustee to effect more fully the purposes of this Indenture, including, without limitation, the execution of any financing statements or continuation statements relating to the Trust Estate for filing under the provisions of the UCC of any applicable jurisdiction.

Section 12.18 No Bankruptcy Petition Against the Issuer. The Indenture Trustee agrees (and each Noteholder and each Note Owner by its acceptance of a Note shall be deemed to agree) that, prior to the date that is one year and one day after the payment in full of all amounts payable with respect to the Notes, it will not institute against the Issuer, or join any other Person in instituting against the Issuer, any Insolvency Proceedings or other Proceedings under the laws of the United States or any State of the United States. This Section 12.18 shall survive the termination of this Indenture.

Section 12.19 [Reserved]

Section 12.20 Rule 15Ga-1 Compliance.

(a) To the extent a Responsible Officer of the Indenture Trustee receives a demand for the repurchase of a Solar Loan based on a breach of a representation or warranty made by Sunnova ABS Holdings V or the Depositor of such Solar Loan (each, a "*Demand*"), the Indenture Trustee agrees (i) if such Demand is in writing, promptly to forward such Demand to Sunnova ABS Holdings V, the Depositor, the Manager, the Servicer and the Issuer, and (ii) if such Demand is oral, to instruct the requesting party to submit such Demand in writing to the Indenture Trustee and the Issuer.

(b) In connection with the repurchase of a Solar Loan pursuant to a Demand, any dispute with respect to a Demand, or the withdrawal or final rejection of a Demand by Sunnova ABS Holdings V or the Depositor of such Solar Loan, the Indenture Trustee agrees, to the extent a Responsible Officer

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of the Indenture Trustee has actual knowledge thereof, promptly to notify the Issuer, the Manager and the Depositor, in writing.

(c) The Indenture Trustee will (i) notify the Issuer, the Manager and the Depositor as soon as practicable and in any event within three Business Days of the receipt thereof and in the manner set forth in Exhibit D hereof, of all Demands and provide to the Issuer any other information reasonably requested to facilitate compliance by it with Rule 15Ga-1 under the Exchange Act ("*Rule 15Ga-1 Information*"), and (ii) if requested in writing by the Issuer or the Depositor, provide a written certification no later than ten days following any calendar quarter or calendar year that the Indenture Trustee has not received any Demands for such period, or if Demands have been received during such period, that the Indenture Trustee has provided all the information reasonably requested under clause (i) above with respect to such Demands. For purposes of this Indenture, references to any calendar quarter shall mean the related preceding calendar quarter ending in January, April, July and October, as applicable. The Indenture Trustee has no duty or obligation to undertake any investigation or inquiry related to any repurchases of Solar Loans, or otherwise assume any additional duties or responsibilities, other than those express duties or responsibilities of the Indenture Trustee hereunder or under the Transaction Documents, and no such additional obligations or duties are otherwise implied by the terms of this Indenture. The Issuer has full responsibility for compliance with all related reporting requirements associated with the transaction completed by the Transaction Documents and for all interpretive issues regarding this information.

Section 12.21 Multiple Roles. The parties expressly acknowledge and consent to Wells Fargo Bank, National Association, acting in the multiple roles of Indenture Trustee, the Backup Servicer and the Transition Manager. Wells Fargo Bank, National Association may, in such capacities, discharge its separate functions fully, without hindrance or regard to conflict of interest principles or other breach of duties to the extent that any such conflict or breach arises from the performance by Wells Fargo Bank, National Association of express duties set forth in this Indenture in any of such capacities, all of which defenses, claims or assertions are hereby expressly waived by the other parties hereto except in the case of negligence (other than errors in judgment), bad faith or willful misconduct by Wells Fargo Bank, National Association.

Section 12.22 PATRIOT Act. The parties hereto acknowledge that in accordance with the Customer Identification Program (CIP) requirements established under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107 56 (signed into law October 26, 2001) and its implementing regulations (collectively, USA PATRIOT Act), the Indenture Trustee in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Indenture Trustee. Each party hereby agrees that it shall provide the Indenture Trustee with such information as the Indenture Trustee may request from time to time in order to comply with any applicable requirements of the Patriot Act.

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Article XIII.

Termination

Section 13.01 Termination of Indenture. (a) This Indenture shall terminate on the Termination Date. The Servicer shall promptly notify the Indenture Trustee in writing of any prospective termination pursuant to this Article XIII. Upon termination of the Indenture, the Indenture Trustee shall notify the Lockbox Bank of the same pursuant to the Account Control Agreement, the Liens in favor of the Indenture Trustee on the Trust Estate shall automatically terminate and the Indenture Trustee shall convey and transfer of all right, title and interest in and to the Solar Loans and other property and funds in the Trust Estate to the Issuer.

(b) Notice of any prospective termination (other than pursuant to Section 6.01(a) with respect to Voluntary Prepayments in full), specifying the Payment Date for payment of the final payment and requesting the surrender of the Notes for cancellation, shall be given promptly by the Indenture Trustee by letter to the Noteholders as of the applicable Record Date and the Rating Agency upon the Indenture Trustee receiving written notice of such event from the Issuer or the Servicer. The Issuer or the Servicer shall give such notice to the Indenture Trustee not later than the 5th day of the month of the final Payment Date describing (i) the Payment Date upon which final payment of the Notes shall be made, (ii) the amount of any such final payment, and (iii) the location for presentation and surrender of the Notes. Surrender of the Notes that are Definitive Notes shall be a condition of payment of such final payment.

[Signature Page Follows]

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In Witness Whereof, the Issuer and the Indenture Trustee have caused this Indenture to be duly executed as of the day and year first above written.

Sunnova Helios V Issuer, LLC, as Issuer

By /s/ Robert L. Lane
Name: Robert L. Lane
Title: Executive Vice President,
Chief Financial Officer

Wells Fargo Bank, National Association, as Indenture Trustee

By /s/ Anthony Kubes
Name: Anthony Kubes
Title: Assistant Vice President

Agreed and Acknowledged:

Sunnova ABS Management, LLC
as Manager

By /s/ Robert L. Lane
Name: Robert L. Lane
Title: Executive Vice President,
Chief Financial Officer

Sunnova ABS Management, LLC
as Servicer

By /s/ Robert L. Lane
Name: Robert L. Lane
Title: Executive Vice President,
Chief Financial Officer

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Sunnova Energy Corporation
with respect to Section 5.08

By /s/ Robert L. Lane
Name: Robert L. Lane
Title: Executive Vice President,
Chief Financial Officer

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Annex A

Standard Definitions

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Annex A

Standard Definitions

Rules of Construction. In these Standard Definitions and with respect to the Transaction Documents (as defined below), (a) the meanings of defined terms are equally applicable to the singular and plural forms of the defined terms, (b) in any Transaction Document, the words "hereof," "herein," "hereunder" and similar words refer to such Transaction Document as a whole and not to any particular provisions of such Transaction Document, (c) any subsection, Section, Article, Annex, Schedule and Exhibit references in any Transaction Document are to such Transaction Document unless otherwise specified, (d) the term "documents" includes any and all documents, instruments, agreements, certificates, indentures, notices and other writings, however evidenced (including electronically), (e) the term "including" is not limiting and (except to the extent specifically provided otherwise) shall mean "including (without limitation)", (f) unless otherwise specified, in the computation of periods of time from a specified date to a later specified date, the word "from" shall mean "from and including," the words "to" and "until" each shall mean "to but excluding," and the word "through" shall mean "to and including", (g) the words "may" and "might" and similar terms used with respect to the taking of an action by any Person shall reflect that such action is optional and not required to be taken by such Person, and (h) references to an agreement or other document include references to such agreement or document as amended, restated, reformed, supplemented and/or otherwise modified in accordance with the terms thereof.

"17g-5 Information" has the meaning set forth in Section 12.19 of the Indenture.

"17g-5 Website" has the meaning set forth in Section 12.19 of the Indenture.

"1940 Act" means the Investment Company Act of 1940, as amended, including the rules and regulations thereunder.

"Acceleration Event" means the acceleration of the Notes following an Event of Default.

"Acceleration Event Priority of Payments" has the meaning set forth in Section 5.07(b) of the Indenture.

"Account Control Agreement" means the blocked account agreement, dated as of the Closing Date, by and among the Issuer, the Servicer, the Indenture Trustee and the Lockbox Bank with respect to the Lockbox Account.

"Account Property" means the Accounts and all proceeds of the Accounts, including, without limitation, all amounts and investments held from time to time in any Account (whether in the form of deposit accounts, book-entry securities, uncertificated securities, security entitlements (as defined in Section 8-102(a)(17) of the UCC as enacted in the State of New York), financial assets (as defined in Section 8-102(a)(9) of the UCC), or any other investment property (as defined in Section 9-102(a)(49) of the UCC).

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"Accountant's Report" has the meaning set forth in Section 6.3(a) of the Servicing Agreement.

"Accounts" means, collectively, the Lockbox Account, the Collection Account, the Reserve Account, the Equipment Replacement Reserve Account, the Prefunding Account, the Capitalized Interest Account and the Section 25D Interest Account.

"Acquisition Price" has the meaning set forth in the Contribution Agreement.

"Act" has the meaning set forth in Section 12.03 of the Indenture.

"Administrative Fee Base Rate" means $[***] and on each annual anniversary of the initial Determination Date will be increased by [***] %.

"Affiliate" means, with respect to any specified Person, any other Person controlling or controlled by or under common control with such specified Person. For the purposes of this definition, a Person shall be deemed to "control" another Person if the controlling Person owns 5% or more of any class of voting securities of the controlled Person or possesses, directly or indirectly, the power to direct or cause the direction of the management or policies of the controlled Person, whether through ownership of stock, by contract or otherwise; and the terms "*controlling*" and "*controlled*" have meanings correlative to the foregoing. For purposes of any ERISA related representations, Affiliate shall refer to any entity under common control with such Person within the meaning of Section 4001(a)(14) of ERISA or Section 414 of the Code.

"Agent Member" has the meaning set forth in Section 2.02(a) of the Indenture.

"Aggregate Closing Date Collateral Balance" means an amount equal to the sum of (i) the Aggregate Solar Loan Balance as of the Initial Cut-Off Date and (ii) the maximum aggregate Cut-Off Date Solar Loan Balance of Subsequent Solar Loans that may be acquired during the Prefunding Period.

"Aggregate Collateral Balance" as of any date of determination shall be equal to the sum of (i) the Aggregate Solar Loan Balance and (ii) the Prefunding Loan Balance.

"Aggregate Outstanding Note Balance" means, as of any date of determination, an amount equal to the sum of the Outstanding Note Balances of both Classes of Notes as of such date of determination.

"Aggregate Solar Loan Balance" means the sum of the Solar Loan Balances for all Solar Loans (excluding Defaulted Solar Loans).

"Ancillary Solar Loan Agreement" means, in respect of each Solar Loan, all agreements and documents ancillary to the Solar Loan Agreement associated with such Solar Loan, which are entered into with an Obligor in connection therewith.

"Anticipated Repayment Date" means the Payment Date occurring in February 2028.

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"Applicable Law" means all applicable laws of any Governmental Authority, including, without limitation, laws relating to consumer finance and protection and any ordinances, judgments, decrees, injunctions, writs and orders or like actions of any Governmental Authority and rules and regulations of any federal, regional, state, county, municipal or other Governmental Authority.

"Applicable Procedures" has the meaning set forth in Section 2.08(a) of the Indenture.

"Authorized Officer" means, with respect to any Person, the Chairman, Co-Chairman or Vice Chairman of the Board of Directors, the President, any Vice President, any Assistant Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer or any other authorized officer of the Person who is authorized to act for the Person and whose name appears on a list of such authorized officers furnished by the Person to the Indenture Trustee (containing the specimen signature of such officers), as such list may be amended or supplemented from time to time.

"Available Funds" means (i) all collections with respect to the Solar Loans (including net recoveries on Defaulted Solar Loans not repurchased and Insurance Proceeds received) deposited in or transferred to the Collection Account with respect to the related Collection Period, (ii) all amounts received from the Depositor upon its repurchase of Solar Loans during or with respect to the related Collection Period or from the Performance Guarantor pursuant to the Performance Guaranty to the extent deposited in the Collection Account, (iii) all amounts received as investment earnings on balances in the Collection Account, the Reserve Account, the Prefunding Account, the Capitalized Interest Account, the Equipment Replacement Reserve Account and the Section 25D Interest Account during the related Collection Period, (iv) amounts transferred to the Collection Account from the Reserve Account, the Prefunding Account, the Capitalized Interest Account, the Equipment Replacement Reserve Account, the Section 25D Interest Account or the Obligor Security Deposit Account, (v) if a Voluntary Prepayment Date is the same date as a Payment Date, amounts received in connection with a Voluntary Prepayment, in each case on deposit in the Collection Account and (vi) any Permitted Equity Cure Amount; provided, however, that any amounts due during a Collection Period but deposited into the Collection Account within ten Business Days after the end of such Collection Period may, at the Servicer's option upon notice to the Indenture Trustee, be treated as if such amounts were on deposit in the Collection Account as of the end of such prior Collection Period and if so treated, such amounts shall not be considered Available Funds for any other Payment Date. For the avoidance of doubt, Obligor Security Deposits on deposit in the Obligor Security Deposit Account (and not transferred to the Collection Account) are not Available Funds.

"Backup Servicer" means Wells Fargo in its capacity as the Backup Servicer under the Servicing Agreement.

"Backup Servicer Expenses" means (i) any reasonable and documented out-of-pocket expenses incurred in taking any actions required in its role as Backup Servicer and (ii) any indemnities owed to the Backup Servicer in accordance with the Servicing Agreement.

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"Backup Servicing and Transition Manager Fee" means on each Payment Date (in accordance with and subject to the Priority of Payments), an amount equal to $[***].

"Bankruptcy Code" means the United States Bankruptcy Code, 11 U.S.C. Section 101, et seq., as amended.

"Benefit Plan Investor" has the meaning set forth in Section 2.07(c)(vi) of the Indenture.

"Book-Entry Notes" means a beneficial interest in the Notes, ownership and transfers of which shall be made through book entries by a Securities Depository as described in Section 2.02 of the Indenture.

"Business Day" means any day other than (i) a Saturday or Sunday, or (ii) a day on which banking institutions in New York City, the cities in which the Servicer is located, the city in which the Custodian administers the Custodial Agreement or in the city in which the Corporate Trust Office of the Indenture Trustee is located are authorized or obligated by law or executive order to be closed.

"Calculation Date" means, with respect to a Payment Date, unless the context requires otherwise, the close of business on the last day of the related Collection Period.

"Capitalized Interest Account" means the segregated trust account with that name established with the Indenture Trustee (or such successor bank, if applicable) in the name of the Indenture Trustee for the benefit of the Noteholders and maintained pursuant to Section 5.01 of the Indenture.

"*Capitalized Interest Account Deposit*" means $[***].

"Certifications" has the meaning set forth in Section 4(c) of the Custodial Agreement.

"Class" means all of the Notes of a series having the same Rated Final Maturity, interest rate, priority of payments and designation.

"Class A Make Whole Determination Date" means the Payment Date occurring in February 2026.

"Class A Notes" means the 1.80% Class A Solar Loan Backed Notes, Series 2021-A issued pursuant to the Indenture.

"Class B Make Whole Determination Date" means the Payment Date occurring in February 2024.

"Class B Notes" means the 3.15% Class B Solar Loan Backed Notes, Series 2021-A issued pursuant to the Indenture.

"Clearstream" has the meaning set forth in Section 2.02(a) of the Indenture.

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"Closing Date" means the date on which the conditions set forth in Section 6 of the Note Purchase Agreement are satisfied and the Notes are issued, which date shall be February 16, 2021.

"Closing Date Certification" shall have the meaning set forth in Section 4(a) of the Custodial Agreement.

"Code" means the Internal Revenue Code of 1986, as amended, including any successor or amendatory statutes.

"Collection Account" means the segregated trust account with that name established with the Indenture Trustee (or such successor bank, if applicable) in the name of the Indenture Trustee on behalf of the Noteholders and maintained pursuant to Section 5.01 of the Indenture.

"Collection Period" means, with respect to each Payment Date, the immediately preceding calendar month; *provided*, *however*, the Collection Period for the initial Payment Date shall be the period from the Cut-Off Date to and including the last day of the calendar month prior to the initial Payment Date.

"Consumer Protection Law" means all Applicable Laws and implementing regulations protecting the rights of consumers, including but not limited to those Applicable Laws enforced or administered by the Consumer Financial Protection Bureau, the Federal Trade Commission, and any other federal or state Governmental Authority (such as, by way of example, the California Department of Consumer Affairs) empowered with similar responsibilities.

"Contribution Agreement" means the Sale and Contribution Agreement, dated as of the Closing Date, by and among Sunnova Intermediate Holdings, LLC, Sunnova ABS Holdings V, the Depositor and the Issuer.

"Controlling Class" means the Class A Notes until the Outstanding Note Balance thereof has been reduced to zero, then the Class B Notes.

"Conveyed Property" has the meaning set forth in the Contribution Agreement.

"Corporate Trust Office" means the office of the Indenture Trustee at which its corporate trust business shall be administered, which office on the Closing Date shall be for note transfer purposes and for purposes of presentment and surrender of the Notes for the final distributions thereon, as well as for all other purposes, Wells Fargo Bank, National Association, 600 S. 4th Street, MAC N9300-061, Minneapolis, Minnesota 55415, Attention: Corporate Trust Services – Asset-Backed Administration, or such other address as shall be designated by the Indenture Trustee in a written notice to the Issuer and the Servicer.

"Cumulative Default Level" means, for any Determination Date, the quotient (expressed as a percentage) of (i) (A) the aggregate Solar Loan Balances of all Solar Loans that became Defaulted Solar Loans since the Closing Date (other than Defaulted Solar Loans for which the Originator has exercised its option to repurchase or substitute for Defaulted Solar Loans), minus

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(B) any net liquidation proceeds received in respect of Defaulted Solar Loans for which the Originator did not exercise its option to repurchase or substitute since the Closing Date, divided by (ii) the Aggregate Closing Date Collateral Balance.

"Custodial Agreement" means that certain custodial agreement, dated as of the Closing Date, among the Custodian, the Servicer, the Indenture Trustee and the Issuer.

"Custodian" means U.S. Bank as custodian of the Custodian Files pursuant to the terms of the Custodial Agreement, and its permitted successors and assigns.

"Custodian Fee" means, for each Payment Date (in accordance with and subject to the Priority of Payments) an amount equal to $[***].

"Custodian File" means (i) either (a) for Solar Loan Agreements not held in an Electronic Vault, a PDF copy of the related Solar Loan Agreement signed by an Obligor, including any amendments thereto, or (b) the single authoritative a copy of an electronic Solar Loan Agreement signed by an Obligor, including any amendments thereto, provided for both clauses (a) and (b) that if an amendment to a Solar Loan Agreement is not fully signed, the Custodian File shall only be deemed to contain such Solar Loan Agreement without giving effect to such amendment, (ii) regulatory disclosure statements to the applicable Solar Loan required by Consumer Protection Law, if any, (iii) to the extent not incorporated within the related Solar Loan Agreement, a fully executed copy of the related Production Guaranty and/or Customer Warranty Agreement, if any, (iv) a signed electronic copy of the related Interconnection Agreement to which Sunnova Energy is a party, if any, (v) an executed copy of the related Net Metering Agreement to which Sunnova Energy is a party, if separate from the Interconnection Agreement, (vi) documents evidencing Permits to operate the related PV System, if any, (vii) all customer information with respect to ACH payments, if any, and (viii) any other documents the Manager routinely keeps on file, in accordance with its customary procedures, relating to such Solar Loan or the related Obligor, which may include documents evidencing permission to operate a PV System from the related utility, or Governmental Authority, as applicable, or rebates, if any. For purposes of clause (i) of this definition "signed by an Obligor" does not require the signature of any co-owner.

"Customer Collections Policy" means the Servicer's internal collection policy attached as Exhibit G to the Servicing Agreement.

"Customer Warranty Agreement" means (i) with respect to a PV System, any separate warranty agreement provided by Sunnova Energy to an Obligor (which may be an exhibit to a Solar Loan Agreement) in connection with the performance and installation of the related PV System and/or Energy Storage System (which, in the case of a PV System, may include a Production Guaranty) and (ii) with respect to an Energy Storage System, any separate warranty agreement provided by Sunnova Energy to an Obligor pursuant to which Sunnova Energy or its agents have agreed to repair or replace an Energy Storage System in accordance with the terms of the Manufacturer's Warranty attached to such agreement.

"Cut-Off Date" means the Initial Cut-Off Date or each Subsequent Cut-Off Date.

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"Cut-Off Date Solar Loan Balance" means, for a Solar Loan, the outstanding principal balance due under or in respect of such Solar Loan as of the related Cut-Off Date.

"Dealer" means a third party with whom the Originator or any of its affiliates contracts to source potential customers and to design, install and service PV Systems and/or Energy Storage Systems.

"Dealer Warranty" means a Dealer's workmanship warranty under which the Dealer is obligated, at its sole cost and expense, to correct defects in its installation work for a period of at least ten years and provide a roof warranty of at least five years, in each case, from the date of installation.

"Default" means any event which results, or which with the giving of notice or the lapse of time or both would result, in an Event of Default, a Manager Termination Event or a Servicer Termination Event.

"Defaulted Solar Loan" means a Solar Loan for which (i) the related Obligor is more than one hundred eighty (180) days past due from the original due date on 10% or more of a contractual payment due under the related Solar Loan, (ii) an Insolvency Event has occurred with respect to an Obligor, (iii) the related PV System or Energy Storage System has been turned off due to an Obligor delinquency under the related Solar Loan Agreement or repossessed by the Servicer or Manager, or (iv) the Servicer has determined that all or any portion of the Solar Loan has been, in accordance with the Customer Credit and Collection Policy, placed on a "non-accrual" status or is "non-collectible", a charge-off has been taken or any or all of the principal amount due under such Solar Loan has been reduced or forgiven.

"Defective Solar Loan" means a Solar Loan with respect to which it is determined by the Indenture Trustee (acting at the written direction of the Majority Noteholders of the Controlling Class) or the Manager, at any time, that Sunnova Intermediate Holdings, Sunnova ABS Holdings V or the Depositor breached one or more of the applicable representations or warranties regarding eligibility of such Solar Loan contained in Exhibit A to the Contribution Agreement as of the related Cut-Off Date (or as of the Closing Date or related Transfer Date, as so provided in Exhibit A to the Contribution Agreement), which breach has a material adverse effect on the Noteholders and has not been cured within the applicable grace period or waived, in writing, by the Indenture Trustee, acting at the direction of the Majority Noteholders of the Controlling Class.

"Deferred Interest Amount" means with respect to a Class of Notes, an amount equal to the sum of (i) interest accrued during the related Interest Accrual Period at the applicable Note Rate on any unreimbursed Note Balance Write-Down Amounts applied to such Class of Notes prior to such Payment Date, (ii) with respect to the Class B Notes, if such Payment Date occurs during a Sequential Interest Amortization Period and the Class A Notes have an Outstanding Note Balance, interest accrued during the related Interest Accrual Period at the related Note Rate on the Outstanding Note Balance of the Class B Notes immediately prior to such Payment Date and (iii) any unpaid Deferred Interest Amounts from prior Payment Dates, plus interest thereon at the applicable Note Rate, to the extent permitted by law.

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"Deferred Post-ARD Additional Interest Amounts" has the meaning set forth in Section 2.03(c) of the Indenture.

"Definitive Notes" has the meaning set forth in Section 2.02(c) of the Indenture.

"Delinquent Solar Loan" means a Solar Loan for which (i) the related Obligor is more than sixty (60) days past due from the original due date on 10% or more of a contractual payment due under the related Solar Loan.

"Delivery" when used with respect to Account Property means:

(i)(A) with respect to bankers' acceptances, commercial paper, negotiable certificates of deposit and other obligations that constitute "instruments" within the meaning of Section 9-102(a)(47) of the UCC, transfer thereof:

(1) by physical delivery to the Indenture Trustee, indorsed to, or registered in the name of, the Indenture Trustee or its nominee or indorsed in blank;

(2) by the Indenture Trustee continuously maintaining possession of such instrument; and

(3) by the Indenture Trustee continuously indicating by book-entry that such instrument is credited to the related Account;

(B) with respect to a "certificated security" (as defined in Section 8-102(a)(4) of the UCC), transfer thereof:

(1) by physical delivery of such certificated security to the Indenture Trustee, *provided* that if the certificated security is in registered form, it shall be indorsed to, or registered in the name of, the Indenture Trustee or indorsed in blank;

(2) by the Indenture Trustee continuously maintaining possession of such certificated security; and

(3) by the Indenture Trustee continuously indicating by book-entry that such certificated security is credited to the related Account;

(C) with respect to any security issued by the U.S. Treasury, the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association that is a book-entry security held through the Federal Reserve System pursuant to Federal book entry regulations, the following procedures, all in accordance with Applicable Law, including applicable federal regulations and Articles 8 and 9 of the UCC, transfer thereof:

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(1) by (x) book-entry registration of such property to an appropriate book-entry account maintained with a Federal Reserve Bank by a securities intermediary which is also a "depositary" pursuant to applicable federal regulations and issuance by such securities intermediary of a deposit advice or other written confirmation of such book-entry registration to the Indenture Trustee of the purchase by the securities intermediary on behalf of the Indenture Trustee of such book-entry security; the making by such securities intermediary of entries in its books and records identifying such book-entry security held through the Federal Reserve System pursuant to Federal book-entry regulations as belonging to the Indenture Trustee and continuously indicating that such securities intermediary holds such book-entry security solely as agent for the Indenture Trustee or (y) continuous book-entry registration of such property to a book-entry account maintained by the Indenture Trustee with a Federal Reserve Bank; and

(2) by the Indenture Trustee continuously indicating by book-entry that property is credited to the related Account;

(D) with respect to any asset in the Accounts that is an "uncertificated security" (as defined in Section 8-102(a)(18) of the UCC) and that is not governed by clause (C) above or clause (E) below:

(1) transfer thereof:

(a) by registration to the Indenture Trustee as the registered owner thereof, on the books and records of the issuer thereof; or

(b) by another Person (not a securities intermediary) who either becomes the registered owner of the uncertificated security on behalf of the Indenture Trustee, or having become the registered owner, acknowledges that it holds for the Indenture Trustee; or

(2) the issuer thereof has agreed that it will comply with instructions originated by the Indenture Trustee with respect to such uncertificated security without further consent of the registered owner thereof; or

(E) in the case of each security in the custody of or maintained on the books of a clearing corporation (as defined in Section 8-102(a)(5) of the UCC) or its nominee, by causing:

(1) the relevant clearing corporation to credit such security to a securities account of the Indenture Trustee at such clearing corporation; and

(2) the Indenture Trustee to continuously indicate by book-entry that such security is credited to the related Account;

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(F) with respect to a "security entitlement" (as defined in Section 8-102(a)(17) of the UCC) to be transferred to or for the benefit of a collateral agent and not governed by clauses (C) or (E) above: if a securities intermediary (1) indicates by book entry that the underlying "financial asset" (as defined in Section 8-102(a)(9) of the UCC) has been credited to be the Indenture Trustee's "securities account" (as defined in Section 8-501(a) of the UCC), (2) receives a financial asset from the Indenture Trustee or acquires the underlying financial asset for the Indenture Trustee, and in either case, accepts it for credit to the Indenture Trustee's securities account or (3) becomes obligated under other law, regulation or rule to credit the underlying financial asset to the Indenture Trustee's securities account, the making by the securities intermediary of entries on its books and records continuously identifying such security entitlement as belonging to the Indenture Trustee; and continuously indicating by book-entry that such securities entitlement is credited to the Indenture Trustee's securities account; and by the Indenture Trustee continuously indicating by book-entry that such security entitlement (or all rights and property of the Indenture Trustee representing such securities entitlement) is credited to the related Account; and/or

(ii) In the case of any such asset, such additional or alternative procedures as are now or may hereafter become appropriate to effect the complete transfer of ownership of, or control over, any such assets in the Accounts to the Indenture Trustee free and clear of any adverse claims, consistent with changes in Applicable Law or the interpretation thereof.

In each case of Delivery contemplated by the Indenture, the Indenture Trustee shall make appropriate notations on its records, and shall cause the same to be made on the records of its nominees, indicating that securities are held in trust pursuant to and as provided in the Indenture.

"Delivery of Custodian Files" means, with respect to documents in PDF Form, actual receipt by the Custodian of the Custodian Files via electronic transmission, and, with respect to documents in Electronic Form, delivery of Custodian Files through the Electronic System and actual receipt of such Custodian Files within that portion of the Custodian's Electronic Vault partitioned and dedicated to the Issuer, and in all cases, the actual receipt by the Custodian of the Schedule of Solar Loans relating to Custodian Files so delivered at its designated office.

"Depositor" means Sunnova Helios V Depositor, LLC, a Delaware limited liability company.

"Depositor Financing Statement" means a UCC-1 financing statement naming the Issuer as the secured party and the Depositor as debtor.

"Determination Date" means, with respect to any Payment Date, the close of business on the third Business Day prior to such Payment Date.

"DTC" means The Depository Trust Company, a New York corporation and its successors and assigns.

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"Easy Own Agreement" means a Solar Loan Agreement pursuant to which the related Obligor purchases a PV System from a Dealer using financing provided by Sunnova Energy and for which the related Obligor is not required to make interest payments on the portion of the Solar Loan Balance equal to the related Section 25D Credit Amount until a scheduled prepayment date, typically 18 months from the date on which the related PV System achieves PTO.

"Easy Own Solar Loan" means a Solar Loan governed by an Easy Own Agreement or a SunSafe Easy Own Agreement.

"Electronic Form" means a document delivered and maintained in electronic form via the Electronic System.

"Electronic System" means the system provided and operated by eOriginal, or such other electronic document storage provider as may be mutually agreed upon by the Issuer, the Indenture Trustee and the Custodian, that enables electronic contracting and the transfer of documents maintained in Electronic Form into Physical Form.

"Electronic Vault" means the electronic "vault" created and maintained by eOriginal in order to store documents in Electronic Form pursuant to an agreement between the Custodian and eOriginal, or any other such electronic "vault" maintained by a provider mutually agreed upon by the Issuer, the Indenture Trustee and the Custodian, in which the Issuer's electronic original documents reside.

"Electronic Vault Agreement" means the agreement relating to the Electronic Vault between U.S. Bank National Association and the entity that operates and maintains the Electronic Vault.

"Eligible Account" means either (i) a segregated account or accounts maintained with an institution whose deposits are insured by the Federal Deposit Insurance Corporation, the unsecured and uncollateralized long-term debt obligations of which institution shall be rated investment grade or higher by S&P and the short-term debt obligations of which are at least investment grade by S&P, and which is (A) a federal savings and loan association duly organized, validly existing and in good standing under the federal banking laws, (B) an institution duly organized, validly existing and in good standing under the applicable banking laws of any State, (C) a national banking association duly organized, validly existing and in good standing under the federal banking laws or (D) a subsidiary of a bank holding company, and as to which the Rating Agency has indicated that the use of such account shall not cause the withdrawal of its rating on any Notes, (ii) a segregated trust account or accounts maintained with the trust department of a federal or State chartered depository institution, having capital and surplus of not less than $[***], acting in its fiduciary capacity, and acceptable to the Rating Agency or (iii) with respect to the Obligor Security Deposit Account, JPMorgan Chase Bank, N.A.

"Eligible Institution" means (i) the corporate trust department of the Indenture Trustee or (ii) a depository institution or trust company organized under the laws of the United States of

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America or any one of the States thereof, or the District of Columbia (or any domestic branch of a foreign bank), which at all times (A) has either (1) a long-term unsecured debt rating of "[***]" or better by S&P, or such other rating that is acceptable to the Rating Agency, as evidenced by a letter from the Rating Agency to the Indenture Trustee or (2) a certificate of deposit rating of "[***]" by S&P, or such other rating that is acceptable to the Rating Agency, as evidenced by a letter from the Rating Agency to the Indenture Trustee and (B) whose deposits are insured by the FDIC.

"Eligible Investments" means any one or more of the following obligations or securities:

(i) (A) direct interest-bearing obligations of, and interest-bearing obligations guaranteed as to payment of principal and interest by, the United States or any agency or instrumentality of the United States the obligations of which are backed by the full faith and credit of the United States; (B) direct interest-bearing obligations of, and interest-bearing obligations guaranteed as to payment of principal and interest by, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, but only if, at the time of investment, such obligations are assigned the highest credit rating by S&P; and (C) evidence of ownership of a proportionate interest in specified obligations described in (A) and/or (B) above;

(ii) demand, time deposits, money market deposit accounts, certificates of deposit of, and federal funds sold by, depository institutions or trust companies (including the Indenture Trustee acting in its commercial capacity) incorporated under the laws of the United States of America or any State thereof (or domestic branches of foreign banks), subject to supervision and examination by federal or state banking or depository institution authorities, and having, at the time of the Issuer's investment or contractual commitment to invest therein, a short term unsecured debt rating of "[***]" by S&P, or such lower rating as will not result in the downgrading, qualification or withdrawal of the rating on any Note by the Rating Agency;

(iii) securities bearing interest or sold at a discount issued by any corporation incorporated under the laws of the United States of America or any State thereof which have a rating of no less than "[***]" by S&P and a maturity of no more than 365 days;

(iv) commercial paper (including both non-interest bearing discount obligations and interest-bearing obligations payable on demand or on a specified date not more than one year after the closing date thereof) of any corporation (other than the Issuer, but including the Indenture Trustee, acting in its commercial capacity), incorporated under the laws of the United States of America or any State thereof, that, at the time of the investment or contractual commitment to invest therein, a rating of "[***]" by S&P, or such lower rating as will not result in the downgrading, qualification or withdrawal of the rating on any Note by the Rating Agency;

(v) money market mutual funds, including, without limitation, those of the Indenture Trustee or any Affiliate thereof, or any other mutual funds registered under the 1940 Act which invest only in other Eligible Investments, having a rating, at the time of

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such investment, in the highest rating category by S&P, including any fund for which Wells Fargo, the Indenture Trustee, or an Affiliate thereof serves as an investment advisor, administrator, shareholder servicing agent, and/or custodian or subcustodian, notwithstanding that (A) Wells Fargo, the Indenture Trustee or an affiliate thereof, charges and collects fees and expenses from such funds for services rendered, (B) Wells Fargo, the Indenture Trustee or an affiliate thereof, charges and collects fees and expenses for services rendered under the Transaction Documents and (C) services performed for such funds and pursuant to the Transaction Documents may converge at any time;

(vi) any investment approved in writing by the Issuer, and with respect to which the Issuer provides written evidence that such investment will not result in a downgrading, qualification or withdrawal of the rating on any Note by the Rating Agency;

(vii) repurchase agreements with respect to obligations of, or guaranteed as to principal and interest by, the United States of America or any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States of America; *provided, however*, that the unsecured obligations of the party agreeing to repurchase such obligations at the time have a credit rating of no less than [***] by S&P; and

(viii) any investment agreement (including guaranteed investment certificates, forward delivery agreements, repurchase agreements or similar obligations) with an entity which on the date of acquisition has a credit rating of no less than [***] by S&P.

The Indenture Trustee, or an Affiliate thereof may charge and collect such fees from such funds as are collected customarily for services rendered to such funds (but not to exceed investments earnings thereon).

The Indenture Trustee may purchase from or sell to itself or an Affiliate, as principal or agent, the Eligible Investments listed above. All Eligible Investments in an Account shall be made in the name of the Indenture Trustee for the benefit of the Noteholders.

"Eligible Letter of Credit Bank" means a financial institution having total assets in excess of $[***] and with a long term rating of at least "[***]" by S&P and a short term rating of at least "[***]" by S&P. If the issuer of the Letter of Credit fails to be an Eligible Letter of Credit Bank on any date, the Indenture Trustee will be required, upon written direction of the Issuer, the Manager or the Majority Noteholders of the Controlling Class, to draw on the full amount of the Letter of Credit and deposit the proceeds into the Reserve Account or Equipment Replacement Reserve Account, as applicable.

"Eligible Solar Loan" means a Solar Loan meeting, as of the related Cut-Off Date (or as of the Closing Date or related Transfer Date where so provided), all of the requirements set forth in Exhibit A of the Contribution Agreement.

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"Energy Storage System" means an energy storage system capable of delivering electricity to the location where installed without regard to connection to or operability of the electric grid in such location and to be used in connection with a PV System, including all equipment related thereto (including any battery management system, wiring, conduits and any replacement or additional parts included from time to time).

"Engagement Letter" means the engagement letter, dated as of September 22, 2020, by and between Sunnova Energy and Credit Suisse Securities (USA) LLC.

"eOriginal" means eOriginal, Inc., a Delaware corporation, and its successors in interest or such other electronic document storage provider as may be mutually agreed upon by the Issuer, the Indenture Trustee (acting at the direction of the Majority Noteholders of the Controlling Class) and the Custodian.

"*Equipment Replacement Reserve Account"* means the segregated trust account with that name established and maintained with the Indenture Trustee and in the name of the Indenture Trustee for the benefit of the Noteholders and maintained pursuant to Section 5.01 of the Indenture.

"Equipment Replacement Reserve Deposit" means an amount equal to the lesser of (1) the sum of: (a) the product of (i) one-twelfth of $[***] and (ii) the aggregate DC nameplate capacity (measured in kW) of all the PV Systems related to the Solar Loans owned by the Issuer (excluding Defaulted Solar Loans in respect of PV Systems related to PV Solar Loans or PV/ESS Solar Loans that are not operational and not in the process of being removed) on the related Determination Date and (b) the product of (i) one-twelfth of $[***] and (ii) the aggregate storage capacity (measured in kWh) of the batteries included in Energy Storage Systems related to Solar Loans owned by the Issuer (excluding Defaulted Solar Loans in respect of Energy Storage Systems related to PV/ESS Solar Loans or ESS Solar Loans that are not operational and not in the process of being removed) on the related Determination Date; and (2) (i) the Equipment Replacement Reserve Required Balance as of the related Determination Date, minus (ii) the amount on deposit in the Equipment Replacement Reserve Account as of the related Determination Date, provided that the Equipment Replacement Reserve Deposit shall not be less than $0.

"*Equipment Replacement Reserve Required Balance"* means an amount equal to the sum of (a) the product of (i) $[***] and (ii) the aggregate DC nameplate capacity (measured in kW) of all PV Systems related to the Solar Loans owned by the Issuer (excluding Defaulted Solar Loans in respect of PV Systems related to PV Solar Loans or PV/ESS Solar Loans that are not operational and not in the process of being removed) on the related Determination Date that have related Solar Loan Agreements with remaining terms that exceed the remaining terms of the related Manufacturer Warranty for the Inverter associated with such PV System and (b) the product of (i) $[***] and (ii) the aggregate storage capacity (measured in kWh) of the batteries included in Energy Storage Systems related to Solar Loans owned by the Issuer (excluding Defaulted Solar Loans in respect of Energy Storage Systems related to PV/ESS Solar Loans or ESS Solar Loans that are not operational and not in the process of being removed) on the related

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Determination Date that have related Solar Loan Agreements with remaining terms that exceed the remaining terms of the related Manufacturer Warranty for such Energy Storage System.

"ERISA" has the meaning set forth in Section 2.07(c)(vi) of the Indenture.

"ESIGN Act" means the Electronic Signatures in Global and National Commerce Act, as such act may be amended or supplemented from time to time.

"ESS Solar Loan" means a Solar Loan under a Sunnova + SunSafe Agreement.

"EU Risk Retention, Due Diligence and Transparency Requirements" means Articles 5, 6 and 7 of the EU Securitization Regulation.

"*EU Securitization Regulation*" means Regulation (EU) 2017/2402 of the European Parliament and of the Council of December 12, 2017.

"Euroclear" has the meaning set forth in Section 2.02(a) of the Indenture.

"Event of Default" has the meaning set forth in Section 9.01 of the Indenture.

"Event of Loss" means, with respect to a PV System or Energy Storage System, a loss that is deemed to have occurred with respect to a PV System or Energy Storage System if such PV System or Energy Storage System, as applicable, is damaged or destroyed by fire, theft or other casualty and such PV System or Energy Storage System, as applicable, has become inoperable because of such events.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Extra Principal Distribution Amount" means, on any Payment Date, an amount equal to the lesser of (i) the amount by which Available Funds exceed the amount required to be distributed on such Payment Date pursuant to clauses (i) through (viii) of the Priority of Payments and (ii) the Overcollateralization Deficiency Amount on such Payment Date.

"FATCA" means Sections 1471 through 1474 of the Code, official interpretations thereof, any agreement entered into pursuant to Section 1471(b)(1) of the Code, any intergovernmental agreements entered into in connection with any of the foregoing and any fiscal or regulatory legislation, rules or practices adopted pursuant to any such intergovernmental agreement, and any amendments made to any of the foregoing after the date of this Indenture.

"FATCA Withholding Tax" means any withholding or deduction made pursuant to FATCA in respect of any payment.

"Financing Statements" means, collectively, the Sunnova Intermediate Holdings Financing Statement, the Sunnova ABS Holdings V Financing Statement, the Depositor Financing Statement and the Issuer Financing Statement.

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"Force Majeure Event" means any event or circumstances beyond the reasonable control of and without the fault or negligence of the Person claiming Force Majeure. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of electricity due to: an act of god; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo; civil strike, work stoppage, slow-down, or lock-out; explosion; fire; epidemic; pandemic; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; the binding order of any Governmental Authority (provided that such order has been resisted in good faith by all reasonable legal means); the failure to act on the part of any Governmental Authority (provided that such action has been timely requested and diligently pursued); unavailability of electricity from the utility grid, equipment, supplies or products (but not to the extent that any such availability of any of the foregoing results from the failure of the Person claiming Force Majeure to have exercised reasonable diligence); and failure of equipment not utilized by or under the control of the Person claiming Force Majeure.

"GAAP" means (i) generally accepted accounting principles in the United States of America as in effect from time to time, consistently applied and (ii) upon mutual agreement of the parties, internationally recognized generally accepted accounting principles, consistently applied.

"Global Notes" means, individually and collectively, the Regulation S Temporary Global Note, the Regulation S Permanent Global Note and the Rule 144A Global Note.

"Governmental Authority" means any national, State or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity, (including any zoning authority, the Federal Regulatory Energy Commission, the relevant State commissions, the Federal Deposit Insurance Corporation, the Comptroller of the Currency or the Federal Reserve Board, any central bank or any comparable authority) or any arbitrator with authority to bind a party at law.

"Grant" means to pledge, create and grant a Lien on and with regard to property. A Grant of a Solar Loan or of any other instrument shall include all rights, powers and options of the granting party thereunder, including without limitation the immediate and continuing right to claim for, collect, receive and give receipts for principal and interest payments in respect of such collateral and all other moneys payable thereunder, to give and receive notices and other communications, to make waivers or other agreements, to exercise all rights and options, to bring proceedings in the name of the granting party or otherwise, and generally to do and receive anything which the granting party is or may be entitled to do or receive thereunder or with respect thereto.

"Highest Lawful Rate" has the meaning set forth in the Contribution Agreement.

"Holder" means a Noteholder.

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"Indenture" means the indenture between the Issuer and the Indenture Trustee, dated as of the Closing Date, as supplemented or amended by one or more indentures supplemental thereto entered into pursuant to the applicable provisions thereof.

"Indenture Trustee" means Wells Fargo, until a successor Person shall have become the Indenture Trustee pursuant to the applicable provisions of the Indenture, and thereafter "*Indenture Trustee*" means such successor Person in its capacity as indenture trustee.

"Indenture Trustee Fee" means, for each Payment Date (in accordance with and subject to the Priority of Payments) an amount equal to $[***].

"Independent Accountant" means a nationally recognized firm of public accountants selected by the Servicer; *provided,* that such firm is independent with respect to the Servicer within the meaning of the Securities Act.

"Initial Advance Rate" means 90.50%.

"Initial Cut-Off Date" means December 31, 2020.

"Initial Outstanding Note Balance" means for the Class A Notes and the Class B Notes, $150,079,000 and $38,562,000, respectively.

"Initial Overcollateralization Percentage" means an amount equal to (i) the excess of (a) the Aggregate Closing Date Collateral Balance over (b) the aggregate Initial Outstanding Note Balances of the Notes, divided by (ii) the Aggregate Closing Date Collateral Balance (expressed as a percentage).

"Initial Percentage Interest" means, with respect to each Class of Notes, a percentage equal to the Initial Outstanding Note Balance of such Class divided by the Aggregate Outstanding Note Balance.

"Initial Purchasers" means Credit Suisse Securities (USA) LLC and Popular Securities LLC and their successors and assigns.

"Initial Solar Loans" means the Solar Loans identified on the Schedule of Solar Loans conveyed to the Issuer on the Closing Date.

"Insolvency Event" means, with respect to a specified person, (a) the filing of a decree or order for relief by a court having jurisdiction in the premises in respect of such person or any substantial part of its property in an involuntary case under the bankruptcy code or any other applicable insolvency law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for such person or for any substantial part of its property, or ordering the winding up or liquidation of such person's affairs, and such decree or order shall remain unstayed and in effect for a period of sixty (60) days; or (b) the commencement by such person of a voluntary case under any applicable insolvency law now or hereafter in effect, or the consent by such person to the entry of an order for relief in an

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involuntary case under any such law, or the consent by such person to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official for such person or for any substantial part of its property, or the making by such person of any general assignment for the benefit of creditors, or the failure by such person generally to pay its debts as such debts become due, or the taking of action by such person in furtherance of any of the foregoing.

"Insurance Policy" means, with respect to any PV System and/or Solar Energy System, any insurance policy benefiting the Manager or the owner of such PV System and/or Solar Energy System and providing coverage for loss or physical damage, credit life, credit disability, theft, mechanical breakdown, gap or similar coverage with respect to such PV System and/or Solar Energy System or the related Obligor.

"Insurance Proceeds" means any funds, moneys or other net proceeds received by the Issuer as the payee in connection with the physical loss or damage to a PV System and/or Energy Storage System, a loss of revenue associated with a PV System and/or Energy Storage System or any other insurable event, including any incident that will be covered by the insurance coverage paid for and maintained by the Manager on the Issuer's behalf.

"Interconnection Agreement" means, with respect to a PV System, a contractual obligation between a utility and an Obligor that allows the Obligor to interconnect such PV System and, if applicable, any related Energy Storage System to the utility electrical grid.

"Interest Accrual Period" means for any Payment Date, the period from and including the immediately preceding Payment Date to but excluding such Payment Date and in each case will be deemed to be a period of 30 days, except that the Interest Accrual Period for the first Payment Date shall be the number of days (assuming twelve 30-day months) from and including the Closing Date to, but excluding, the first Payment Date.

"Interest Distribution Amount" means (i) with respect to the Class A Notes and any Payment Date, an amount equal to the sum of (a) interest accrued during the related Interest Accrual Period at the related Note Rate on the Outstanding Note Balance of the Class A Notes immediately prior to such Payment Date and (b) the amount of unpaid Interest Distribution Amount for the Class A Notes from prior Payment Dates plus, to the extent permitted by law, interest thereon at the related Note Rate and (ii) with respect to the Class B Notes and (a) any Payment Date occurring during a Non-Sequential Interest Amortization Period, an amount equal to the sum of (1) interest accrued during the related Interest Accrual Period at the related Note Rate on the Outstanding Note Balance of the Class B Notes immediately prior to such Payment Date and (2) the amount of unpaid Interest Distribution Amount for the Class B Notes from prior Payment Dates plus, to the extent permitted by law, interest thereon at the related Note Rate and (b) any Payment Date occurring during a Sequential Interest Amortization Period, an amount equal to zero. For the avoidance of doubt, Interest Distribution Amounts do not include any Deferred Interest Amounts or Post-ARD Additional Interest Amounts.

"Inverter" means, with respect to a PV System, the necessary device(s) required to convert the variable direct electrical current (DC) output from a Solar Photovoltaic Panel into a

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utility frequency alternating electrical current (AC) that can be used by an Obligor's home or property, or that can be fed back into a utility electrical grid pursuant to an Interconnection Agreement.

"Issuer" means Sunnova Helios V Issuer, LLC, a Delaware limited liability company.

"Issuer Financing Statement" means a UCC-1 financing statement naming the Indenture Trustee as the secured party and the Issuer as the debtor.

"Issuer Operating Agreement" means that certain Amended and Restated Limited Liability Company Agreement of the Issuer dated February 16, 2021.

"Issuer Order" means a written order or request signed in the name of the Issuer by an Authorized Officer and delivered to the Indenture Trustee.

"*Issuer Secured Obligations*" means all amounts and obligations which the Issuer may at any time owe to or on behalf of the Indenture Trustee for the benefit of the Noteholders under the Indenture or the Notes.

"KBRA" means Kroll Bond Rating Agency, LLC, and its successors and assigns.

"*Lien*" means, with respect to any asset, any mortgage, deed of trust, lien, pledge, charge, security interest, easement or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected or effective under Applicable Law.

"Letter of Credit" means any letter of credit issued by an Eligible Letter of Credit Bank and provided by the Issuer to the Indenture Trustee in lieu of or in substitution for moneys otherwise required to be deposited in the Reserve Account or the Equipment Replacement Reserve Account, as applicable, which Letter of Credit is to be as held an asset of the Reserve Account or the Equipment Replacement Reserve Account, as applicable.

"*Lockbox Account*" means that certain account established at the Lockbox Bank and maintained in the name of the Issuer (subject to an Account Control Agreement) and to which the Servicer has instructed all Obligors to direct any and all payments required to be made pursuant to the related Solar Loan Agreement or in connection with the related Solar Loan.

"Lockbox Account Retained Balance" means the amount as set forth in the Account Control Agreement for the payment of Lockbox Bank Fees and Charges.

"*Lockbox Bank*" means J.P. Morgan Chase Bank, National Association.

"Lockbox Bank Fees and Charges" mean those debits from the Lockbox Account expressly permitted under the Account Control Agreement.

"Maintenance Log" has the meaning set forth in Exhibit A of the Management Agreement.

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"Majority Noteholders" means Noteholders representing greater than 50% of the Outstanding Note Balance of, as the context shall require, a Class of Notes or both Classes of Notes if then Outstanding.

"Make Whole Amount" means, with respect to a Voluntary Prepayment of the Notes prior to a Make Whole Determination Date, for (x) any Class A Notes being prepaid is an amount (not less than zero) equal to: the product of (i) the portion of such Class of Notes being prepaid and (ii)(a) if such Voluntary Prepayment occurs prior to the third anniversary of the Closing Date, 3.00%, (b) if such Voluntary Prepayment occurs on or after the third anniversary of the Closing Date but prior to the fourth anniversary of the Closing Date, 2.00% and (c) if such Voluntary Prepayment occurs on or after the fourth anniversary of the Closing Date but prior to the Class A Make Whole Determination Date, 1.00% and (y) any Class B Notes being prepaid is an amount (not less than zero) equal to: the product of (i) the portion of such Class of Notes being prepaid and (ii)(a) if such Voluntary Prepayment occurs prior to the first anniversary of the Closing Date, 3.00%, (b) if such Voluntary Prepayment occurs on or after the first anniversary of the Closing Date but prior to the second anniversary of the Closing Date, 2.00% and (c) if such Voluntary Prepayment occurs on or after the second anniversary of the Closing Date but prior to the Class B Make Whole Determination Date, 1.00%.

"Make Whole Determination Date" means the Class A Make Whole Determination Date or the Class B Make Whole Determination Date, as applicable.

"Management Agreement" means that certain management agreement, dated as of the Closing Date, by and among the Manager, Transition Manager and the Issuer.

"Management Services" has the meaning set forth in Section 2.1(a) of the Management Agreement.

"Management Standard" has the meaning set forth in Section 2.1(a) of the Management Agreement.

"Manager" means Sunnova Management as the initial Manager or any other Replacement Manager acting as Manager pursuant to the Management Agreement. Unless the context otherwise requires, *"Manager"* also refers to any successor Manager appointed pursuant to the Management Agreement.

"Manager Extraordinary Expenses" means (a) extraordinary expenses incurred by the Manager in accordance with the Management Standard in connection with (i) its performance of maintenance and operations services on a PV System or Energy Storage System on an emergency basis in order to prevent serious injury, loss or damage to persons or property (including any injury, loss or damage to a PV System or Energy Storage System caused by the Obligor), (ii) any litigation, arbitration or enforcement proceedings pursued by the Manager in respect of Manufacturer Warranties or Dealer Warranties, (iii) any litigation, arbitration or enforcement proceeding pursued by the Manager in respect of a Solar Loan Agreement, or (iv) the replacement of Inverters or Energy Storage Systems (or components thereof) that do not have the benefit of a Manufacturer Warranty or Dealer Warranty, to the extent not reimbursed from

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the Equipment Replacement Reserve Account; (b) to the extent (i) a PV System or Energy Storage System suffers an Event of Loss, (ii) Insurance Proceeds are reduced by any applicable deductible and (iii) the Manager incurs costs related to the repair, restoration, replacement or rebuilding of such PV System or Energy Storage System in excess of the Insurance Proceeds that the Manager receives, an amount equal to the lesser of such excess and the applicable deductible; and (c) all fees, expenses and other amounts that are paid by the Manager on behalf of the Issuer and incurred in connection with the operation or maintenance of the Solar Loans or the Transaction Documents, including (i) fees, expenses and other amounts paid to attorneys, accountants and other consultants and experts retained by the Issuer and (ii) any sales, use, franchise or property taxes that the Manager pays on behalf of the Issuer.

"Manager Fee" means for each Payment Date (in accordance with and subject to the Priority of Payments) an amount equal to the product of (i) one-twelfth of the O&M Fee Base Rate and (ii) the sum of (1) the aggregate DC nameplate capacity (measured in kW) of all PV Systems related to the Solar Loans owned by the Issuer as of the first day of the related Collection Period (excluding PV Systems related to Defaulted Solar Loans that are not operational and not in the process of being removed, repaired or replaced) and (2) [***] kW multiplied by the number of ESS Solar Loans owned by the Issuer as of the first day of the related Collection Period (excluding Defaulted Solar Loans for which the related Energy Storage System is not operational and not in the process of being removed, repaired or replaced).

"Manager Termination Event" has the meaning set forth in Section 7.1 of the Management Agreement.

"Manufacturer Warranty" means any warranty given by a manufacturer of a PV System or Energy Storage System relating to such PV System or Energy Storage System or, in each case any part or component thereof.

"Material Adverse Effect" means, with respect to any Person, any event or circumstance, individually or in the aggregate, having a material adverse effect on any of the following: (i) the business, property, operations or financial condition of such Person or the Trust Estate, (ii) the ability of such Person to perform its respective obligations under the Transaction Documents (including the obligation to make any payments) or (iii) the priority or enforceability of any Lien in favor of the Indenture Trustee.

"Merchant Processing Amounts" means amounts charged against all collected funds in the Lockbox Account by third party merchant processing service providers with respect to processing fees and Obligor chargebacks.

"Monthly Manager Report" means a report substantially in the form set forth in Exhibit D of the Management Agreement, delivered to the Servicer, the Backup Servicer and the Transition Manager by the Manager pursuant to the Management Agreement.

"Monthly Servicer Report" means a report substantially in the form set forth in Exhibit D of the Servicing Agreement, delivered to the Issuer, the Indenture Trustee, the Backup Servicer,

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the Rating Agency and the Initial Purchasers by the Servicer pursuant to the Servicing Agreement.

"Net Metering Agreement" means, with respect to a PV System, as applicable, a contractual obligation between a utility and an Obligor that allows the Obligor to offset its regular utility electricity purchases by receiving a bill credit at a specified rate for energy generated by such PV System that is exported to the utility electrical grid and not consumed by the Obligor on its property. A Net Metering Agreement may be embedded or acknowledged in an Interconnection Agreement.

"*New York UCC*" shall have the meaning set forth in Section 5.02(g)(ii)(F) of the Indenture.

"Non-Sequential Interest Amortization Period" means any period in which a Sequential Interest Amortization Period is not in effect.

"Note" or *"Notes"* means, collectively, the 1.80% Solar Loan Backed Notes, Series 2021-A, Class A, and the 3.15% Solar Loan Backed Notes, Series 2021-A, Class B, issued pursuant to the Indenture.

"Note Balance Write-Down Amount" means, as of any Payment Date, an amount equal to the excess, if any, of (i) the Aggregate Outstanding Note Balance after taking into account all distributions of principal on such Payment Date over (ii) the Aggregate Collateral Balance as of the last day of the related Collection Period.

"Note Depository Agreement" means the letter of representations dated the Closing Date, by the Issuer to DTC, as the initial Securities Depository, relating to the Book-Entry Notes.

"Note Owner" means, with respect to a Book-Entry Note, the Person who is the beneficial owner of such Book-Entry Note, as reflected on the books of the Securities Depository or on the books of a Person maintaining an account with such Securities Depository (directly as a Securities Depository Participant or as an indirect participant, in each case in accordance with the rules of such Securities Depository) or the Person who is the beneficial owner of such Book-Entry Note, as reflected in the Note Register in accordance with Section 2.07 of the Indenture.

"Note Purchase Agreement" means that certain note purchase agreement dated February 8 2021, among the Issuer, the Depositor, Sunnova Energy and the Initial Purchasers.

"Note Rate" means for the Class A Notes and the Class B Notes, an annual rate of 1.80% and 3.15% respectively.

"Note Register" and *"Note Registrar"* have the meanings set forth in Section 2.07 of the Indenture.

"Noteholder" means the Person in whose name a Note is registered in the Note Register.

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"*Noteholder FATCA Information*" means information sufficient to eliminate the imposition of, or determine the amount of FATCA Withholding Tax.

"*Noteholder Tax Identification Information*" means properly completed, duly executed and valid tax certifications (generally, in the case of U.S. federal income tax, IRS Form W-9 (or applicable successor form) in the case of a person that is a "United States person" within the meaning of Section 7701(a)(30) of the Code or the appropriate IRS Form W-8 (or applicable successor form) in the case of a person that is not a "United States person" within the meaning of Section 7701(a)(30) of the Code).

"Notice of Prepayment" means the notice in the form of Exhibit C to the Indenture.

"NRSRO" means a nationally recognized statistical rating organization.

"NRSRO Certification" means a certification by a NRSRO that permits it to access a 17g-5 Website.

"Obligor" means a borrower under a Solar Loan Agreement.

"Obligor Security Deposit" means any security deposit that an Obligor must provide in accordance with such Obligor's Solar Loan Agreement or Sunnova Energy's Transfer Policy.

"Obligor Security Deposit Account" means the segregated trust account with that name established with JPMorgan Chase Bank, N.A. (or such successor bank, if applicable) in the name of the Originator and maintained pursuant to Section 5.01 of the Indenture.

"O&M Fee Base Rate" means $[***] and on each annual anniversary of the initial Determination Date will be increased by [***]%.

"Offering Circular" means that certain confidential offering circular dated February 8, 2021 related to the Notes.

"Officer's Certificate" means a certificate signed by an Authorized Officer or a Responsible Officer, as the case may be.

"Opinion of Counsel" means a written opinion of counsel who may be outside counsel for the Issuer or the Indenture Trustee or other counsel and who shall be reasonably satisfactory to the Indenture Trustee, which shall comply with any applicable requirements of Section 12.02 of the Indenture and which shall be in form and substance satisfactory to the Indenture Trustee.

"Ordinary Course of Business" means the ordinary conduct of business consistent with custom and practice for, as the context may require, the rooftop and ground mounted solar businesses (including with respect to quantity and frequency) of the Issuer and its Affiliates.

"Originator" means Sunnova Energy in its capacity as Originator.

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"Outstanding" means, as of any date of determination, all Notes theretofore authenticated and delivered under the Indenture except:

(i) Notes theretofore canceled by the Note Registrar or delivered to the Note Registrar for cancellation;

(ii) Notes or portions thereof for whose payment money in the necessary amount in redemption thereof has been theretofore deposited with the Indenture Trustee in trust for the Holders of such Notes;

(iii) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to the Indenture; and

(iv) Notes alleged to have been destroyed, lost or stolen for which replacement Notes have been issued as provided for in Section 2.09 of the Indenture unless proof satisfactory to the Indenture Trustee is presented that any such Notes are held by a bona fide purchaser;

provided, however, that in determining whether the Noteholders of the requisite percentage of the Outstanding Note Balance have given any request, demand, authorization, direction, notice, consent or waiver, Notes owned by Sunnova Energy, the Issuer or an Affiliate thereof shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Indenture Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, or waiver, only Notes which the Indenture Trustee actually knows to be so owned shall be so disregarded. Notes so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Indenture Trustee, in its sole discretion, the pledgee's right so to act with respect to such Notes and that the pledgee is not Sunnova Energy, the Issuer or an Affiliate thereof.

"Outstanding Note Balance" means, with respect to any Class of Notes, as of any date of determination, the Initial Outstanding Note Balance of such Class of Notes, less (i) the sum of all principal payments (including any portion of Voluntary Prepayments attributable to principal payments) actually distributed to the Noteholders of such Class of Notes as of such date (other than in respect of reimbursed Note Balance Write-Down Amounts, if any) and (ii) all Note Balance Write-Down Amounts applied to such Class of Notes as of such date.

"Overcollateralization Deficiency Amount" means an amount on any Payment Date equal to the excess, if any, of (i) the Required Overcollateralization Amount on such Payment Date over (ii) the Pro Forma Overcollateralization Amount on such Payment Date, which in no event shall be less than zero.

"Overcollateralization Release Amount" means an amount equal to the excess, if any, of (a) the Pro Forma Overcollateralization Amount on such Payment Date over (b) the Required Overcollateralization Amount on such Payment Date; provided, that such amount will not exceed the amount of principal collected in respect of each Solar Loan during the related Collection Period (including principal in respect of prepayments of Solar Loans and Repurchase Prices or

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Substitution Shortfall Amounts paid in respect of Defaulted Solar Loans or Defective Solar Loans, if any, and without giving effect to any Merchant Processing Amounts debited from the Lockbox Account during the related Collection Period) for such Payment Date.

"Ownership Interest" means, with respect to any Note, any ownership interest in such Note, including any interest in such Note as the Noteholder thereof and any other interest therein, whether direct or indirect, legal or beneficial.

"*Parts*" means components of a PV System and/or Energy Storage System.

"Payment Date" means the 20th day of each calendar month during which any of the Notes remain Outstanding, beginning in March 2021; *provided*, *however*, that if any such day is not a Business Day, then the payments due thereon shall be made on the next succeeding Business Day.

"PDF Form" means those documents in "portable document format" delivered to the Custodian via electronic transmission.

"Perfection UCCs" means, with respect to each Solar Loan and the property related thereto, (i) the date-stamped copy of the filed Sunnova Intermediate Holdings Financing Statement, Sunnova ABS Holdings V Financing Statement and Depositor Financing Statement covering such Solar Loan and the related Conveyed Property and (ii) the date-stamped copy of the filed Issuer Financing Statement covering the Trust Estate and (iii) the date-stamped copy of the filed Termination Statements releasing the Liens held by creditors of Sunnova Energy, its Affiliates or any other Person (other than as expressly contemplated by the Transaction Documents) covering such Solar Loan and the related Conveyed Property, or, in the case of (iii) above, a copy of search results performed and certified by a national search company indicating that such Termination Statements have been filed in the UCC filing offices of the States in which the Financing Statements being terminated were originally filed.

"*Performance Guarantor"* means Sunnova Energy in its capacity as Performance Guarantor under the Performance Guaranty.

"Performance Guaranty" means the performance guaranty, dated as of the Closing Date, made by the Performance Guarantor in favor of the Issuer and the Indenture Trustee.

"Permits" means, with respect to any PV System or Energy Storage System, the applicable permits, franchises, leases, orders, licenses, notices, certifications, approvals, exemptions, qualifications, rights or authorizations from or registration, notice or filing with any Governmental Authority required to operate such PV System or Energy Storage System.

"Permitted Equity Cure Amount" has the meaning set forth in Section 5.08 of the Indenture.

"*Permitted Liens*" means (i) any lien for taxes, assessments and governmental charges or levies not yet due and payable or which are being contested in good faith by appropriate

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proceedings, (ii) any other lien or encumbrance arising under or permitted by the Transaction Documents, and (iii) to the extent a PV System or Energy Storage System constitutes a fixture, any conflicting interest of an encumbrancer or owner of the real property that has or would have priority over the applicable UCC fixture filing.

"Person" means any individual, corporation, partnership, joint venture, association, limited liability company, limited liability partnership, joint stock company, trust (including any beneficiary thereof), unincorporated organization or Governmental Authority.

"Physical Form" means a document maintained in physical paper form or a document previously maintained in Electronic Form which has been transferred to Physical Form.

"*Post-ARD Additional Interest Amounts"* has the meaning set forth in Section 2.03(c) of the Indenture.

"*Post-ARD Additional Interest Rate"* means, for a Class of Notes, an annual rate determined by the Servicer to be the greater of (i) [***]%; and (ii) the amount, if any, by which the sum of the following exceeds the related Note Rate: (A) the yield to maturity (adjusted to a "mortgage equivalent basis" pursuant to the standards and practices of the Securities Industry and Financial Markets Association) on the Anticipated Repayment Date of the United States Treasury Security having a term closest to ten years, plus (B) [***]%, plus (C) the related Post-ARD Spread.

"*Post-ARD Spread"* means for the Class A Notes the Class B Notes, [***]% and [***]%, respectively.

"Post-Closing Date Certification" has the meaning set forth in Section 4(b) of the Custodial Agreement.

"Post-Transfer Date Certification" has the meaning set forth in Section 4(d) of the Custodial Agreement.

"Predecessor Notes" means, with respect to any particular Note, every previous Note evidencing all or a portion of the same debt as that evidenced by such particular Note; and, for the purpose of this definition, any Note authenticated and delivered under Section 2.09 of the Indenture in lieu of a lost, destroyed or stolen Note shall be deemed to evidence the same debt as the lost, destroyed or stolen Note.

"*Prefunding Account"* means the segregated trust account with that name established and maintained with the Indenture Trustee and in the name of the Indenture Trustee for the benefit of the Noteholders and maintained pursuant to Section 5.01 of the Indenture.

"Prefunding Account Initial Deposit" means $[***].

"Prefunding Certificate" means an Officer's Certificate relating to a Subsequent Solar Loan Transfer substantially in the form of Exhibit F to the Indenture.

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"Prefunding Loan Balance" means the excess of the maximum aggregate Cut-Off Date Solar Loan Balances of Subsequent Solar Loans that may be purchased during the Prefunding Period over the Cut-Off Date Solar Loan Balances of Subsequent Solar Loans that have been purchased during the Prefunding Period; provided, the Prefunding Loan Balance shall equal zero on and after the Prefunding Termination Date.

"Prefunding Notice" means a notice in the form of Exhibit G to the Indenture.

"Prefunding Period" means the period commencing on the Closing Date and ending on the Prefunding Termination Date.

"Prefunding Termination Date" means the Determination Date immediately following the earliest of (i) the date that is three months following the Closing Date, (ii) the date on which the amount on deposit in the Prefunding Account is less than $[***], (iii) the date on which an Early Amortization Period or a Sequential Interest Amortization Period begins, or (iv) the date on which an Event of Default occurs.

"Prepayment Amount" has the meaning set forth in Section 6.01(a) of the Indenture.

"Principal Distribution Amount" means, for any Payment Date, an amount equal to: (i) if such Payment Date occurs during a Regular Amortization Period, (A) the excess, if any, of (1) the sum of (x) the amount of principal collected in respect of each Solar Loan during the related Collection Period (including principal in respect of prepayments of Solar Loans and Repurchase Prices or Substitution Shortfall Amounts paid in respect of Defaulted Solar Loans or Defective Solar Loans, if any, and without giving effect to any Merchant Processing Amounts debited from the Lockbox Account during the related Collection Period), and (y) the outstanding principal balance of all Solar Loans that became Defaulted Solar Loans during the related Collection Period and were not substituted for or repurchased by the Depositor; over (2) the Overcollateralization Release Amount for such Payment Date, plus (B) on the first Payment Date after the Prefunding Termination Date, the amount deposited into the Collection Account from the Prefunding Account; or (ii) if such Payment Date occurs during a Sequential Amortization Period, the entire amount of remaining Available Funds after making provisions for payments and distributions required under clauses (i) through (vii) in the Priority of Payments; *provided*, *however*, in each case, the Principal Distribution Amount shall not exceed the Aggregate Outstanding Note Balance as of such Payment Date prior to any distributions made on such Payment Date; provided, further, if the sum of Available Funds plus the amount on deposit in the Reserve Account, the Equipment Replacement Reserve Account and the Section 25D Interest Account is greater than or equal to the sum of (a) the payments and distributions required under clauses (i) through (vii) in the Priority of Payments, (b) the Aggregate Outstanding Note Balance as of such Payment Date prior to any distributions made on such Payment Date and (c) all unreimbursed Note Balance Write-Down Amounts, Deferred Interest Amounts and Post-ARD Additional Interest Amounts, then the Principal Distribution Amount shall equal the Aggregate Outstanding Note Balance as of such Payment Date prior to any distributions made on such Payment Date.

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"PR Easy Own Solar Loan" means an Easy Own Solar Loan originated after June 30, 2018 for a home located in Puerto Rico for which there is no Section 25D Credit Payment Date.

"Priority of Payments" has the meaning set forth in Section 5.07(a) of the Indenture.

"Proceeding" means any suit in equity, action at law or other judicial or administrative proceeding.

"*Production Guaranty*" means, with respect to a PV System, an agreement in the form of a production warranty between the Obligor and Sunnova Energy, that specifies a minimum level of solar energy production, as measured in kWh, for a specified time period. A Production Guaranty stipulates the terms and conditions under which the related Obligor could be compensated or receive a production credit if the related PV System does not meet the electricity production minimums.

"Pro Forma Overcollateralization Amount" means, on any Payment Date, an amount equal to the excess, if any, of (i) the Aggregate Collateral Balance as of the last day of the related Collection Period, over (ii) (a) the Aggregate Outstanding Note Balance on such Payment Date, before taking into account any distributions of principal to the Noteholders on such Payment Date, plus (b) all unreimbursed Note Balance Write-Down Amounts applied to the Notes prior to such Payment Date, minus (c) the amount of principal collected in respect of each Solar Loan during the related Collection Period (including principal in respect of prepayments of Solar Loans and Repurchase Prices or Substitution Shortfall Amounts paid in respect of Defaulted Solar Loans or Defective Solar Loans, if any, and without giving effect to any Merchant Processing Amounts debited form the Lockbox Account during the related Collection Period), minus (d) the outstanding principal balance of all Solar Loans that became Defaulted Solar Loans during the related Collection Period and were not substituted for or repurchased by the Depositor.

"*Pro Forma Subsequent Solar Loans*" means all Subsequent Solar Loans acquired by the Issuer during the Prefunding Period.

"*Project*" means a PV System and/or Solar Energy System, the associated Real Property Rights, rights under the applicable Solar Loan Agreements and all other related rights to the extent applicable thereto including, without limitation, all Parts and manufacturers' warranties and rights to access Obligor data.

"Prudent Industry Practices" means the practices, methods, acts and equipment (including but not limited to the practices, methods, acts and equipment engaged in or approved by a prudent, experienced participant in the renewable energy electric generation industry operating in the United States) that, at a particular time, in the exercise of reasonable judgment in light of the facts known or that reasonably should have been known at the time a decision was made, would have been expected to accomplish the desired result in a manner that complies with, and is otherwise consistent with, Applicable Law (including, for the avoidance of doubt all Consumer Protection Laws), Permits, codes and standards, equipment manufacturer's recommendations, reliability, safety and environmental protection.

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"PTO" means, with respect to a PV System, the receipt of permission to operate from the related local utility in writing or in such other form as is customarily given by the related local utility.

"PV/ESS Solar Loan" means a Solar Loan under a SunSafe Easy Own Agreement.

"PV Solar Loan" means a Solar Loan under an Easy Own Agreement.

"PV System" means, a photovoltaic system, including Solar Photovoltaic Panels, Inverters, Racking Systems, wiring and other electrical devices, as applicable, conduits, weatherproof housings, hardware, remote monitoring equipment, connectors, meters, disconnects and over current devices (including any replacement or additional parts included from time to time).

"QIB" means qualified institutional buyer within the meaning of Rule 144A.

"Qualified Service Provider" means an Independent Accountant or other service provider.

"Qualified Service Provider Report" has the meaning set forth in Section 6.3(b) of the Servicing Agreement.

"Qualified Substitute Solar Loan" means a Solar Loan that meets each of the following criteria as of the related Transfer Date: (i) qualifies as an Eligible Solar Loan, (ii) the Obligors related to the Qualified Substitute Solar Loans transferred to the Issuer on such Transfer Date have a weighted average credit score as of the date of origination of the Qualified Substitute Solar Loans greater than or equal to the weighted average credit score of the Obligors related to the subject Replaced Solar Loans as of the date of origination of the Replaced Solar Loans, (iii) the Qualified Substitute Solar Loans transferred to the Issuer on such Transfer Date have a weighted average current interest rate that is greater than or equal to the weighted average current interest rate of the subject Replaced Solar Loans, (iv) such Qualified Substitute Solar Loan shall not cause the percentage concentration (measured by Solar Loan Balance as a percentage of the Aggregate Solar Loan Balance) of all Solar Loans owned by the Issuer on such Transfer Date (including for the avoidance of doubt, any Qualified Substitute Solar Loans transferred to the Issuer on such Transfer Date) for which the Related Property is located in any one state or territory to exceed the percentage concentration of the Initial Solar Loans on the Closing Date for which the Related Property is located in such state or territory by more than [***]% of the aggregate Solar Loans, (v) the type of such Qualified Substitute Solar Loan (a PV Solar Loan, a PV/ESS Solar Loan or an ESS Solar Loan) shall be the same as the type of the related Replaced Solar Loan, (vi) does not have a remaining term to maturity later than the Rated Final Maturity and (vii) if the Section 25D Credit Payment Date for such Qualified Substitute Solar Loan shall not have occurred prior to such Transfer Date, the necessary amount shall have been deposited into the Section 25D Interest Account.

"Quarterly Manager Report" has the meaning set forth in Section 6.4 of the Management Agreement.

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"Quarterly Servicer Report" has the meaning set forth in Section 6.4 of the Servicing Agreement.

"Racking System" means, with respect to a PV System, the hardware required to mount and securely fasten a Solar Photovoltaic Panel onto the site where the PV System is located.

"Rated Final Maturity" means the Payment Date occurring in February 2048.

"Rating Agency" means KBRA.

"*Real Property Rights*" means all real property rights contained in the Solar Loan Agreements, if any.

"Record Date" means, with respect to any Payment Date or Voluntary Prepayment Date, (i) for Notes in book-entry form, the close of business on the Business Day immediately preceding such Payment Date or Voluntary Prepayment Date, and (ii) for Definitive Notes the close of business on the last Business Day of the calendar month immediately preceding the month in which such Payment Date or Voluntary Prepayment Date occurs.

"Regular Amortization Period" means any period which is not a Sequential Amortization Period.

"Regulation S" means Regulation S, as amended, promulgated under the Securities Act.

"Regulation S Global Note" means the Regulation S Temporary Global Note or the Regulation S Permanent Global Note, as appropriate.

"*Regulation S Permanent Global Note*" means the permanent global note, evidencing Notes, in the form of the Note attached to the Indenture as Exhibit A, that is deposited with and registered in the name of the Securities Depository or its nominee, representing the Notes sold in reliance on Regulation S.

"Regulation S Temporary Global Note" means a single temporary global note, evidencing Notes, in the form of the Note attached to the Indenture as Exhibit A, that is deposited with and registered in the name of the Securities Depository or its nominee, representing the Notes sold in reliance on Regulation S.

"*Related Property*" means, with respect to a Solar Loan, the real property on which the related PV System and/or Energy Storage System is installed.

"Removal Policy" means the Manager's internal removal policy attached as Exhibit B to the Management Agreement.

"Replaced Solar Loan" means a Defective Solar Loan or a Defaulted Solar Loan for which the Depositor has substituted a Qualified Substitute Solar Loan pursuant to the Contribution Agreement.

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"Replacement Manager" means any Person appointed to replace the Manager and to assume the obligations of Manager under the Management Agreement.

"Replacement Servicer" means any Person appointed to replace the Servicer and to assume the obligations of Servicer under the Servicing Agreement.

"Repurchase Price" means for a Defective Solar Loan or Defaulted Solar Loan an amount equal to sum of (i) the Solar Loan Balance of such Solar Loan immediately prior to becoming a Defective Solar Loan or Defaulted Solar Loan and (ii) any accrued and unpaid interest then due and payable on such Defective Solar Loan or Defaulted Solar Loan through the date such Defective Solar Loan or Defaulted Solar Loan is repurchased.

"Required Overcollateralization Amount" means, on any Payment Date, an amount equal to: (i) during a Regular Amortization Period, the product of (x) the Target Overcollateralization Percentage and (y) the Aggregate Closing Date Collateral Balance; and (ii) during a Sequential Amortization Period, an amount equal to the Aggregate Outstanding Note Balance plus unreimbursed Note Balance Write-Down Amounts, if any.

"*Reserve Account"* means the segregated trust account with that name established and maintained with the Indenture Trustee and in the name of the Indenture Trustee on behalf of the Noteholders and maintained pursuant to Section 5.01 of the Indenture.

"*Reserve Account Floor Amount"* means the product of [***]% and the Aggregate Outstanding Note Balance as of the Closing Date.

"*Reserve Account Required Balance"* means, for any Payment Date or any date on which the Issuer acquires any Subsequent Solar Loan, the greater of (i) [***]% of the Aggregate Collateral Balance as of the last day of the related Collection Period and (ii) the Reserve Account Floor Amount. On and after the Payment Date on which the Aggregate Outstanding Note Balance of the Notes has been reduced to zero, the Reserve Account Required Balance will be equal to zero.

"Responsible Officer" means when used with respect to (i) the Indenture Trustee, the Transition Manager and the Backup Servicer, any President, Vice President, Assistant Vice President, Assistant Secretary, Assistant Treasurer or Corporate Trust Officer, or any other officer in the Corporate Trust Office customarily performing functions similar to those performed by any of the above designated officers and (ii) the Custodian, any President, Vice President, Assistant Vice President, Assistant Secretary or Assistant Treasurer, or any other officer customarily performing functions similar to those performed by any of the above designated officers, in each case having direct responsibility for the administration of the Indenture. When used with respect to any Person other than the Indenture Trustee, the Custodian, the Transition Manager or the Backup Servicer that is not an individual, the President, Chief Executive Officer, Chief Financial Officer, Chief Marketing Officer, Chief Strategy Officer, Treasurer, any Vice President, Assistant Vice President or the Controller of such Person, or any other officer or employee having similar functions.

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"Rule 144A" means the rule designated as "Rule 144A" promulgated by the Securities and Exchange Commission under the Securities Act.

"Rule 144A Global Note" means the permanent global note, evidencing Notes, in the form of the Note attached to the Indenture as Exhibit A, that is deposited with and registered in the name of the Securities Depository or its nominee, representing the Notes sold in reliance on Rule 144A.

"Rule 17g-5" means *Rule 17g-5* under the Exchange Act.

"S&P" means S&P Global Ratings, a business unit of Standard & Poor's Financial Services, LLC, and its successors and assigns.

"Schedule of Solar Loans" means, as the context may require, the schedule of Solar Loans assigned by Sunnova Intermediate Holdings to Sunnova ABS Holdings V, assigned by Sunnova ABS Holdings V to the Depositor, assigned by the Depositor to the Issuer and pledged by the Issuer to the Indenture Trustee on the Closing Date or any Transfer Date, as such schedule may be supplemented from time to time for Qualified Substitute Solar Loans or Subsequent Solar Loans (in accordance with the terms of the Transaction Documents).

"Section 25D Credit Amount" means, with respect to each Section 25D Easy Own Solar Loan, the portion of the related Solar Loan Balance equal to the anticipated investment tax credit for the related PV System and, as applicable, Energy Storage System.

"Section 25D Credit Payment Date" means the date on which an Obligor in respect of a Section 25D Easy Own Solar Loan is scheduled to pay the related Section 25D Credit Amount.

"Section 25D Easy Own Solar Loan" means an Easy Own Solar Loan other than a PR Easy Own Solar Loan.

"Section 25D Interest Account" means the segregated trust account with that name established with the Indenture Trustee (or such successor bank, if applicable) in the name of the Indenture Trustee for the benefit of the Noteholders and maintained pursuant to Section 5.01 of the Indenture.

"Section 25D Interest Account Required Amount" means the sum of the Section 25D Interest Amounts for all Solar Loans that are Section 25D Easy Own Solar Loans.

"Section 25D Interest Amount" for a Section 25D Easy Own Solar Loan means (i) on the Closing Date or a Transfer Date, the amount of interest that accrues on the related Section 25D Credit Amount from the related Cut-Off Date at such Section 25D Easy Own Solar Loan's interest rate until the Section 25D Credit Payment Date (assuming that no prepayment is made) and (ii) on each Payment Date, the amount of interest that accrues on the related Section 25D Credit Amount on and after such Payment Date at such Solar Loan's interest rate until the Section 25D Credit Payment Date (assuming no prepayment is made).

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"Securities Act" means the Securities Act of 1933, as amended.

"Securities Depository" means an organization registered as a "Securities Depository" pursuant to Section 17A of the Exchange Act.

"Securities Depository Participant" means a broker, dealer, bank, other financial institution or other Person for whom from time to time a Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository.

"SEI" means Sunnova Energy International Inc., a Delaware corporation.

"Sequential Amortization Event" shall exist if, on any Determination Date, (a)(i) a Manager Termination Event, (ii) Servicer Termination Event or (iii) an Event of Default has occurred, (b) a Sequential Interest Amortization Period exists, (c) occurring on or after September 2021, for each of the three immediately preceding Payment Dates, the amount of Available Funds remaining after distributions of amounts pursuant to clauses (i) through (vii) of the Priority of Payments was less than 75% of the Principal Distribution Amount for the related Payment Date (determined assuming a Regular Amortization Period) or (d) the Cumulative Default Level as of the last day of any Collection Period specified below exceeds the corresponding level specified below:

Collection Period	Cumulative Default Level
1 – 12	6.00%
13 – 24	9.00%
25 – 36	12.00%
37 – 48	15.00%
49 and thereafter	17.00%

A Sequential Amortization Event of the type described in clauses (a)(i) or (a)(ii) above will continue until the Notes (including Deferred Interest Amounts, Post-ARD Additional Interest Amounts and Deferred Post-ARD Additional Interest Amounts) have been paid in full. A Sequential Amortization Event of the type described in clause (a)(iii) above will continue until the Payment Date on which the relevant Event of Default is no longer continuing. A Sequential Amortization Event of the type described in clause (b) above will continue until a Sequential Interest Amortization Period no longer exists. A Sequential Amortization Event of the type described in clause (c) above will continue until the amount of Available Funds remaining after distributions of amounts pursuant to clauses (i) through (vii) of the Priority of Payments is equal to or greater than 75% of the Principal Distribution Amount for the related Payment Date (determined assuming a Regular Amortization Period) for three consecutive Payment Dates. A Sequential Amortization Event of the type described in clause (d) above will continue until the Cumulative Default Level as of the last day of any Collection Period specified above no longer exceeds the corresponding level specified.

"Sequential Amortization Period" means the period commencing on the Determination Date upon which a Sequential Amortization Event occurs and ending on the earlier to occur of (i) the Determination Date upon which all existing Sequential Amortization Events have been cured

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and no longer continuing and (ii) the day the Notes have been paid in full and all other amounts due and payable under the Indenture have been paid in full.

"Sequential Interest Amortization Period" means a period that commences if: (a) as a condition to accepting its appointment as a Replacement Manager, such Replacement Manager requires an increase of at least 25% to the existing O&M Fee Base Rate to perform the related duties; (b) as a condition to accepting its appointment as a Replacement Servicer, such Replacement Servicer (other than the Backup Servicer) requires an increase of at least 25% to the existing Administrative Fee Base Rate to perform the related duties; or (c) a Sequential Amortization Event of the type described in clause (c) of the definition thereof has continued for 18 consecutive Payment Dates. A Sequential Interest Amortization Period of the type described in (a) and (b) above shall continue until the next Determination Date on which the then existing O&M Fee Base Rate or Administrative Fee Base Rate, as applicable, is no longer 25% greater than the O&M Fee Base Rate or 25% greater than the Administrative Fee Base Rate on the Closing Date. A Sequential Interest Amortization Period of the type described in clause (c) above will continue until the amount of Available Funds remaining after distributions of amounts pursuant to clauses (i) through (vii) of the Priority of Payments is greater than 100% of the Principal Distribution Amount for the related Payment Date (determined assuming a Regular Amortization Period) for six consecutive Payment Dates.

"Servicer" means, initially, Sunnova Management in its capacity as the Servicer under the Servicing Agreement and any Replacement Servicer.

"Servicer Extraordinary Expenses" means (a) extraordinary expenses incurred by the Servicer in accordance with the Servicing Standard in connection with any litigation, arbitration or enforcement proceeding pursued by the Servicer in respect of a Solar Loan Agreement and (b) all fees, expenses and other amounts that are paid by the Servicer on behalf of the Issuer and incurred in connection with the financing or servicing of the Solar Loans or the Transaction Documents, including (i) fees, expenses and other amounts paid to attorneys, accountants and other consultants and experts retained by the Issuer and (ii) any sales, use, franchise or property taxes that the Servicer pays on behalf of the Issuer.

"Servicer Fee" means on each Payment Date (in accordance with and subject to the Priority of Payments) the amount equal to the product of (a) one-twelfth of the Administrative Fee Base Rate and (b) the sum of (1) the aggregate DC nameplate capacity (measured in kW) of all the PV Systems related to the Solar Loans owned by the Issuer as of the first day of the related Collection Period (excluding PV Systems related to Defaulted Solar Loans that are not operational and not in the process of being removed, repaired or replaced) and (2) [***] kW multiplied by the number of ESS Solar Loans owned by the Issuer as of the first day of the related Collection Period (excluding Defaulted Solar Loans for which the related Energy Storage System is not operational and not in the process of being removed, repaired or replaced).

"Servicing Agreement" means that certain servicing agreement, dated as of the Closing Date, among the Issuer, the Servicer and the Backup Servicer.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

"*Servicing Services*" has the meaning set forth in Section 2.1(a) of the Servicing Agreement.

"*Servicing Standard*" has the meaning set forth in Section 2.1(a) of the Servicing Agreement.

"Servicer Termination Event" has the meaning set forth in Section 7.1 of the Servicing Agreement.

"Settlement Statement" has the meaning set forth in the Contribution Agreement.

"Similar Law" has the meaning set forth in Section 2.07(c)(vi) of the Indenture.

"Solar Loan" means an Initial Solar Loan, a Subsequent Solar Loan or a Qualified Substitute Solar Loan.

"Solar Loan Agreement" means, in respect of a Solar Loan, a loan and security agreement or retail installment sale and security agreement entered into by the applicable Obligor and the Originator (or its approved Dealer) and all ancillary agreements and documents related thereto, including any related amendments thereto, but excluding any Production Guaranty or Customer Warranty Agreement.

"Solar Loan Balance" means, as of any date of determination, the outstanding principal balance due under or in respect of a Solar Loan (including a Defaulted Solar Loan).

"Solar Loan File" means, with respect to a Solar Loan, the documents maintained by the Originator or the Servicer in connection with such Solar Loan, which includes each of the documents in the Custodian File with respect to such Solar Loan.

"Solar Loan Servicing Files" means such files, documents, and computer files (including those documents comprising the Custodian File) necessary for the Servicer to perform the Servicing Services.

"Solar Loan Management Files" means such files, documents, and computer files (including those documents comprising the Custodian File) necessary for the Manager to perform the Management Services.

"Solar Photovoltaic Panel" means, with respect to a PV System, the necessary hardware component that uses wafers made of silicon, cadmium telluride, or any other suitable material, to generate a direct electrical current (DC) output using energy from the sun's light.

"State" means any one or more of the states comprising the United States and the District of Columbia.

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"Subcontractor" means any person to whom the Manager subcontracts any of its obligations under the Management Agreement, and any person to whom such obligations are further subcontracted of any tier.

"Subsequent Cut-Off Date" means, with respect to any Subsequent Solar Loan or Qualified Substitute Solar Loan, (i) the close of business on the last day of the calendar month immediately preceding the related Transfer Date or (ii) such other date designated by the Servicer.

"Subsequent Solar Loan" means a Solar Loan meeting the criteria specified in Section 2.16(a)(iii) of the Indenture, sold by the Depositor, purchased by the Issuer and pledged to the Indenture Trustee on a Transfer Date during the Prefunding Period.

"Subsequent Solar Loan Assignment" means an assignment in the form of Exhibit D to the Contribution Agreement.

"Subsequent Solar Loan Criteria" means (i) such Solar Loan was not selected by the Originator in a manner that the Originator, in its reasonable business judgment, believes to be materially adverse to the interests of the Noteholders, (ii) such Solar Loan qualifies as an Eligible Solar Loan as of the related Transfer Date, (iii) such Solar Loan does not have a Production Guaranty that guaranties more than [***]% of expected energy production by the related PV System and (iv) such Solar Loan, when aggregated together with the Pro Forma Subsequent Solar Loans does not cause (with respect to clauses (a) and (b), weighted by Solar Loan Balance, and with respect to (d) through (l), measured by the aggregate Solar Balance of the related Solar Loans as a percentage of the aggregate Solar Loan Balance of the Pro Forma Subsequent Solar Loans):

(a) the weighted average current interest rate of the Pro Forma Subsequent Solar Loans to be less than [***]%,

(b) the weighted average FICO® score (determined as of the date of origination of the related Solar Loan Agreement) of the Obligors of the Pro Forma Subsequent Solar Loans to be less than [***],

(c) the average Solar Loan Balance of the Pro Forma Subsequent Solar Loans to be greater than $[***],

(d) the percentage of the Pro Forma Subsequent Solar Loans for which the Related Property is located in any one state or territory to exceed [***]%,

(e) the percentage of the Pro Forma Subsequent Solar Loans for which the Related Property is located in Puerto Rico to exceed [***]%,

(f) the percentage of the Pro Forma Subsequent Solar Loans for which the related PV System includes a string Inverter to exceed [***]%,

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

(g) the percentage of the Pro Forma Subsequent Solar Loans with Production Guaranties that guaranty more than [***]% of expected energy production by the related PV System to exceed [***]%,

(h) the percentage of the Pro Forma Subsequent Solar Loans with Production Guaranties that guaranty more than [***]% of expected energy production by the related PV System to exceed [***]%,

(i) the percentage of the Pro Forma Subsequent Solar Loans that are PV/ESS Solar Loans or ESS Solar Loans to exceed [***]%,

(j) the percentage of the Pro Forma Subsequent Solar Loans with Obligors that have FICO® scores (determined as of the date of origination of the related Solar Loan Agreement) of [***] or less to exceed [***]%,

(k) the percentage of the Pro Forma Subsequent Solar Loans with Obligors that have FICO® scores (determined as of the date of origination of the related Solar Loan Agreement) from and including [***] to and including [***] to exceed [***]%, and

(l) the percentage of the Pro Forma Subsequent Solar Loans without Production Guaranties to be less than [***]%.

"Subsequent Solar Loan Transfer" means the transfer of Subsequent Solar Loans from the Depositor to the Issuer on a Transfer Date pursuant to the Contribution Agreement.

"Substitution Shortfall Amount" means for any Qualified Substitute Solar Loan, an amount equal to the excess of the Solar Loan Balance of the substituted Solar Loan over the Solar Loan Balance of the Qualified Substitute Solar Loan. In the event more than one Solar Loan is substituted for, the Substitution Shortfall Amount shall be calculated on an aggregate basis for all substitutions made on such date.

"Sunnova ABS Holdings V" means Sunnova ABS Holdings V, LLC, a Delaware Limited liability company.

"Sunnova ABS Holdings V Financing Statement" means a UCC-1 financing statement naming the Depositor as the secured party and Sunnova ABS Holdings V as the debtor.

"Sunnova Energy" means Sunnova Energy Corporation, a Delaware corporation.

"Sunnova Intermediate Holdings" means Sunnova Intermediate Holdings, LLC, a Delaware Limited liability company.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

"Sunnova Intermediate Holdings Financing Statement" means a UCC-1 financing statement naming Sunnova ABS Holdings V as the secured party and Sunnova Intermediate Holdings as the debtor.

"Sunnova Management" means Sunnova ABS Management, LLC, a Delaware limited liability company.

"Sunnova + SunSafe Agreement" means a Solar Loan Agreement pursuant to which the related Obligor purchases an Energy Storage System (to use with such Obligor's existing PV System) from a Dealer using financing provided by Sunnova Energy.

"Super-Majority Noteholders" means Noteholders representing not less than 66-2/3% of the Outstanding Note Balance of, as the context shall require, a Class of Notes or both Classes of Notes if then Outstanding.

"SunSafe Easy Own Agreement" means a Solar Loan Agreement pursuant to which the related Obligor finances the purchase of a PV System and an Energy Storage System is integrated with the PV System for which the related Obligor is not required to make interest payments on the portion of the Solar Loan Balance equal to the related Section 25D Credit Amount until a scheduled prepayment date, typically 18 months from the date on which the related PV System achieves PTO.

"Target Overcollateralization Percentage" means 10.00%.

"Tax" (and, with correlative meaning, "Taxes" and "Taxable") means:

(i) any taxes, customs, duties, charges, fees, levies, penalties or other assessments imposed by any federal, state, local or foreign taxing authority, including, but not limited to, income, gross receipts, windfall profit, severance, property, production, sales, use, license, excise, franchise, net worth, employment, occupation, payroll, withholding, social security, alternative or add-on minimum, ad valorem, transfer, stamp, unclaimed property or environmental tax, or any other tax, custom, duty, fee, levy or other like assessment or charge of any kind whatsoever, together with any interest, penalty, addition to tax, or additional amount attributable thereto; and

(ii) any liability for the payment of amounts with respect to payment of a type described in clause (i), including as a result of being a member of an affiliated, consolidated, combined or unitary group, as a result of succeeding to such liability as a result of merger, conversion or asset transfer or as a result of any obligation under any tax sharing arrangement or tax indemnity agreement, but excluding any liability arising under any commercial agreement the primary purpose of which does not relate to Taxes.

"Tax Opinion" means an Opinion of Counsel to the effect that an amendment or modification of the Indenture will not materially adversely affect the federal income tax characterization of any Note, or adversely affect the federal tax classification status of the Issuer.

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"Tax Return" means any return, report or similar statement required to be filed with respect to any Taxes (including attached schedules), including any information return, claim for refund, amended return or declaration of estimated Tax.

"*Termination Date*" means the date on which the Indenture Trustee shall have received payment and performance of all Issuer Secured Obligations.

"Termination Statement" has the meaning set forth in Section 2.12(i) of the Indenture.

"Transaction Documents" means, collectively, the Indenture, the Management Agreement, the Contribution Agreement, the Note Purchase Agreement, the Performance Guaranty, the Servicing Agreement, the Custodial Agreement, the Account Control Agreement, any Letter of Credit and the Note Depository Agreement.

"Transfer" means any direct or indirect transfer or sale of any Ownership Interest in a Note.

"Transfer Date" means, with respect to a Subsequent Solar Loan or Qualified Substitute Solar Loan, the date upon which the Issuer acquires such Solar Loan from the Depositor.

"Transfer Date Certification" shall have the meaning set forth in Section 4(c) of the Custodial Agreement.

"Transferee" means any Person who is acquiring by Transfer any Ownership Interest in a Note.

"Transition Manager" means Wells Fargo in its capacity as the Transition Manager under the Management Agreement.

"Transition Manager Expenses" means (i) any reasonable and documented out-of-pocket expenses incurred in taking any actions required in its role as Transition Manager and (ii) any indemnities owed to the Transition Manager in accordance with the Transition Manager Agreement.

"Trust Estate" means all property and rights of the Issuer Granted to the Indenture Trustee pursuant to the Granting Clause of the Indenture for the benefit of the Noteholders.

"UETA" shall mean the Uniform Electronic Transactions Act, as such act may be amended or supplemented from time to time.

"UK Risk Retention, Due Diligence and Transparency Requirements" means the risk retention, transparency and due diligence requirements set out in the UK Securitization Regulation which contain due diligence requirements that apply to certain types of "institutional investor" as defined in the UK Securitization Regulation, which include insurance and reinsurance undertakings, occupational pension schemes as defined in section 1(1) of the Pension Schemes Act 1993, AIFMs (as defined in regulation 4(1) of the Alternative Investment Fund

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Managers Regulations 2013) which market or manage an AIF (as defined in regulation 3 of those Regulations) in the UK, management companies as defined in section 237(2) of the FSMA, UCITS as defined by section 236A of FSMA which are authorised open ended investment companies as defined in section 237(3) of FSMA, investment firms and credit institutions which are CRR firms as defined in Article 4(1)(2A) of Regulation (EU) No 575/2013 as amended by the Capital Requirements (Amendment) (EU Exit) Regulations 2018.

"UK Securitization Regulation" means Securitisation (Amendment) (EU Exit) Regulations 2019/660.

"U.S. Bank" means U.S. Bank National Association.

"U.S. Risk Retention Rules" means the final rules, which require a "sponsor" of a securitization transaction (or a majority-owned affiliate of the sponsor) to retain a portion of the credit risk of the asset-backed securities transaction, adopted in October 2014 by the Federal Deposit Insurance Company, the Federal Housing Finance Agency, the Office of the Comptroller of the Currency of the Department of the Treasury, the SEC, the Board of Governors of the Federal Reserve System and the U.S. Department of Housing and Urban Development to implement the credit risk retention requirements of Section 15G of the Exchange Act as added by Section 941 of the Dodd-Frank Act.

"UCC" means the Uniform Commercial Code as adopted in the State of New York or in any other State having jurisdiction over the assignment, transfer, pledge of the Solar Loans from the Originator to the Depositor, the Depositor to the Issuer or of the Trust Estate from the Issuer to the Indenture Trustee.

"UCC Fixture Filing" means a "fixture filing" as defined in Section 2-A-309 of the UCC covering a PV System naming the initial Servicer as secured party on behalf of the Issuer.

"Underwriting and Reassignment Credit Policy" means the Manager's internal reassignment policy attached as Exhibit F to the Servicing Agreement.

"Vice President" means, with respect to Sunnova Energy, any vice president, whether or not designated by a number or a word or words added before or after the title "vice president."

"Voluntary Prepayment" has the meaning set forth in Section 6.01(a) of the Indenture.

"Voluntary Prepayment Date" has the meaning set forth in Section 6.01(a) of the Indenture.

"Voluntary Prepayment Servicer Report" has the meaning set forth in Section 6.5 of the Servicing Agreement.

"Wells Fargo" means Wells Fargo Bank, National Association.

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Schedule I

Schedule of Solar Loans

Sunnova System ID	Contract Type	State	FICO	Delinquency (# of days past due)
[***]	[***]	[***]	[***]	[***]

Payment Type	First Payment Date	Maturity Date
[***]	[***]	[***]

Contract Term (months)	Remaining Term (months)	System Size (kW)	Current Loan Balance ($)
[***]	[***]	[***]	[***]

Scheduled Prepayment Deadline	APR%	Annual Contract Escalator
[***]	[***]	[***]

Utility	Inverter Manufacturer	Inverter Type	Module Manufacturer	Battery Manufacturer
[***]	[***]	[***]	[***]	[***]

Guaranteed Production
[***]

Exhibit A-1

Form of Class A Note

Note Number: [__]

Unless this Global Note is presented by an authorized representative of the Depository Trust Company, a New York corporation ("*DTC*"), to the Issuer or its Agent for registration of transfer, exchange or payment, and any global note issued is registered in the name of Cede & Co. or such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC) any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Transfers of this Global Note shall be limited to transfers in whole, but not in part, to nominees of DTC or to a successor thereof or such successor's nominee and transfers of portions of this Global Note shall be limited to transfers made in accordance with the restrictions set forth in the Indenture referred to herein.

THIS NOTE (OR ITS PREDECESSOR) HAS NOT BEEN AND WILL NOT BE REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER THE SECURITIES OR BLUE SKY LAWS OF ANY STATE IN THE UNITED STATES OR ANY FOREIGN SECURITIES LAW. NEITHER THIS NOTE NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE OR ANY INTEREST HEREIN IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE OR INTEREST HEREIN MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

EACH PURCHASER AND TRANSFEREE BY ITS PURCHASE OF THIS NOTE OR INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED AND WARRANTED THAT IT IS EITHER (1) NOT, AND NOT ACQUIRING THE NOTE OR INTEREST THEREIN FOR OR ON BEHALF OF OR WITH THE ASSETS OF, ANY EMPLOYEE BENEFIT PLAN AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(E)(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH A "BENEFIT PLAN INVESTOR"), OR ANY PLAN THAT IS SUBJECT TO ANY LAW SUBSTANTIALLY SIMILAR TO ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), OR (2) IF THE PURCHASER OR TRANSFEREE IS A BENEFIT PLAN INVESTOR OR A PLAN SUBJECT TO SIMILAR LAW, THE PURCHASER AND TRANSFEREE AND THE FIDUCIARY OF SUCH BENEFIT PLAN INVESTOR OR PLAN BY ITS PURCHASE

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OF THIS NOTE OR INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED AND WARRANTED THAT THE PURCHASE, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN DOES NOT RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER ERISA OR SECTION 4975 OF THE CODE OR A NON-EXEMPT PROHIBITED TRANSACTION UNDER OR VIOLATION OF SIMILAR LAW AND WILL BE CONSISTENT WITH ANY APPLICABLE FIDUCIARY DUTIES THAT MAY BE IMPOSED UPON THE PURCHASER OR TRANSFEREE.

THE HOLDER OF THIS GLOBAL NOTE OR ANY INTEREST HEREIN AGREES FOR THE BENEFIT OF THE ISSUER THAT (A) THIS NOTE AND ANY INTEREST HEREIN MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN MINIMUM DENOMINATIONS LOWER THAN $100,000 AND IN INTEGRAL MULTIPLES OF $1,000 IN EXCESS THEREOF, AND ONLY (I) IN THE U.S. TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A (ACTING FOR ITS OWN ACCOUNT AND NOT FOR THE ACCOUNT OF OTHERS, OR AS A FIDUCIARY OR AGENT FOR OTHER QIBS TO WHOM NOTICE IS GIVEN THAT THE SALE, PLEDGE OR TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A), (II) OUTSIDE THE U.S. IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT, OR (III) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE and evidenced by an opinion of counsel acceptable to the ISSUER AND THE Indenture Trustee), IN EACH OF CASES (I) THROUGH (III) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE U.S. AND ANY OTHER APPLICABLE JURISDICTION, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS GLOBAL NOTE OR ANY INTEREST HEREIN FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. Notwithstanding the foregoing restriction, any Note that has originally been properly issued in an amount no less than the Minimum Denomination, or any interest therein, may be offered, resold, pledged or otherwise transferred in a denomination less than the Minimum Denomination if such lesser denomination is solely a result of a reduction of principal due to payments made in accordance with the Indenture.

[*For Temporary Regulation S Global Note, add the following:*

THIS NOTE IS A TEMPORARY GLOBAL NOTE FOR PURPOSES OF REGULATION S UNDER THE SECURITIES ACT WHICH IS EXCHANGEABLE FOR A PERMANENT REGULATION S GLOBAL NOTE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH HEREIN AND IN THE INDENTURE REFERRED TO HEREIN.

PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING AND THE ORIGINAL ISSUE DATE OF THE NOTES, THIS NOTE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE U.S. OR TO A U.S. PERSON EXCEPT PURSUANT TO AN

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.]

The purchaser understands that the Issuer may receive a list of participants holding positions in the Notes from the Securities Depository.

Sections 2.07 and 2.08 of the Indenture contain further restrictions on the transfer and resale of this Note (or interest therein). Each Transferee of this Note, by acceptance hereof, is deemed to have accepted this Note subject to the foregoing restrictions on transferability.

Each Noteholder or Note Owner, by its acceptance of this Note (or interest therein), covenants and agrees that such Noteholder or Note Owner, as the case may be, shall not, prior to the date that is one year and one day after the termination of the Indenture, acquiesce, petition or otherwise invoke or cause the Issuer to invoke the process of any court or governmental authority for the purpose of commencing or sustaining a case against the Issuer under any federal or state bankruptcy, insolvency, reorganization or similar law or appointing a receiver, liquidator, assignee, indenture trustee, custodian, sequestrator or other similar official of the Issuer or any substantial part of its property, or ordering the winding up or liquidation of the affairs of the Issuer.

The principal of this Note is payable in installments as set forth herein. Accordingly, the outstanding principal amount of this Note at any time may be less than the amount shown on the face hereof. Any person acquiring this security may ascertain its current principal amount by inquiry of the Indenture Trustee.

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Sunnova Helios V Issuer, LLC

Solar Loan Backed Notes, Series 2021-A
Class A Note

[RULE 144A GLOBAL NOTE]

[TEMPORARY REGULATION S GLOBAL NOTE]

[PERMANENT REGULATION S GLOBAL NOTE]

Original Issue Date	Rated Final Maturity	Issue Price
February 16, 2021	February 20, 2048	99.99886%

Registered Owner: Cede & Co.

Initial Principal Balance: Up to $150,079,000

CUSIP No. [86746EAA5][U8677HAA2]

ISIN No. [US86746EAA55][USU8677HAA24]

This Certifies That Sunnova Helios V Issuer, LLC, a Delaware limited liability company (hereinafter called the "*Issuer*"), which term includes any successor entity under the Indenture, dated as of February 16, 2021 (the "*Indenture*"), between the Issuer and Wells Fargo Bank, National Association, as indenture trustee (together with any successor thereto, hereinafter called the "*Indenture Trustee*"), for value received, hereby promises to pay to the Registered Owner named above or registered assigns, subject to the provisions hereof and of the Indenture, (A) the interest based on the Interest Accrual Period at the Note Rate defined in the Indenture, on each Payment Date beginning in March 2021 (or, if such day is not a Business Day, the next succeeding Business Day), and (B) principal on each Payment Date in the manner and subject to the Priority of Payments or the Acceleration Event Priority of Payments, as applicable, as set forth in the Indenture; *provided, however*, that the Notes are subject to prepayment as set forth in the Indenture. This note (this "*Class A Note*") is one of a duly authorized series of Class A Notes of the Issuer designated as its Sunnova Helios V Issuer, LLC, 1.80% Solar Loan Backed Notes, Series 2021-A, Class A (the "*Class A Notes*"). The Indenture authorizes the issuance of up to $150,079,000 in Outstanding Note Balance of Class A Notes and up to $38,562,000 in Outstanding Note Balance of Sunnova Helios V Issuer, LLC, 3.15% Solar Loan Backed Notes, Series 2021-A, Class B (the "*Class B Notes*" and together with the Class A Notes, the "*Notes*"). The Indenture provides that the Notes will be entitled to receive payments in reduction of the Outstanding Note Balance, in the amounts, from the sources, and at the times more specifically as set forth in the Indenture. The Notes are secured by the Trust Estate (as defined in the Indenture).

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Reference is hereby made to the Indenture and all indentures supplemental thereto for a statement of the respective rights thereunder of the Issuer, the Indenture Trustee and the Holders of the Notes and the terms upon which the Notes are to be authenticated and delivered. All terms used in this Note which are not defined herein shall have the meanings assigned to them in the Indenture.

The obligation of the Issuer to repay the Notes is a limited, nonrecourse obligation secured only by the Trust Estate. All payments of principal of and interest on the Class A Notes shall be made only from the Trust Estate, and each Noteholder and each Note Owner, by its acceptance of this Class A Note, agrees that it shall be entitled to payments solely from such Trust Estate pursuant to the terms of the Indenture. The actual Outstanding Note Balance on this Class A Note may be less than the principal balance indicated on the face hereof. The actual Outstanding Note Balance on this Class A Note at any time may be obtained from the Indenture Trustee.

With respect to payment of principal of and interest on the Class A Notes, the Indenture provides the following:

(a) Until fully paid, principal payments on the Class A Notes will be made on each Payment Date in an amount, at the time, and in the manner provided in the Indenture. The Outstanding Note Balance of each Class A Note shall be payable no later than the Rated Final Maturity thereof unless the Outstanding Note Balance of such Class A Note becomes due and payable at an earlier date pursuant to this Indenture, and in each case such payment shall be made in an amount and in the manner provided in the Indenture.

(b) The Class A Notes shall bear interest on the Outstanding Note Balance of the Class A Notes and accrued but unpaid interest thereon, at the applicable Note Rate. The Interest Distribution Amounts with respect to the Class A Notes shall be payable on each Payment Date to the extent that the Collection Account then contains sufficient amounts to pay such Interest Distribution Amounts pursuant to Section 5.07 of the Indenture. Each Interest Distribution Amount will accrue on the basis of a 360 day year consisting of twelve 30 day months.

All payments of interest and principal on the Class A Notes on the applicable Payment Date shall be paid to the Person in whose name such Class A Note is registered at the close of business as of the Record Date for such Payment Date in the manner provided in the Indenture. All reductions in the Outstanding Note Balance of a Class A Note (or one or more Predecessor Notes) effected by full or partial payments of installments of principal shall be binding upon all past, then current, and future Holders of such Class A Note and of any Class A Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof, whether or not such payment is noted on such Class A Note.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

The Rated Final Maturity of the Notes is the Payment Date in February 2048 unless the Notes are earlier prepaid in whole or accelerated pursuant to the Indenture. The Indenture Trustee shall pay to each Class A Noteholder of record on the preceding Record Date either (i) by wire transfer, in immediately available funds to the account of such Class A Noteholder at a bank or other entity having appropriate facilities therefor, if such Class A Noteholder shall have provided to the Indenture Trustee appropriate written instructions at least five Business Days prior to the related Payment Date (which instructions may remain in effect for subsequent Payment Dates unless revoked by the Class A Noteholder), or (ii) if not, by check mailed to such Class A Noteholder at the address of such Class A Noteholder appearing in the Note Register, the amounts to be paid to such Class A Noteholder pursuant to such Class A Noteholder's Notes; provided, that so long as the Class A Notes are registered in the name of the Securities Depository such payments shall be made to the nominee thereof in immediately available funds.

The Class A Notes shall be subject to voluntary prepayment at the option of the Issuer in the manner and subject to the provisions of the Indenture. Whenever by the terms of the Indenture, the Indenture Trustee is required to prepay the Class A Notes, and subject to and in accordance with the terms of Article VI of the Indenture, the Indenture Trustee shall give notice of the prepayment in the manner prescribed by the Indenture.

Subject to certain restrictions contained in the Indenture, (i) the Class A Notes are issuable in the minimum denomination of $100,000 and integral multiples of $1,000 in excess thereof (provided, that one Class A Note may be issued in an additional amount equal to any remaining portion of the Initial Outstanding Note Balance) and (ii) the Class A Notes may be exchanged for a like aggregate principal amount of Class A Notes of authorized denominations of the same maturity.

The final payment on any Definitive Note shall be made only upon presentation and surrender of the Note at the Corporate Trust Office of the Indenture Trustee.

The Class A Noteholders shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default, or to institute, appear in or defend any Proceedings with respect thereto, except as provided in the Indenture.

The Class A Notes may be exchanged, and their transfer may be registered, by the Noteholders in person or by their attorneys duly authorized in writing at the Corporate Trust Office of the Indenture Trustee only in the manner, subject to the limitations provided in the Indenture, and upon surrender and cancellation of the Class A Notes. Upon exchange or registration of such transfer, a new registered Class A Note or Notes evidencing the same outstanding principal amount will be executed in exchange therefor.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

All amounts collected as payments on the Trust Estate or otherwise shall be applied in the order of priority specified in the Indenture.

Each Person who has or who acquires any Ownership Interest in a Class A Note shall be deemed by the acceptance or acquisition of such Ownership Interest to have agreed to be bound by the provisions of the Indenture. A Noteholder may not sell, offer for sale, assign, pledge, hypothecate or otherwise transfer or encumber all or any part of its interest in the Class A Notes except pursuant to an effective registration statement covering such transaction under the Securities Act of 1933, as amended, and effective qualification or registration under all applicable State securities laws and regulations or under an exemption from registration under said Securities Act and said State securities laws and regulations.

[Add the following for Rule 144A Global Notes:

Interests in this Class A Note may be exchanged for an interest in the corresponding Temporary Regulation S Global Note or Regulation S Global Note, in each case subject to the restrictions specified in the Indenture.]

[Add the following for Temporary Regulation S Global Notes:

Interests in this Class A Note may be exchanged for an interest in the corresponding Rule 144A Global Note, subject to the restrictions specified in the Indenture.

On or after the 40th day after the later of the Closing Date and the commencement of the offering of the Notes, interests in this Temporary Regulation S Global Note may be exchanged (free of charge) for interests in a Permanent Regulation S Global Note. The Permanent Regulation S Global Note shall be so issued and delivered in exchange for only that portion of this Temporary Regulation S Global Note in respect of which there shall have been presented to DTC by Euroclear or Clearstream a certification to the effect that it has received from or in respect of a person entitled to an interest (as shown by its records) a certification that the beneficial interests in such Temporary Regulation S Global Note are owned by persons who are not U.S. persons (as defined in Regulation S).]

[Add the following for Permanent Regulation S Global Notes:

Interests in this Class A Note may be exchanged for an interest in the corresponding Rule 144A Global Note, subject to the restrictions specified in the Indenture.]

Prior to the date that is one year and one day after the payment in full of all amounts payable with respect to the Class A Notes, each Person who has or acquires an Ownership Interest in a Class A Note agrees that such Person will not institute against the Issuer, or join any other Person in instituting against the Issuer, any Insolvency Proceedings or other Proceedings under the laws of the United States or any State. This covenant shall survive the termination of the Indenture.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Before the due presentment for registration of transfer of this Class A Note, the Issuer, the Indenture Trustee and any agent of the Issuer or the Indenture Trustee may treat the person in whose name this Class A Note is registered (i) on any Record Date for purposes of making payments, and (ii) on any other date for any other purpose, as the owner hereof, whether or not this Class A Note be overdue, and neither the Issuer, the Indenture Trustee nor any such agent shall be affected by notice to the contrary.

The Indenture permits the amendment thereof for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, the Indenture or of modifying in any manner the rights of the Noteholders under the Indenture at any time by the Issuer and the Indenture Trustee (and, in some cases, only with the consent of the Noteholder affected thereby) and compliance with certain other conditions. Any such consent by the Holder, at the time of the giving thereof, of this Class A Note (or any one or more Predecessor Notes) shall be conclusive and binding upon such Holder and upon all future Holders of this Class A Note and of any Class A Note issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof whether or not notation of such consent or waiver is made upon this Class A Note.

The Class A Notes and all obligations with respect thereto, including obligations under the Indenture, will be limited recourse obligations of the Issuer payable solely from the Trust Estate. Neither the Issuer, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Performance Guarantor, the Depositor, the Manager, the Transition Manager, the Servicer, the Backup Servicer, the Custodian, the Note Registrar, the Indenture Trustee in its individual capacity or in its capacity as Indenture Trustee, nor any of their respective Affiliates, agents, partners, beneficiaries, officers, directors, stockholders, stockholders of partners, employees or successors or assigns, shall be personally liable for any amounts payable, or performance due, under the Notes or the Indenture. Without limiting the foregoing, each Noteholder and each Note Owner of any Class A Note by its acceptance thereof, and the Indenture Trustee, shall be deemed to have agreed (i) that it shall look only to the Trust Estate to satisfy the Issuer's obligations under or with respect to a Class A Note or the Indenture, including but not limited to liabilities under Article V of the Indenture and liabilities arising (whether at common law or equity) from breaches by the Issuer of any obligations, covenants and agreements herein or, to the extent enforceable, for any violation by the Issuer of applicable State or federal law or regulation, provided that, the Issuer shall not be relieved of liability hereunder with respect to any misrepresentation in the Indenture or any Transaction Document, or fraud, of the Issuer and (ii) to waive any rights it may have to obtain a deficiency or other monetary judgment against either the Issuer or any of its principals, directors, officers, beneficial owners, employees or agents (whether disclosed or undisclosed) or their respective assets (other than the Trust Estate). The foregoing provisions of this paragraph shall not (i) prevent recourse to the Trust Estate or any Person (other than the Issuer) for the sums due or to become due under any security, instrument or agreement which is part of the Trust Estate; (ii) constitute a waiver, release or discharge of any indebtedness or obligation evidenced by the Class A Notes or secured by the Indenture, but the same shall continue until paid or discharged; or (iii) prevent the Indenture Trustee from exercising its rights with respect to the Grant, pursuant to the Indenture, of the Issuer's rights under the Transaction Documents. It is further understood that the foregoing

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

provisions of this paragraph shall not limit the right of any Person to name the Indenture Trustee in its capacity as Indenture Trustee under the Indenture or the Issuer as a party defendant in any action or suit or in the exercise of any remedy under the Notes or the Indenture, so long as no judgment in the nature of a deficiency judgment or seeking personal liability shall be asked for or (if obtained) enforced. It is expressly understood that all such liability is hereby expressly waived and released to the extent provided herein as a condition of, and as a consideration for, the execution of the Indenture and the issuance of the Notes.

The remedies of the Holder of this Class A Note as provided herein, in the Indenture or in the other Transaction Documents, shall be cumulative and concurrent and may be pursued solely against the assets of the Trust Estate. No failure on the part of the Noteholder in exercising any right or remedy hereunder shall operate as a waiver or release thereof, nor shall any single or partial exercise of any such right or remedy preclude any other further exercise thereof or the exercise of any other right or remedy hereunder.

The Class A Notes are issuable only in registered form in denominations as provided in the Indenture and subject to certain limitations therein set forth. At the option of the Class A Noteholder, Class A Notes may be exchanged for Class A Notes of like terms, in any authorized denominations and of like aggregate principal amount, upon surrender of the Notes to be exchanged at the Corporate Trust Office of the Indenture Trustee, subject to the terms and conditions of the Indenture.

Reference is hereby made to the Indenture, a copy of which is on file with the Indenture Trustee, for the provisions, among others, with respect to (i) the nature and extent of the rights, duties and obligations of the Indenture Trustee, the Issuer and the Class A Noteholders; (ii) the terms upon which the Class A Notes are executed and delivered; (iii) the collection and disposition of payments or proceeds in respect of the Conveyed Property; (iv) a description of the Trust Estate; (v) the modification or amendment of the Indenture; (vi) other matters; and (vii) the definition of capitalized terms used in this Class A Note that are not defined herein; to all of which the Class A Noteholders and Note Owners assent by the acceptance of the Class A Notes.

This Class A Note is issued pursuant to the Indenture and it and the Indenture shall be governed by and construed in accordance with the laws of the State of New York and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws (including, without limitation, §5-1401 and §5-1402 of the General Obligations Law of the State of New York, but otherwise without giving effect to principles of conflicts of laws).

Reference is hereby made to the provisions of the Indenture and such provisions are hereby incorporated by reference as if fully set forth herein.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Unless the certificate of authentication hereon has been executed by the Indenture Trustee by manual signature, this Class A Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

In Witness Whereof, the Issuer has caused this instrument to be duly executed as of the date set forth below.

Sunnova Helios V Issuer, as Issuer

By _____
Name: Robert L. Lane
Title: Executive Vice President, Chief Financial Officer

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Indenture Trustee's Certificate of Authentication

This is one of the Class A Notes referred to in the within-mentioned Indenture.

Dated:

Wells Fargo Bank, National Association, as Indenture Trustee

By _____
Name: _____
Title: _____

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

[Form of Assignment]

For Value Received, the undersigned hereby sells, assigns and transfers unto

(Please insert Social Security or Taxpayer Identification number of Assignee)

_____
_____

_____
(Please Print or Typewrite Name and Address of Assignee)

_____
the within Note, and all rights thereunder, and hereby does irrevocably constitute and appoint

_____
Attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Date:_____

_____
Notice: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit A-2

Form of Class B Note

Note Number: [__]

Unless this Global Note is presented by an authorized representative of the Depository Trust Company, a New York corporation ("*DTC*"), to the Issuer or its Agent for registration of transfer, exchange or payment, and any global note issued is registered in the name of Cede & Co. or such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC) any transfer, pledge or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Transfers of this Global Note shall be limited to transfers in whole, but not in part, to nominees of DTC or to a successor thereof or such successor's nominee and transfers of portions of this Global Note shall be limited to transfers made in accordance with the restrictions set forth in the Indenture referred to herein.

THIS NOTE (OR ITS PREDECESSOR) HAS NOT BEEN AND WILL NOT BE REGISTERED OR QUALIFIED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER THE SECURITIES OR BLUE SKY LAWS OF ANY STATE IN THE UNITED STATES OR ANY FOREIGN SECURITIES LAW. NEITHER THIS NOTE NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE OR ANY INTEREST HEREIN IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE OR INTEREST HEREIN MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

EACH PURCHASER AND TRANSFEREE BY ITS PURCHASE OF THIS NOTE OR INTEREST HEREIN IS DEEMED TO HAVE REPRESENTED AND WARRANTED THAT IT IS NOT, AND NOT ACQUIRING THE NOTE OR INTEREST THEREIN FOR OR ON BEHALF OF OR WITH THE ASSETS OF, ANY EMPLOYEE BENEFIT PLAN AS DEFINED IN SECTION 3(3) OF ERISA THAT IS SUBJECT TO TITLE I OF ERISA OR ANY OTHER "PLAN" AS DEFINED IN SECTION 4975(E)(1) OF THE CODE THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH A "BENEFIT PLAN INVESTOR"), OR ANY PLAN THAT IS SUBJECT TO ANY LAW SUBSTANTIALLY SIMILAR TO ERISA OR SECTION 4975 OF THE CODE.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

THE HOLDER OF THIS GLOBAL NOTE OR ANY INTEREST HEREIN AGREES FOR THE BENEFIT OF THE ISSUER THAT (A) THIS NOTE AND ANY INTEREST HEREIN MAY NOT BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN MINIMUM DENOMINATIONS LOWER THAN $500,000 AND IN INTEGRAL MULTIPLES OF $1,000 IN EXCESS THEREOF, AND ONLY (I) IN THE U.S. TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A (ACTING FOR ITS OWN ACCOUNT AND NOT FOR THE ACCOUNT OF OTHERS, OR AS A FIDUCIARY OR AGENT FOR OTHER QIBS TO WHOM NOTICE IS GIVEN THAT THE SALE, PLEDGE OR TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A), (II) OUTSIDE THE U.S. IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT AND TO A PERSON WHOM THE TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), OR (III) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE and evidenced by an opinion of counsel acceptable to the ISSUER AND THE Indenture Trustee), IN EACH OF CASES (I) THROUGH (III) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE U.S. AND ANY OTHER APPLICABLE JURISDICTION, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS GLOBAL NOTE OR ANY INTEREST HEREIN FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. Notwithstanding the foregoing restriction, any Note that has originally been properly issued in an amount no less than the Minimum Denomination, or any interest therein, may be offered, resold, pledged or otherwise transferred in a denomination less than the Minimum Denomination if such lesser denomination is solely a result of a reduction of principal due to payments made in accordance with the Indenture.

[*For Temporary Regulation S Global Note, add the following:*

THIS NOTE IS A TEMPORARY GLOBAL NOTE FOR PURPOSES OF REGULATION S UNDER THE SECURITIES ACT WHICH IS EXCHANGEABLE FOR A PERMANENT REGULATION S GLOBAL NOTE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH HEREIN AND IN THE INDENTURE REFERRED TO HEREIN.

PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING AND THE ORIGINAL ISSUE DATE OF THE NOTES, THIS NOTE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE U.S. OR TO A U.S. PERSON EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

The purchaser understands that the Issuer may receive a list of participants holding positions in the Notes from the Securities Depository.

Sections 2.07 and 2.08 of the Indenture contain further restrictions on the transfer and resale of this Note (or interest therein). Each Transferee of this Note, by acceptance hereof, is deemed to have accepted this Note subject to the foregoing restrictions on transferability.

Each Noteholder or Note Owner, by its acceptance of this Note (or interest therein), covenants and agrees that such Noteholder or Note Owner, as the case may be, shall not, prior to the date that is one year and one day after the termination of the Indenture, acquiesce, petition or otherwise invoke or cause the Issuer to invoke the process of any court or governmental authority for the purpose of commencing or sustaining a case against the Issuer under any federal or state bankruptcy, insolvency, reorganization or similar law or appointing a receiver, liquidator, assignee, indenture trustee, custodian, sequestrator or other similar official of the Issuer or any substantial part of its property, or ordering the winding up or liquidation of the affairs of the Issuer.

The principal of this Note is payable in installments as set forth herein. Accordingly, the outstanding principal amount of this Note at any time may be less than the amount shown on the face hereof. Any person acquiring this security may ascertain its current principal amount by inquiry of the Indenture Trustee.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Sunnova Helios V Issuer, LLC

Solar Loan Backed Notes, Series 2021-A
Class B Note

[RULE 144A GLOBAL NOTE]

[TEMPORARY REGULATION S GLOBAL NOTE]

[PERMANENT REGULATION S GLOBAL NOTE]

Original Issue Date	Rated Final Maturity	Issue Price
February 16, 2021	February 20, 2048	97.51251%

Registered Owner: Cede & Co.

Initial Principal Balance: Up to $38,562,000

CUSIP No. [86746EAB3][U8677HAB0]

ISIN No. [US86746EAB39][USU8677HAB07]

This Certifies That Sunnova Helios V Issuer, LLC, a Delaware limited liability company (hereinafter called the "*Issuer*"), which term includes any successor entity under the Indenture, dated as of February 16, 2021 (the "*Indenture*"), between the Issuer and Wells Fargo Bank, National Association, as indenture trustee (together with any successor thereto, hereinafter called the "*Indenture Trustee*"), for value received, hereby promises to pay to the Registered Owner named above or registered assigns, subject to the provisions hereof and of the Indenture, (A) the interest based on the Interest Accrual Period at the Note Rate defined in the Indenture, on each Payment Date beginning in March 2021 (or, if such day is not a Business Day, the next succeeding Business Day), and (B) principal on each Payment Date in the manner and subject to the Priority of Payments or the Acceleration Event Priority of Payments, as applicable, as set forth in the Indenture; *provided, however*, that the Notes are subject to prepayment as set forth in the Indenture. This note (this "*Class B Note*") is one of a duly authorized series of Class B Notes of the Issuer designated as its Sunnova Helios V Issuer, LLC, 3.15% Solar Loan Backed Notes, Series 2021-A, Class B (the "*Class B Notes*"). The Indenture authorizes the issuance of up to $150,079,000 in Outstanding Note Balance of Sunnova Helios V Issuer, LLC, 1.80% Solar Loan Backed Notes, Series 2021-A, Class A (the "*Class A Notes*" and together with the Class B Notes, the "*Notes*") and up to $38,562,000 in Outstanding Note Balance of Class B Notes. The Indenture provides that the Notes will be entitled to receive payments in reduction of the Outstanding Note Balance, in the amounts, from the sources, and at the times more specifically as set forth in the Indenture. The Notes are secured by the Trust Estate (as defined in the Indenture).

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Reference is hereby made to the Indenture and all indentures supplemental thereto for a statement of the respective rights thereunder of the Issuer, the Indenture Trustee and the Holders of the Notes and the terms upon which the Notes are to be authenticated and delivered. All terms used in this Note which are not defined herein shall have the meanings assigned to them in the Indenture.

The obligation of the Issuer to repay the Notes is a limited, nonrecourse obligation secured only by the Trust Estate. All payments of principal of and interest on the Class B Notes shall be made only from the Trust Estate, and each Noteholder and each Note Owner, by its acceptance of this Class B Note, agrees that it shall be entitled to payments solely from such Trust Estate pursuant to the terms of the Indenture. The actual Outstanding Note Balance on this Class B Note may be less than the principal balance indicated on the face hereof. The actual Outstanding Note Balance on this Class B Note at any time may be obtained from the Indenture Trustee.

With respect to payment of principal of and interest on the Class B Notes, the Indenture provides the following:

(a) Until fully paid, principal payments on the Class B Notes will be made on each Payment Date in an amount, at the time, and in the manner provided in the Indenture. The Outstanding Note Balance of each Class B Note shall be payable no later than the Rated Final Maturity thereof unless the Outstanding Note Balance of such Class B Note becomes due and payable at an earlier date pursuant to the Indenture, and in each case such payment shall be made in an amount and in the manner provided in the Indenture.

(b) The Class B Notes shall bear interest on the Outstanding Note Balance of the Class B Notes and accrued but unpaid interest thereon, at the applicable Note Rate. The Interest Distribution Amounts with respect to the Class B Notes shall be payable on each Payment Date to the extent that the Collection Account then contains sufficient amounts to pay such Interest Distribution Amounts pursuant to Section 5.07 of the Indenture. Each Interest Distribution Amount will accrue on the basis of a 360 day year consisting of twelve 30 day months.

All payments of interest and principal on the Class B Notes on the applicable Payment Date shall be paid to the Person in whose name such Class B Note is registered at the close of business as of the Record Date for such Payment Date in the manner provided in the Indenture. All reductions in the Outstanding Note Balance of a Class B Note (or one or more Predecessor Notes) effected by full or partial payments of installments of principal shall be binding upon all past, then current, and future Holders of such Class B Note and of any Class B Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof, whether or not such payment is noted on such Class B Note.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

The Rated Final Maturity of the Notes is the Payment Date in February 2048 unless the Notes are earlier prepaid in whole or accelerated pursuant to the Indenture. The Indenture Trustee shall pay to each Class B Noteholder of record on the preceding Record Date either (i) by wire transfer, in immediately available funds to the account of such Class B Noteholder at a bank or other entity having appropriate facilities therefor, if such Class B Noteholder shall have provided to the Indenture Trustee appropriate written instructions at least five Business Days prior to the related Payment Date (which instructions may remain in effect for subsequent Payment Dates unless revoked by the Class B Noteholder), or (ii) if not, by check mailed to such Class B Noteholder at the address of such Class B Noteholder appearing in the Note Register, the amounts to be paid to such Class B Noteholder pursuant to such Class B Noteholder's Notes; provided, that so long as the Class B Notes are registered in the name of the Securities Depository such payments shall be made to the nominee thereof in immediately available funds.

The Class B Notes shall be subject to voluntary prepayment at the option of the Issuer in the manner and subject to the provisions of the Indenture. Whenever by the terms of the Indenture, the Indenture Trustee is required to prepay the Class B Notes, and subject to and in accordance with the terms of Article VI of the Indenture, the Indenture Trustee shall give notice of the prepayment in the manner prescribed by the Indenture.

Subject to certain restrictions contained in the Indenture, (i) the Class B Notes are issuable in the minimum denomination of $500,000 and integral multiples of $1,000 in excess thereof (provided, that one Class B Note may be issued in an additional amount equal to any remaining portion of the Initial Outstanding Note Balance) and (ii) the Class B Notes may be exchanged for a like aggregate principal amount of Class B Notes of authorized denominations of the same maturity.

The final payment on any Definitive Note shall be made only upon presentation and surrender of the Note at the Corporate Trust Office of the Indenture Trustee.

The Class B Noteholders shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default, or to institute, appear in or defend any Proceedings with respect thereto, except as provided in the Indenture.

The Class B Notes may be exchanged, and their transfer may be registered, by the Noteholders in person or by their attorneys duly authorized in writing at the Corporate Trust Office of the Indenture Trustee only in the manner, subject to the limitations provided in the Indenture, and upon surrender and cancellation of the Class B Notes. Upon exchange or registration of such transfer, a new registered Class B Note or Notes evidencing the same outstanding principal amount will be executed in exchange therefor.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

All amounts collected as payments on the Trust Estate or otherwise shall be applied in the order of priority specified in the Indenture.

Each Person who has or who acquires any Ownership Interest in a Class B Note shall be deemed by the acceptance or acquisition of such Ownership Interest to have agreed to be bound by the provisions of the Indenture. A Noteholder may not sell, offer for sale, assign, pledge, hypothecate or otherwise transfer or encumber all or any part of its interest in the Class B Notes except pursuant to an effective registration statement covering such transaction under the Securities Act of 1933, as amended, and effective qualification or registration under all applicable State securities laws and regulations or under an exemption from registration under said Securities Act and said State securities laws and regulations.

[Add the following for Rule 144A Global Notes:

Interests in this Class B Note may be exchanged for an interest in the corresponding Temporary Regulation S Global Note or Regulation S Global Note, in each case subject to the restrictions specified in the Indenture.]

[Add the following for Temporary Regulation S Global Notes:

Interests in this Class B Note may be exchanged for an interest in the corresponding Rule 144A Global Note, subject to the restrictions specified in the Indenture.

On or after the 40th day after the later of the Closing Date and the commencement of the offering of the Notes, interests in this Temporary Regulation S Global Note may be exchanged (free of charge) for interests in a Permanent Regulation S Global Note. The Permanent Regulation S Global Note shall be so issued and delivered in exchange for only that portion of this Temporary Regulation S Global Note in respect of which there shall have been presented to DTC by Euroclear or Clearstream a certification to the effect that it has received from or in respect of a person entitled to an interest (as shown by its records) a certification that the beneficial interests in such Temporary Regulation S Global Note are owned by persons who are not U.S. persons (as defined in Regulation S).]

[Add the following for Permanent Regulation S Global Notes:

Interests in this Class B Note may be exchanged for an interest in the corresponding Rule 144A Global Note, subject to the restrictions specified in the Indenture.]

Prior to the date that is one year and one day after the payment in full of all amounts payable with respect to the Class B Notes, each Person who has or acquires an Ownership Interest in a Class B Note agrees that such Person will not institute against the Issuer, or join any other Person in instituting against the Issuer, any Insolvency Proceedings or other Proceedings under the laws of the United States or any State. This covenant shall survive the termination of the Indenture.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Before the due presentment for registration of transfer of this Class B Note, the Issuer, the Indenture Trustee and any agent of the Issuer or the Indenture Trustee may treat the person in whose name this Class B Note is registered (i) on any Record Date for purposes of making payments, and (ii) on any other date for any other purpose, as the owner hereof, whether or not this Class B Note be overdue, and neither the Issuer, the Indenture Trustee nor any such agent shall be affected by notice to the contrary.

The Indenture permits the amendment thereof for the purpose of adding any provisions to, or changing in any manner or eliminating any of the provisions of, the Indenture or of modifying in any manner the rights of the Noteholders under the Indenture at any time by the Issuer and the Indenture Trustee (and, in some cases, only with the consent of the Noteholder affected thereby) and compliance with certain other conditions. Any such consent by the Holder, at the time of the giving thereof, of this Class B Note (or any one or more Predecessor Notes) shall be conclusive and binding upon such Holder and upon all future Holders of this Class B Note and of any Class B Note issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof whether or not notation of such consent or waiver is made upon this Class B Note.

The Class B Notes and all obligations with respect thereto, including obligations under the Indenture, will be limited recourse obligations of the Issuer payable solely from the Trust Estate. Neither the Issuer, Sunnova Intermediate Holdings, Sunnova ABS Holdings V, the Performance Guarantor, the Depositor, the Manager, the Transition Manager, the Servicer, the Backup Servicer, the Custodian, the Note Registrar, the Indenture Trustee in its individual capacity or in its capacity as Indenture Trustee, nor any of their respective Affiliates, agents, partners, beneficiaries, officers, directors, stockholders, stockholders of partners, employees or successors or assigns, shall be personally liable for any amounts payable, or performance due, under the Notes or the Indenture. Without limiting the foregoing, each Noteholder and each Note Owner of any Class B Note by its acceptance thereof, and the Indenture Trustee, shall be deemed to have agreed (i) that it shall look only to the Trust Estate to satisfy the Issuer's obligations under or with respect to a Class B Note or the Indenture, including but not limited to liabilities under Article V of the Indenture and liabilities arising (whether at common law or equity) from breaches by the Issuer of any obligations, covenants and agreements herein or, to the extent enforceable, for any violation by the Issuer of applicable State or federal law or regulation, provided that, the Issuer shall not be relieved of liability hereunder with respect to any misrepresentation in the Indenture or any Transaction Document, or fraud, of the Issuer and (ii) to waive any rights it may have to obtain a deficiency or other monetary judgment against either the Issuer or any of its principals, directors, officers, beneficial owners, employees or agents (whether disclosed or undisclosed) or their respective assets (other than the Trust Estate). The foregoing provisions of this paragraph shall not (i) prevent recourse to the Trust Estate or any Person (other than the Issuer) for the sums due or to become due under any security, instrument or agreement which is part of the Trust Estate; (ii) constitute a waiver, release or discharge of any indebtedness or obligation evidenced by the Class B Notes or secured by the Indenture, but the same shall continue until paid or discharged; or (iii) prevent the Indenture Trustee from exercising its rights with respect to the Grant, pursuant to the Indenture, of the Issuer's rights under the Transaction Documents. It is further understood that the foregoing

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

provisions of this paragraph shall not limit the right of any Person to name the Indenture Trustee in its capacity as Indenture Trustee under the Indenture or the Issuer as a party defendant in any action or suit or in the exercise of any remedy under the Notes or the Indenture, so long as no judgment in the nature of a deficiency judgment or seeking personal liability shall be asked for or (if obtained) enforced. It is expressly understood that all such liability is hereby expressly waived and released to the extent provided herein as a condition of, and as a consideration for, the execution of the Indenture and the issuance of the Notes.

The remedies of the Holder of this Class B Note as provided herein, in the Indenture or in the other Transaction Documents, shall be cumulative and concurrent and may be pursued solely against the assets of the Trust Estate. No failure on the part of the Noteholder in exercising any right or remedy hereunder shall operate as a waiver or release thereof, nor shall any single or partial exercise of any such right or remedy preclude any other further exercise thereof or the exercise of any other right or remedy hereunder.

The Class B Notes are issuable only in registered form in denominations as provided in the Indenture and subject to certain limitations therein set forth. At the option of the Class B Noteholder, Class B Notes may be exchanged for Class B Notes of like terms, in any authorized denominations and of like aggregate principal amount, upon surrender of the Notes to be exchanged at the Corporate Trust Office of the Indenture Trustee, subject to the terms and conditions of the Indenture.

Reference is hereby made to the Indenture, a copy of which is on file with the Indenture Trustee, for the provisions, among others, with respect to (i) the nature and extent of the rights, duties and obligations of the Indenture Trustee, the Issuer and the Class B Noteholders; (ii) the terms upon which the Class B Notes are executed and delivered; (iii) the collection and disposition of payments or proceeds in respect of the Conveyed Property; (iv) a description of the Trust Estate; (v) the modification or amendment of the Indenture; (vi) other matters; and (vii) the definition of capitalized terms used in this Class B Note that are not defined herein; to all of which the Class B Noteholders and Note Owners assent by the acceptance of the Class B Notes.

This Class B Note is issued pursuant to the Indenture and it and the Indenture shall be governed by and construed in accordance with the laws of the State of New York and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws (including, without limitation, §5-1401 and §5-1402 of the General Obligations Law of the State of New York, but otherwise without giving effect to principles of conflicts of laws).

Reference is hereby made to the provisions of the Indenture and such provisions are hereby incorporated by reference as if fully set forth herein.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Unless the certificate of authentication hereon has been executed by the Indenture Trustee by manual signature, this Class B Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

In Witness Whereof, the Issuer has caused this instrument to be duly executed as of the date set forth below.

Sunnova Helios V Issuer, as Issuer

By _____
Name: Robert L. Lane
Title: Executive Vice President, Chief Financial Officer

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Indenture Trustee's Certificate of Authentication

This is one of the Class B Notes referred to in the within-mentioned Indenture.

Dated:

Wells Fargo Bank, National Association, as Indenture Trustee

By _____
Name: _____
Title: _____

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

[Form of Assignment]

For Value Received, the undersigned hereby sells, assigns and transfers unto

(Please insert Social Security or Taxpayer Identification number of Assignee)

_____
_____

_____
(Please Print or Typewrite Name and Address of Assignee)

_____
the within Note, and all rights thereunder, and hereby does irrevocably constitute and appoint

_____
Attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

Date:_____

_____
Notice: The signature to this assignment must correspond with the name as it appears upon the face of the within Note in every particular, without alteration or enlargement or any change whatever.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit B-1

Form of Transfer Certificate for Exchange or Transfer From Rule 144A Global Note to Regulation S Global note

[DATE]

Wells Fargo Bank, National Association
600 S. 4th Street
MAC N9300-061
Minneapolis, MN 55415
Attn: Corporate Trust Services – Asset-Backed Administration

Re: Sunnova Helios V Issuer, LLC

Ladies and Gentlemen:

Reference is hereby made to the Indenture, dated as of February 16, 2021 (the "*Indenture*"), by and among Sunnova Helios V Issuer, LLC (the "*Issuer*") and Wells Fargo Bank, National Association, as indenture trustee (in such capacity, the "*Indenture Trustee*"). Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to US $[__] aggregate Outstanding Note Balance of Notes, Class [__] (the "*Notes*") which are held in the form of the Rule 144A Global Note (CUSIP No. _____) with the Depository in the name of [insert name of transferor] (the "*Transferor*"). The Transferor has requested a transfer of such beneficial interest for an interest in the Regulation S Global Note (CUSIP No. _____) to be held with [Euroclear] [Clearstream][1] (Common Code No. _____) through the Depository.

In connection with such request and in respect of such Notes, the Transferor does hereby certify that such transfer has been effected in accordance with the transfer restrictions set forth in the Indenture and [(i) with respect to transfers made][2] pursuant to and in accordance with Rules 903 and 904 of Regulation S under the Securities Act of 1933, as amended (the "*Securities Act*"), and accordingly the Transferor does hereby certify that:

(1) the offer of the Notes was not made to a person in the United States,

(2) [at the time the buy order was originated, the transferee was outside the United States or the Transferor and any person acting on its behalf reasonably believed that the transferee was outside the United States] [the transaction was executed in, on or through the

[1] Select appropriate depository.

[2] To be included only after the 40-day distribution compliance period.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

facilities of a designated offshore securities market and neither the transferor nor any person acting on its behalf knows that the transaction was pre-arranged with a buyer in the United States],[3]

(3) [the transferee is not a U.S. Person within the meaning of Rule 902(k) of Regulation S nor a Person acting for the account or benefit of a U.S. Person,][4]

(4) no directed selling efforts have been made in contravention of the requirements of Rule 903 or Rule 904 of Regulation S, as applicable,

(5) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act,

(6) upon completion of the transaction, the beneficial interest being transferred as described above will be held with the Depository through [Euroclear] [Clearstream],[5]

(7) [with respect to the Class B Notes only, the Transferor reasonably believes the transferee is a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act).]

[or (ii) with respect to transfers made in reliance on Rule 144 under the Securities Act, the Transferor does hereby certify that the Notes being transferred are eligible for resale by the Transferor pursuant to Rule 144(b)(1) under the Securities Act.][6]

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer, the Indenture Trustee and the Servicer.

[Insert Name of Transferor]

By: _____

Name:
Title:

Dated:

---

[3] Insert one of these two provisions, which come from the definition of "offshore transaction" in Regulation S.

[4] To be included only during the 40-day distribution compliance period.

[5] Appropriate depository required for transfers prior to the end of the 40-day distribution compliance period.

[6] To be included only after the 40-day distribution compliance period.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit B-2

Form Of Transfer Certificate For Exchange Or Transfer
From Regulation S Global Note
To Rule 144a Global Note

Wells Fargo Bank, National Association
600 S. 4th Street
MAC N9300-061
Minneapolis, MN 55415
Attn: Corporate Trust Services – Asset-Backed Administration

Re: Sunnova Helios V Issuer, LLC

Ladies and Gentlemen:

Reference is hereby made to the Indenture, dated as of February 16, 2021 (the "*Indenture*"), by and among Sunnova Helios V Issuer, LLC (the "*Issuer*") and Wells Fargo Bank, National Association, as indenture trustee (in such capacity, the "*Indenture Trustee*"). Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to US $[___] aggregate Outstanding Note Balance of Notes, Class [__] (the "*Notes*") which are held in the form of the Regulation S Global Note (CUSIP No. _____) with [Euroclear] [Clearstream][7] (Common Code No. _____) through the Depository in the name of [insert name of transferor] (the "*Transferor*"). The Transferor has requested a transfer of such beneficial interest in the Notes for an interest in the Regulation 144A Global Note (CUSIP No. _____).

In connection with such request, and in respect of such Notes, the Transferor does hereby certify that such Notes are being transferred in accordance with (i) the transfer restrictions set forth in the Indenture, and (ii) (A) Rule 144A under the Securities Act to a transferee that the Transferor reasonably believes is purchasing the Notes for its own account with respect to which the transferee exercises sole investment discretion and the transferee and any such account is a "QIB" ("*QIB*") within the meaning of Rule 144A, in each case in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any State or any other applicable jurisdiction or (B) to a QIB pursuant to another applicable exemption from the registration requirements under the Securities Act; provided that an Opinion of Counsel confirming the applicability of the exemption claimed shall have been delivered to the Issuer and the Indenture Trustee in a form reasonably acceptable to them.

[7] Select appropriate depository.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer, the Indenture Trustee and the Servicer.

[Insert Name of Transferor]

By:_____
Name:
Title:
Dated:

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit B-3

Form Of Transfer Certificate For Transfer
From Definitive Note
To Definitive Note

Wells Fargo Bank, National Association
600 S. 4th Street
MAC N9300-061
Minneapolis, MN 55415
Attn: Corporate Trust Services – Asset-Backed Administration

Re: Sunnova Helios V Issuer, LLC

Ladies and Gentlemen:

Reference is hereby made to the Indenture, dated as of February 16, 2021 (the "*Indenture*"), by and among Sunnova Helios V Issuer, LLC (the "*Issuer*") and Wells Fargo Bank, National Association, as indenture trustee (in such capacity, the "*Indenture Trustee*"). Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

This letter relates to US $[___] aggregate Outstanding Note Balance of Notes, Class [__] (the "*Notes*") which are held as Definitive Notes (CUSIP No. _____) in the name of [insert name of transferor] (the "*Transferor*"). The Transferor has requested a transfer of such beneficial interest in the Notes to [insert name of transferee] (the "*Transferee*").

In connection with such request, and in respect of such Notes, the Transferor does hereby certify that such Notes are being transferred in accordance with (i) the transfer restrictions set forth in the Indenture, and (ii) (A) Rule 144A under the Securities Act to a transferee that the Transferor reasonably believes is purchasing the Notes for its own account with respect to which the transferee exercises sole investment discretion and the transferee and any such account is a "QIB" ("*QIB*") within the meaning of Rule 144A, in each case in a transaction meeting the requirements of Rule 144A and in accordance with any applicable securities laws of any State or any other applicable jurisdiction, (B) pursuant to and in accordance with Rules 903 and 904 of Regulation S under the Securities Act or (C) pursuant to another applicable exemption from the registration requirements under the Securities Act; provided that an Opinion of Counsel confirming the applicability of the exemption claimed shall have been delivered to the Issuer and the Indenture Trustee in a form reasonably acceptable to them.

[*If transfer is pursuant to Regulation S, add the following:*

The Transferor hereby certifies that:

(1) the offer of the Notes was not made to a person in the United States,

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

(2) [at the time the buy order was originated, the transferee was outside the United States or the Transferor and any person acting on its behalf reasonably believed that the transferee was outside the United States] [the transaction was executed in, on or through the facilities of a designated offshore securities market and neither the transferor nor any person acting on its behalf knows that the transaction was pre-arranged with a buyer in the United States][8],

(3) the transferee is not a U.S. Person within the meaning of Rule 902(k) of Regulation S nor a Person acting for the account or benefit of a U.S. Person,

(4) no directed selling efforts have been made in contravention of the requirements of Rule 903 or Rule 904 of Regulation S, as applicable,

(5) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act,

(6) [with respect to the Class B Notes only, the Transferor reasonably believes the transferee is a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act).]]

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer, the Indenture Trustee and the Servicer.

[Insert Name of Transferor]

By:_____
Name:
Title:
Dated:

[8] Insert one of these two provisions, which come from the definition of "offshore transaction" in Regulation S.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit C

Sunnova Helios V Issuer, LLC
Notice of Voluntary Prepayment

[DATE]

Wells Fargo Bank, National Association
600 S. 4th Street
MAC N9300-061
Minneapolis, MN 55415
Attn: Corporate Trust Services – Asset-Backed Administration

Sunnova Energy Corporation
20 East Greenway Plaza, Suite 540
Houston, TX 77046
Attention: Chief Financial Officer

Ladies and Gentlemen:

Pursuant to Section 6.01 of the Indenture dated as of February 16, 2021 (the "*Indenture*"), between Sunnova Helios V Issuer, LLC (the "*Issuer*") and Wells Fargo Bank, National Association (the "*Indenture Trustee*"), the Indenture Trustee is hereby directed to prepay in [whole][part] the Issuer's [1.80/3.15]% Solar Loan Backed Notes, Series 2021-A, Class [A/B] on [_____ __, 20__] (the "*Voluntary Prepayment Date*").

[FOR PREPAYMENT OF ALL OUTSTANDING NOTES: On or prior to the Voluntary Prepayment Date, as required by Section 6.02 of the Indenture, the Issuer shall deposit into the Collection Account, the sum of (A) the Aggregate Outstanding Note Balance, (B) all accrued and unpaid interest thereon, (C) the Make Whole Amount, if any, (D) the Note Balance Write-Down Amount, if any, (E) the Deferred Interest Amount, if any, (F) the Post-ARD Additional Interest Amount, if any, (G) the Deferred Post-ARD Additional Interest Amount, if any, and (H) all amounts owed to the Indenture Trustee, the Manager, the Servicer, the Backup Servicer, the Transition Manager and any other parties to the Transaction Documents, minus the sum of the amounts then on deposit in the Reserve Account, the Prefunding Account, the Section 25D Interest Account, the Equipment Replacement Reserve Account and the Capitalized Interest Account (the "*Prepayment Amount*").]

[FOR Prepayment in part: On or prior to the Voluntary Prepayment Date, as required by Section 6.02 of the Indenture, the Issuer shall deposit into the Collection Account, the sum of (i) the amount of outstanding principal of the Notes being prepaid, (ii) all accrued and unpaid interest thereon, and (iii) the related Make Whole Amount, if applicable.]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

On the specified Voluntary Prepayment Date, provided that the Indenture Trustee has received the Prepayment Amount, on or prior to such specified Voluntary Prepayment Date, the Indenture Trustee is directed to (x) withdraw the Prepayment Amount from the Collection Account and disburse such amounts in accordance with the Priority of Payments (without giving effect to clauses (vi) through (x) thereof) and (y) to the extent the Aggregate Outstanding Note Balance is prepaid and all other obligations of the Issuer under the Transaction Documents have been paid, release any remaining assets in the Trust Estate to, or at the direction of, the Issuer.

You are hereby instructed to provide all notices of prepayment required by Section 6.02 of the Indenture. All terms used but not defined herein have the meanings assigned to such terms in the Indenture.

[signature page follows]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

In Witness Whereof, the undersigned has executed this Notice of Voluntary Prepayment on the ___ day of _____, _____.

Sunnova Helios V Issuer, LLC, as Issuer

By _____
Name: _____
Title: _____

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit D

RULE 15GA-1 INFORMATION

Reporting Period: __

Asset Class	Shelf	Series Name	CIK	Originator	[ ] No.	Servicer [ ] No.	Outstanding Principal Balance	Repurchase Type	*Indicate Repurchase Activity During the Reporting Period by Checkmark or by Date Reference (as applicable)*					
									Subject to Demand	Repurchased or Replaced	Repurchased Pending	Demand in Dispute	Demand Withdrawn	Demand Rejected

Terms and Definitions:

NOTE: Any date included on this report is subject to the descriptions below. Dates referenced on this report for this Transaction where the Servicer is not the Repurchase Enforcer (as defined below); availability of such information may be dependent upon information received from other parties.

References to "Repurchaser" shall mean the party obligated under the Transaction Documents to repurchase a [ ]. References to "Repurchase Enforcer" shall mean the party obligated under the Transaction Documents to enforce the obligations of any Repurchaser.

Outstanding Principal Balance: For purposes of this report, the Outstanding Principal Balance of a [ ] in this Transaction equals the remaining outstanding principal balance of the [ ] reflected on the distribution or payment reports at the end of the related reporting period, or if the [ ] has been liquidated prior to the end of the related reporting period, the final outstanding principal balance of the [ ] reflected on the distribution or payment reports prior to liquidation.

Subject to Demand: The date when a demand for repurchase is identified and coded by the Servicer or Indenture Trustee as a repurchase related request.

Repurchased or Replaced: The date when a [ ] is repurchased or replaced. To the extent such date is unavailable, the date upon which the Servicer or the Indenture Trustee obtained actual knowledge a [ ] has been repurchased or replaced.

Repurchase Pending: A [ ] is identified as "*Repurchase Pending*" when a demand notice is sent by the Indenture Trustee, as Repurchase Enforcer, to the Repurchaser. A [ ] remains in this category until (i) a [ ] has been Repurchased, (ii) a request is determined to be a "*Demand in Dispute*," (iii) a request is determined to be a "*Demand Withdrawn*," or (iv) a request is determined to be a "*Demand Rejected.*"

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

With respect to the Servicer only, a [ ] is identified as "*Repurchase Pending*" on the date (y) the Servicer sends notice of any request for repurchase to the related Repurchase Enforcer, or (z) the Servicer receives notice of a repurchase request but determines it is not required to take further action regarding such request pursuant to its obligations under the applicable Transaction Documents. The [ ] will remain in this category until the Servicer receives actual knowledge from the related Repurchase Enforcer, Repurchaser, or other party, that the repurchase request should be changed to "*Demand in Dispute*", "*Demand Withdrawn*", "*Demand Rejected*", or "*Repurchased.*"

Demand in Dispute: Occurs (i) when a response is received from the Repurchaser which refutes a repurchase request, or (ii) upon the expiration of any applicable cure period.

Demand Withdrawn: The date when a previously submitted repurchase request is withdrawn by the original requesting party. To the extent such date is not available, the date when the Servicer or the Indenture Trustee receives actual knowledge of any such withdrawal.

Demand Rejected: The date when the Indenture Trustee, as Repurchase Enforcer, has determined that it will no longer pursue enforcement of a previously submitted repurchase request. To the extent such date is not otherwise available, the date when the Servicer receives actual knowledge from the Indenture Trustee, as Repurchase Enforcer, that it has determined not to pursue a repurchase request.

In connection therewith, if Proceedings are commenced or threatened [in writing] in connection with which this certificate is or would be relevant, we irrevocably authorize you to produce this certification to any interested party in such Proceedings.

Date: _____, 20__[9]

Yours faithfully,

[ ]

By: _____

Name:
Title:

[9] To be dated no later than three Business Days following the receipt of any Demands by the Indenture Trustee.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit E

Form of Class B Transferee Certification

Sunnova Helios V Issuer, LLC
20 East Greenway Plaza
Suite 540
Houston, Texas 77046

Wells Fargo Bank, National Association
600 S. 4th Street
MAC N9300-061
Minneapolis, MN 55415
Attn: Corporate Trust Services – Asset-Backed Administration
E-Mail: Jeanine.C.Casey@wellsfargo.com; Anthony.J.Kubes@wellsfargo.com

Ladies and Gentlemen:

This certification (this "**Certification**") is delivered by the undersigned (the "**Purchaser**") in connection with its purchase of a beneficial interest in the Sunnova Helios V Issuer, LLC Solar Loan Backed Notes, Series 2021-A, Class B (the "**Class B Notes**"). The Class B Notes were issued pursuant to the Indenture dated as of February 16, 2021 (the "**Indenture**") by and between Sunnova Helios V Issuer, LLC, as issuer (the "**Issuer**") and Wells Fargo Bank, National Association, as indenture trustee (the "**Indenture Trustee**"). Capitalized terms used herein without definition will have the meanings set forth in the Indenture.

The Purchaser hereby acknowledges, confirms, represents, warrants and agrees as follows:

1. It is a qualified institutional buyer and is acquiring the Class B Notes or interests therein for its own account or for the account of a qualified institutional buyer and (A) is aware that the sale to it is being made in reliance on Rule 144A or (B) is not a U.S. Person and is purchasing the Class B Notes or interests therein in an offshore transaction pursuant to Regulation S.

2. It understands that the Class B Notes and interests therein are being offered in a transaction not involving any public offering in the U.S. within the meaning of the Securities Act, that the Class B Notes have not been and will not be registered under the Securities Act and that (A) if in the future it decides to offer, resell, pledge or otherwise transfer any of the Class B Notes or any interests therein, such Class B Notes (or the interests therein) may not be offered, resold, pledged or otherwise transferred in denominations (the "**Minimum Denomination**") lower than $500,000, and in integral multiples of $1,000 in excess thereof, and only (i) in the U.S. to a person whom the seller reasonably believes is a qualified institutional buyer in a transaction meeting the requirements of Rule 144A, (ii) outside the U.S. in a transaction complying with the provisions of Regulation S under the Securities Act to a person whom the seller reasonably believes is a qualified institutional buyer, or (iii) pursuant to another exemption from registration under the Securities Act (if available and evidenced by an opinion of counsel acceptable to the Issuer and the Indenture Trustee), in each of cases (i) through (iii) in accordance with any applicable securities laws of any state of the U.S. and any other applicable jurisdiction, and that (B) the purchaser will, and each subsequent holder is required to, notify any subsequent purchaser of such Class B Notes or interests therein from it of the resale restrictions referred to above. Notwithstanding the foregoing restriction, any Class B Note that has originally been properly issued in an amount no less than the Minimum

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Denomination, or any interest therein, may be offered, resold, pledged or otherwise transferred in a denomination less than the Minimum Denomination if such lesser denomination is solely a result of a reduction of principal due to payments made in accordance with the Indenture.

3. It understands that the Class B Notes will, until the Class B Notes may be resold pursuant to Rule 144(b)(1) of the Securities Act, unless otherwise agreed by the Issuer and the holder thereof, bear a legend substantially to the following effect:

THIS NOTE (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND NEITHER THIS NOTE NOR ANY INTEREST HEREIN MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS NOTE OR ANY INTEREST HEREIN IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE OR INTEREST HEREIN MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THE HOLDER OF THIS NOTE OR ANY INTEREST HEREIN AGREES FOR THE BENEFIT OF THE ISSUER THAT (A) THIS NOTE AND ANY INTEREST HEREIN MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED IN MINIMUM DENOMINATIONS OF $500,000 AND IN INTEGRAL MULTIPLES OF $1,000 IN EXCESS THEREOF, AND ONLY (I) IN THE U.S. TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A (ACTING FOR ITS OWN ACCOUNT AND NOT FOR THE ACCOUNT OF OTHERS, OR AS A FIDUCIARY OR AGENT FOR OTHER QIBS TO WHOM NOTICE IS GIVEN THAT THE SALE, PLEDGE OR TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A), (II) OUTSIDE THE U.S. IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT AND TO A PERSON WHOM THE TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), OR (III) PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE AND EVIDENCED BY AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER AND THE INDENTURE TRUSTEE), IN EACH OF CASES (I) THROUGH (III) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE U.S. AND ANY OTHER APPLICABLE JURISDICTION, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS NOTE OR ANY INTEREST HEREIN FROM IT OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. Notwithstanding the foregoing restriction, any Note that has originally been properly issued in an amount no less than the Minimum Denomination, or any interest therein, may be offered, resold, pledged or otherwise transferred in a denomination less than the Minimum Denomination if such lesser denomination is solely a result of a reduction of principal due to payments made in accordance with the Indenture.

4. It understands that any Class B Note offered in reliance on Regulation S will, during the 40-day period commencing on the day after the later of the commencement of the offering and the date of original issuance of any Class B Notes, bear a legend substantially to the following effect:

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

THIS NOTE IS A TEMPORARY GLOBAL NOTE FOR PURPOSES OF REGULATION S UNDER THE SECURITIES ACT WHICH IS EXCHANGEABLE FOR A PERMANENT REGULATION S GLOBAL NOTE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN THE INDENTURE.

PRIOR TO THE DATE THAT IS 40 DAYS AFTER THE LATER OF THE COMMENCEMENT OF THE OFFERING AND THE ORIGINAL ISSUE DATE OF THE NOTES, THIS NOTE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE U.S. OR TO A U.S. PERSON EXCEPT PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

Following the 40-day period, interests in a Temporary Regulation S Global Note will be exchanged for interests in a Permanent Regulation S Global Note.

5. By its purchase of a Class B Note or interest therein will be deemed to have represented and warranted that it is not, and is not acquiring a Class B Note or interest therein for or on behalf of or with the assets of, any employee benefit plan as defined in Section 3(3) of ERISA that is subject to Title I of ERISA or any other "plan" as defined in Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code or any entity whose underlying assets include plan assets by reason of an employee benefit plan's or plan's investment in such entity (each a "Benefit Plan Investor"), or any plan that is subject to any law substantially similar to ERISA or Section 4975 of the Code.

6. It understands that the Issuer may receive a list of participants holding positions in a Class B Notes from the Securities Depository.

7. Either (A) it is not and will not become, for U.S. federal income tax purposes, a partnership, S corporation, grantor trust or an entity that is disregarded as separate from any of the foregoing (each such entity a "**flow-through entity**") or (B) if it is or becomes a flow-through entity, then (1) none of the direct or indirect beneficial owners of any of the interests in such flow-through entity has or ever will have 50% or more of the value of its interest in such flow-through entity attributable to the beneficial interest of such flow-through entity in any Class B Note, other interest (direct or indirect) in the Issuer, or any interest created under the Indenture and (2) it is not and will not be a principal purpose of the arrangement involving the flow-through entity's beneficial interest in any Class B Note to permit any entity to satisfy the 100-partner limitation of Section 1.7704-1(h)(1)(ii) of the Treasury Regulations necessary for such entity not to be classified as a publicly traded partnership for U.S. federal income tax purposes.

8. It will not (a) acquire, sell, transfer, assign, participate, pledge or otherwise dispose of any of its interests in any Class B Note (or any interest therein that is described in Section 1.7704-1(a)(2)(i)(B) of the Treasury Regulations), or attempt to do any of the foregoing, on or through an "established securities market" within the meaning of Section 1.7704-1(b) of the Treasury Regulations (an "**Exchange**"), including, without limitation, any of the following: (x) a U.S. national, regional or local securities exchange, (y) a foreign securities exchange or (z) an inter-dealer quotation system that regularly disseminates firm buy or sell quotations by identified brokers or dealers (including, without limitation, the National Association of Securities Dealers Automated Quotation System) or (b) cause any of its interests in any Class B Note (or any interest therein that is described in Section 1.7704-1(a)(2)(i)(B) of the Treasury Regulations) to be marketed on or through an Exchange.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

9. It will not cause any beneficial interest in any Class B Note to be traded or otherwise marketed on or through an "established securities market" or a "secondary market (or the substantial equivalent thereof)," each within the meaning of Section 7704(b) of the Code and the Treasury Regulations promulgated thereunder, including, without limitation, an interdealer quotation system that regularly disseminates firm buy or sell quotations.

10. Its beneficial interest in any Class B Note is not and will not be in an amount that is less than the Minimum Denomination (which for this purpose includes a lesser denomination if such denomination is solely a result of a reduction of principal due to payments made in accordance with the Indenture) for the Class B Notes set forth in the Indenture, and it does not and will not hold any beneficial interest in any Class B Note on behalf of any person whose beneficial interest in any Class B Note is in an amount that is less than the Minimum Denomination for the Class B Notes set forth in the Indenture. It will not sell, transfer, assign, participate, pledge or otherwise dispose of any beneficial interest in any Class B Note or enter into any financial instrument or contract the value of which is determined by reference in whole or in part to any Class B Note, in each case, if the effect of doing so would be that the beneficial interest of any person in any Class B Note would be in an amount that is less than the Minimum Denomination for the Class B Notes set forth in the Indenture.

11. It will not transfer any beneficial interest in any Class B Note (directly, through a participation thereof, or otherwise) unless, prior to the transfer, the transferee of such beneficial interest will have executed and delivered to the Issuer, the Indenture Trustee and the Note Registrar, and any of their respective successors or assigns, a transferee certification as required in the Indenture.

12. It will not enter into any financial instrument the payment on which, or the value of which, is determined in whole or in part by reference to an interest in any Class B Note (including the amount of payments on any Class B Note, the value of any Class B Note or any contract that otherwise is described in Section 1.7704-1(a)(2)(i)(B) of the Treasury Regulations).

13. It will not use any Class B Note as collateral for the issuance of any securities that could cause the Issuer to become subject to taxation as a corporation or a publicly traded partnership taxable as a corporation for U.S. federal income tax purposes.

14. It will not take any action that could cause, and will not omit to take any action, which omission could cause, the Issuer to become taxable as a corporation for U.S. federal income tax purposes.

15. It will treat each Class B Note as indebtedness and indicate on all federal, state and local income tax and information returns and reports required to be filed with respect to any Class B Note, under any applicable federal, state or local tax statute or any rule or regulation under any of them, that each Class B Note is indebtedness unless otherwise required by applicable law.

16. It acknowledges that the Issuer may prohibit any transfer of any Class B Note if it reasonably believes that such transfer would violate any of these representations, warranties, and covenants.

17. It acknowledges that the Originator, the Indenture Trustee, the Note Registrar, the Issuer and others will rely on the truth and accuracy of the foregoing representations, warranties and covenants and agrees that if it becomes aware that any of the foregoing are no longer accurate, it will notify the Issuer.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

PURCHASER: _____

By:_____
Name:
Title:

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit F

Form of Prefunding Certificate

To:

Wells Fargo Bank, National Association
600 S. 4th Street
MAC N9300-061
Minneapolis, MN 55415
Attn: Corporate Trust Services – Asset-Backed Administration

This Prefunding Certificate is being issued in accordance with Section 2.16(a)(i)(C) of that certain Indenture, dated as of February 16, 2021 (the *"Indenture"*), by and between Sunnova Helios V Issuer, LLC, as issuer (the *"Issuer"*), and Wells Fargo Bank, National Association, as indenture trustee (the *"Indenture Trustee"*). Terms not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

The Issuer hereby certifies that:

1. the Solar Loans to be acquired by the Issuer on Transfer Date to occur on [_____ __], 20[_] (the *"Transfer Date"*) are listed on Exhibit A hereto;

2. all representations and warranties of the Issuer contained in the Transaction Documents are true and correct in all material respects on and as of such Transfer Date, as though made on and as of such Transfer Date (except to the extent that any such representation and warranty expressly speaks as of an earlier date, in which case such representation and warranty will be true and correct in all material respects as of such date);

3. the Issuer is not in default under any of the Transaction Documents to which it is a party, and the acquisition of such Solar Loans by it will not result in any breach of any of the terms, conditions or provisions of, or constitute a material default under, its organizational documents or any other constituent documents of it or any indenture, mortgage, deed of trust or other agreement or instrument to which it is a party or by which it is bound, or any order of any court or administrative agency entered in any Proceeding to which it is a party or by which it may be bound or to which it may be subject; and

4. the conditions precedent described in the Indenture and in the other Transaction Documents to the acquisition of such Solar Loans, if any, have been satisfied.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Date: [_____ __], 20[_]

Sunnova Helios V Issuer, LLC,
as Issuer

By:
Name: __
Title: __

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit G

Form of Prefunding Notice

In accordance with the Indenture, dated as of February 16, 2021, by and between Sunnova Helios V Issuer, LLC, as issuer, and Wells Fargo Bank, National Association, as indenture trustee (the *"Indenture"*), the undersigned hereby gives notice of the Transfer Date to occur on or before [_____ __], 20[_] for each of the Subsequent Solar Loans listed on the Schedule of Solar Loans attached hereto as Exhibit A. Unless otherwise defined herein, capitalized terms have the meanings set forth in the Indenture.

Such Subsequent Solar Loans represent the following amounts:

1. Aggregate outstanding balance of Subsequent Solar Loans as of the related Cut-Off Date:	$_____
2. Initial Advance Rate:	90.50%
3. Amount to be wired to the Depositor in payment for such Subsequent Solar Loans (line 1 times line 2):	$_____

The amount in line 3 above shall be wired to the following account:

[ACCOUNT INFORMATION]

The undersigned hereby certify that, in connection with the Transfer Date specified above, the undersigned has complied with all terms and provisions specified in Section 2.16 of the Indenture, including, but not limited to, delivery of the Prefunding Certificate, as specified therein.

Date: [_____ __], 20[_]†

Sunnova Helios V Issuer, LLC,
as Issuer

By:
Name: __
Title: __

† To be at least 5 Business Days prior to such Transfer Date.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit 10.25

Execution Copy

SUNNOVA HELIOS V ISSUER, LLC
SOLAR LOAN BACKED NOTES, SERIES 2021-A

$150,079,000	**1.80%**	**Solar Loan Backed Notes, Series 2021-A, Class A**
$38,562,000	**3.15%**	**Solar Loan Backed Notes, Series 2021-A, Class B**

NOTE PURCHASE AGREEMENT

February 8, 2021

CREDIT SUISSE SECURITIES (USA) LLC
Eleven Madison Avenue, 4th Floor
New York, New York 10010-3629

Popular Securities LLC
208 Ponce de Leon Avenue, Popular Center, Suite 1200
San Juan, Puerto Rico 00918

Ladies and Gentlemen:

Section 1. Introductory. Sunnova Helios V Issuer, LLC, a Delaware limited liability company (the "**Issuer**"), proposes, subject to the terms and conditions stated herein, to sell to Credit Suisse Securities (USA) LLC and Popular Securities LLC (the "**Initial Purchasers**"), the 1.80% Solar Loan Backed Notes, Series 2021-A, Class A (the "**Class A Notes**") and the 3.15% Solar Loan Backed Notes, Series 2021-A, Class B (the "**Class B Notes**" and together with the Class A Notes, the "**Notes**"), in the Initial Outstanding Note Balances set forth in Exhibit D attached to this note purchase agreement (this "**Agreement**"). On the Closing Date, Sunnova ABS Holdings V, LLC, a Delaware limited liability company ("**Sunnova ABS Holdings V**"), Sunnova Intermediate Holdings, LLC, a Delaware limited liability company ("**Sunnova Intermediate Holdings**"), and a wholly-owned subsidiary of Sunnova Energy Corporation, a Delaware corporation ("**Sunnova Energy**"), Sunnova Helios V Depositor, LLC, a Delaware limited liability company (the "**Depositor**"), and the Issuer will enter into an omnibus sale and contribution agreement (the "**Contribution Agreement**"), dated as of the Closing Date, pursuant to which: (i) Sunnova ABS Holdings V will acquire the Conveyed Property from Sunnova Intermediate Holdings; (ii) the Depositor will acquire the Conveyed Property from Sunnova ABS Holdings V; and (iii) the Issuer will acquire the Conveyed Property from the Depositor. The Notes are to be issued under an indenture, dated as of the Closing Date (the "**Indenture**"), by and between the Issuer and Wells Fargo Bank, National Association, a national banking association ("**Wells Fargo**"), as indenture trustee (in such capacity, the "**Indenture Trustee**"). Pursuant to the Indenture, the Issuer will pledge the Trust Estate (including the Conveyed Property and the rights and remedies under the Contribution Agreement) to the Indenture Trustee for the benefit of the Noteholders to secure the Notes. Pursuant to a management agreement, dated as of the Closing Date, by and among the Issuer, Sunnova ABS Management, LLC, a Delaware limited liability company ("**Sunnova Management**" and together with Sunnova Energy, the Issuer, the Depositor, Sunnova ABS Holdings V and

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Sunnova Intermediate Holdings, the "**Sunnova Entities**"), as manager, and Wells Fargo, as transition manager, and pursuant to a servicing agreement, dated as of the Closing Date, by and among the Issuer, Sunnova Management, as servicer, and Wells Fargo, as backup servicer, Sunnova Management will provide certain operations and maintenance and administrative services to the Issuer. Finally, in connection with the transaction, Sunnova Energy will deliver a performance guaranty, dated as of the Closing Date, in favor of the Issuer for the benefit of the Indenture Trustee. The Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder, is herein referred to as the "**Securities Act**". Capitalized terms used in this Agreement but not otherwise defined shall have the meanings set forth in the "Standard Definitions" attached as Annex A to the Indenture.

Section 2. Representations and Warranties of the Issuer, the Depositor and Sunnova Energy. Each of the Issuer, the Depositor and Sunnova Energy, jointly and severally represents and warrants to the Initial Purchasers, on the date hereof and as of the Closing Date, that:

(a) The Issuer has prepared (i) a confidential preliminary offering circular relating to the Notes to be offered by the Initial Purchasers dated February 4, 2021 (such confidential preliminary offering circular, including schedules and exhibits attached thereto, the "**Preliminary Offering Circular**"), (ii) the road show presentation dated February 2021 attached as Exhibit B to this Agreement (the "**Road Show**"), (iii) one or more reports on Form ABS-15G furnished on EDGAR with respect to the transaction contemplated by this Agreement ("**Form ABS-15G Due Diligence Reports**"), (iv) quantitative data with respect to the Intex cdi file provided by Sunnova Energy, the Issuer or the Depositor, directly or indirectly, to one or more prospective investors, whether in electronic form or otherwise (the "**Collateral Data Information**"), and (v) the information delivered to prospective holders of the Notes (other than the Preliminary Offering Circular and the Road Show) attached as Exhibit A to this Agreement (the "**Pricing Information**" and, together with the Road Show, the Form ABS-15-G Due Diligence Reports, the Collateral Data Information and the Preliminary Offering Circular, the "**Time of Sale Information**"). The Issuer will prepare a final confidential offering circular, dated February 8, 2021, that includes the offering prices and other final terms of the Notes (such offering circular, including schedules and exhibits attached thereto, the "**Offering Circular**"). Each of the Time of Sale Information and the Offering Circular, as amended or supplemented by additional information are collectively referred to as the "**Offering Document**". The Offering Document at a particular time means the Offering Document in the form actually amended or supplemented and issued at such time. The "**Time of Sale**" means 4:05 p.m. EST on February 8, 2021.

The Preliminary Offering Circular, as of the date thereof did not and as of the Closing Date will not, and the Time of Sale Information (taken as a whole), as of the Time of Sale, did not and as of the Closing Date will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Offering Circular, as amended, as of the date thereof, did not, and as of the Closing Date, will not, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the

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statements therein, in the light of the circumstances under which they were made, not misleading. Notwithstanding anything to the contrary, none of the Issuer, the Depositor or Sunnova Energy makes any representations or warranties as to the Initial Purchaser Information, it being understood and agreed that the "Initial Purchaser Information" is only such information that is described as such in Section 7(b) hereof. If, subsequent to the initial Time of Sale, the Issuer and the Initial Purchasers determine that the original Time of Sale Information included an untrue statement of material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading and an Initial Purchaser advises the Issuer that investors in the Notes have elected to terminate their initial "contracts of sale" (within the meaning of Rule 159 under the Securities Act, the "**Contracts of Sale**") and enter into new Contracts of Sale, then the "Time of Sale" will refer to the time of entry into the first new Contract of Sale and the "Time of Sale Information" will refer to the information available to purchasers at the time of entry (prior to the Closing Date) into the first new Contract of Sale, including any information that corrects such material misstatements or omissions (such new information, the "**Corrective Information**") and Exhibit A to this Agreement will be deemed to be amended to include such Corrective Information in the Time of Sale Information. Notwithstanding the foregoing, for the purposes of Section 7 hereof, in the event that an investor elects not to terminate its initial Contract of Sale and enter into a new Contract of Sale, "Time of Sale" will refer to the time of entry into such initial Contract of Sale and "Time of Sale Information" with respect to Notes to be purchased by such investor will refer to information available to such purchaser at the time of entry into such initial Contract of Sale.

(b) The Issuer is a limited liability company formed, validly existing and in good standing under the laws of the State of Delaware, with limited liability company power and authority to own its properties and conduct its business as described in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular and to execute, deliver and perform its obligations under each of the Transaction Documents and each other agreement or instrument contemplated thereby to which it is or will be a party; and the Issuer is duly qualified to do business as a foreign entity in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except for such jurisdictions where failure to so qualify or be in good standing would not, individually or in the aggregate, result in a Material Adverse Effect (as defined herein).

(c) The Depositor is a limited liability company formed, validly existing and in good standing under the laws of the State of Delaware, with limited liability company power and authority to own its properties and conduct its business as described in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular and to execute, deliver and perform its obligations under each of the Transaction Documents and each other agreement or instrument contemplated thereby to which it is or will be a party; and the Depositor is duly qualified to do business as a foreign entity in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except for such jurisdictions where failure to so qualify or be in good standing would not, individually or in the aggregate, result in a Material Adverse Effect.

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(d) Sunnova Energy is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, with corporate power and authority to own its properties and conduct its business as described in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular and to execute, deliver and perform its obligations under each of the Transaction Documents and each other agreement or instrument contemplated thereby to which it is or will be a party; and Sunnova Energy is duly qualified to do business as a foreign corporation in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except for such jurisdictions where failure to so qualify or be in good standing would not, individually or in the aggregate, result in a Material Adverse Effect.

(e) Sunnova Intermediate Holdings is a limited liability company formed, validly existing and in good standing under the laws of the State of Delaware, with limited liability company power and authority to own its properties and conduct its business as described in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular and to execute, deliver and perform its obligations under each of the Transaction Documents and each other agreement or instrument contemplated thereby to which it is or will be a party; and Sunnova Intermediate Holdings is duly qualified to do business as a foreign entity in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except for such jurisdictions where failure to so qualify or be in good standing would not, individually or in the aggregate, result in a Material Adverse Effect.

(f) Sunnova ABS Holdings V is a limited liability company formed, validly existing and in good standing under the laws of the State of Delaware, with limited liability company power and authority to own its properties and conduct its business as described in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular and to execute, deliver and perform its obligations under each of the Transaction Documents and each other agreement or instrument contemplated thereby to which it is or will be a party; and Sunnova ABS Holdings V is duly qualified to do business as a foreign entity in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except for such jurisdictions where failure to so qualify or be in good standing would not, individually or in the aggregate, result in a Material Adverse Effect.

(g) Sunnova Management is a limited liability company formed, validly existing and in good standing under the laws of the State of Delaware, with limited liability company power and authority to own its properties and conduct its business as described in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular and to execute, deliver and perform its obligations under each of the Transaction Documents and each other agreement or instrument contemplated thereby to which it is or will be a party; and Sunnova Management is duly qualified to do business as a foreign entity in good standing in all other jurisdictions in which its ownership or lease of property or the conduct of its business requires such qualification, except for such jurisdictions where failure to so qualify or be in good standing would not, individually or in the aggregate, result in a Material Adverse Effect.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

(h) The Indenture has been duly authorized by the Issuer and on the Closing Date, the Indenture will have been duly executed and delivered by the Issuer, will conform in all material respects to the description thereof contained in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular and, assuming due authorization, execution and delivery thereof by the Indenture Trustee, will constitute a valid and legally binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights or remedies and subject to general equity principles (whether considered in a suit at law or in equity) and except as rights to indemnification may be limited by public policy, applicable law relating to fiduciary duties and indemnification and contribution and an implied covenant of good faith and fair dealing.

(i) The Notes have been duly authorized by the Issuer and, when authenticated by the Indenture Trustee in the manner provided for in the Indenture and paid for and delivered pursuant to this Agreement on the Closing Date, such Notes will have been duly executed, authenticated, issued and delivered, will conform in all material respects to the description thereof contained in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular, and will constitute valid and legally binding obligations of the Issuer, enforceable against the Issuer in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights or remedies and subject to general equity principles (whether considered in a suit at law or in equity) and will be entitled to the benefits of the Indenture.

(j) No consent, approval, authorization, or order of, or filing with, any governmental agency or body or any court is required for the consummation of the transactions contemplated by the Transaction Documents or in connection with the issuance and sale of the Notes by the Issuer other than (i) as have been made or obtained on or prior to the Closing Date (or, if not required to be made or obtained on or prior to the Closing Date, that will be made or obtained when required), (ii) as may be required under the Securities Act (which is addressed in Section 2(q) hereof), State securities or Blue Sky laws in any jurisdiction in the U.S. or under the securities laws of any foreign jurisdiction and (iii) those that, if not obtained, would not, individually or in the aggregate, have a Material Adverse Effect on the Sunnova Entities.

(k) The execution, delivery and performance of each of the Transaction Documents by each of the Sunnova Entities which is or will be party to such Transaction Documents and the issuance and sale of the Notes and compliance with the terms and provisions thereof will not (i) result in a breach or violation of any of the terms and provisions of, constitute a default under or conflict with (A) any statute, rule, regulation or order of any governmental agency or body, or any court, domestic or foreign, having jurisdiction over such Sunnova Entity, or any of their properties; (B) any agreement or instrument to which such Sunnova Entity is a party, by which such Sunnova Entity is bound or to which any of the properties of such Sunnova Entity is subject; or (C) the organizational documents of such Sunnova Entity; or (ii) other than as contemplated by the Transaction Documents, result in the creation or imposition of any lien, charge or encumbrance upon any of the property or assets of such Sunnova Entity; except, in the case of clauses (i)(A), (i)(B) and (ii), for such breaches, violations, defaults, conflicts, liens,

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charges or encumbrances that individually or in the aggregate would not have a Material Adverse Effect on Sunnova Energy, Sunnova Management, Sunnova Intermediate Holdings or Sunnova ABS Holdings V.

(l) This Agreement and each other Transaction Document to which any Sunnova Entity is a party have each been duly authorized, and, assuming the due authorization, execution and delivery thereof by the other parties thereto, when executed and delivered by such Sunnova Entity shall constitute a legal, valid and binding obligation of such Sunnova Entity enforceable against such Sunnova Entity in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights or remedies and subject to general principles of equity (whether considered in a suit at law or in equity) and except as rights to indemnification may be limited by public policy, applicable law relating to fiduciary duties and indemnification and contribution and an implied covenant of good faith and fair dealing.

(m) On the Closing Date (with respect to an Initial Solar Loan) and each Transfer Date on which the Issuer acquires Subsequent Solar Loans and/or Qualified Substitute Solar Loans, the Issuer shall have good and marketable title to the Conveyed Property, in each case free from liens, encumbrances and defects that would materially and adversely affect the value thereof or materially and adversely interfere with the use made or to be made thereof by it (other than Permitted Liens).

(n) On the Closing Date (with respect to an Initial Solar Loan) and each Transfer Date on which the Issuer acquires Subsequent Solar Loans and/or Qualified Substitute Solar Loans, each Solar Loan Agreement and the rest of the documents comprising the Custodian File for the Solar Loans acquired by the Issuer on such date will be transmitted to the Electronic Vault.

(o) Each of the Sunnova Entities possesses all material certificates, authorities or permits issued by appropriate governmental agencies or bodies necessary to conduct the business now operated by it, except where failure to possess such certificates, authorities or permits would not have a material adverse effect on (i) the condition (financial or other), business, properties or results of operations of such Sunnova Entity, as the case may be, (ii) the ability of such Sunnova Entity, as the case may be, to perform its obligations under the Transaction Documents, (iii) the validity or enforceability of the Transaction Documents to which such Sunnova Entity, as the case may be, is a party or (iv) the Trust Estate (a "**Material Adverse Effect**"), and it has not received any notice of proceedings relating to the revocation or modification of any such certificate, authority or permit that, if determined adversely to such Sunnova Entity, would individually or in the aggregate have a Material Adverse Effect on such Sunnova Entity.

(p) Except as disclosed in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular, there are no pending actions, suits, investigations, or proceedings to which any Sunnova Entity or any of their respective properties, are subject, by or before any court or governmental agency, authority, body or arbitrator, that if determined adversely to such Sunnova Entity, would individually or in the aggregate have a Material

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Adverse Effect on such Sunnova Entity, would materially and adversely affect the validity or enforceability of the Transaction Documents to which such Sunnova Entity is a party, the Notes, or the U.S. federal or State income, excise, franchise or other tax treatment of the Notes or the Issuer, or which are otherwise material in the context of the sale of the Notes; and to each Sunnova Entity's knowledge, no such actions, suits, investigations or proceedings are threatened or contemplated.

(q) The Issuer is not and, after giving effect to the offering and sale of the Notes and the application of the proceeds thereof as described in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular, will not be subject to registration as an "investment company" under the Investment Company Act of 1940, as amended (the "**Investment Company Act**"); and in making this determination the Issuer will be relying primarily on an exclusion from the definition of "investment company" contained in Section 3(c)(5)(A) thereof, although there may be additional exclusions or exemptions available to the Issuer. The Issuer is being structured so as not to constitute a "covered fund" for purposes of Section 619 of the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010 (the "**Volcker Rule**"), based on its current interpretations.

(r) The Notes are eligible for resale pursuant to Rule 144A under the Securities Act ("**Rule 144A**"). When the Notes are issued and delivered pursuant to the Indenture and this Agreement, no securities of the same class (within the meaning of Rule 144A(d)(3) under the Securities Act) as the Notes will be listed on any national securities exchange, registered under Section 6 of the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "**Exchange Act**"), or quoted in a U.S. automated interdealer quotation system.

(s) Assuming compliance by the Initial Purchasers with the covenants and that the representations and warranties set forth in Section 4 hereof are true, the offer and sale of the Notes to the Initial Purchasers in the manner contemplated by the Offering Circular and this Agreement will be exempt from the registration requirements of the Securities Act by reason of Section 4(a)(2) thereof and the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"). None of the Sunnova Entities, any of their respective Affiliates nor any person acting on its or their behalf (other than the Initial Purchasers and their respective Affiliates and agents, as to which no representation or warranty is made) has directly or indirectly solicited any offer to buy or offered to sell or will directly or indirectly solicit any offer to buy or offer to sell in the United States or to any United States citizen or resident any security which is or would be integrated with the sale of the Notes in a manner that would require the Notes to be registered under the Securities Act. None of the Sunnova Entities, any of their respective Affiliates nor any person acting on their behalf (other than the Initial Purchasers and their respective Affiliates and agents, as to which no representation or warranty is made) has or will solicit offers for, or offer to sell the Notes by any form of general solicitation or general advertising within the meaning of Rule 502(c) of Regulation D under the Securities Act or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act.

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(t) No Sunnova Entity has entered or will enter into any contractual arrangement with respect to the distribution of the Notes except for this Agreement.

(u) None of the Sunnova Entities, any of their respective affiliates nor any Person acting on its or their behalf (other than the Initial Purchasers and their respective Affiliates and agents, as to which no representation or warranty is made) has engaged or will engage in any directed selling efforts within the meaning of Rule 902 of Regulation S and each of the Sunnova Entities, their respective affiliates and any Person acting on its or their behalf (other than the Initial Purchasers and their respective Affiliates and agents, as to which no representation or warranty is made) has complied and will comply with the "offering restrictions" of Regulation S in connection with the offering of the Notes outside of the United States. The Preliminary Offering Circular and the Offering Circular will contain the disclosure required by Rule 902(g)(2) under the Securities Act.

(v) Each of the representations and warranties of the Sunnova Entities set forth in each of the Transaction Documents to which they are parties will be, as of the Closing Date, true and correct, in all material respects. This Agreement, the other Transaction Documents and the Notes conform or will conform in all material respects to the respective descriptions contained in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular.

(w) Any transfer, stamp, documentary, recording, registration and other similar taxes, fees and other governmental charges in connection with the execution and delivery of the Transaction Documents or the execution, delivery and sale of the Notes, in each case which are due and payable by a Sunnova Entity on or prior to the Closing Date, have been or will be paid on or prior to the Closing Date.

(x) Except as expressly described in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular, since the respective dates as of which information is given in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular (x) there has not been any change in or affecting the general affairs, business, management, financial condition, stockholders' equity, results of operations or regulatory situation of any Sunnova Entity that would result in a Material Adverse Effect and (y) no Sunnova Entity is in default under any agreement or instrument to which it is a party or by which it is bound which would individually or in the aggregate have a Material Adverse Effect.

(y) Immediately after the consummation of the transactions to occur on the Closing Date (with respect to an Initial Solar Loan) and each related Transfer Date on which the Issuer acquires Subsequent Solar Loans and/or Qualified Substitute Solar Loans, (i) the fair value of the total assets of Sunnova Energy and its consolidated subsidiaries, at a fair valuation, will exceed its debts and liabilities, subordinated, contingent or otherwise; (ii) the present fair saleable value of the property of Sunnova Energy and its consolidated subsidiaries will be not less than the amount that will be required to pay the probable liability of its total existing debts and other liabilities, subordinated, contingent or otherwise, as such debts and other liabilities become absolute and matured; (iii) each Sunnova Entity will be able to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute

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and matured; and (iv) Sunnova Energy and its consolidated subsidiaries will not have unreasonably small capital with which to conduct the business in which they are engaged as such business is now conducted and is proposed to be conducted immediately following the Closing Date (with respect to an Initial Solar Loan) and each related Transfer Date on which the Issuer acquires Subsequent Solar Loans and/or or Qualified Substitute Solar Loans, after giving due consideration to the prevailing practice in the industry in which Sunnova Energy is engaged.

(z) Each of the Sunnova Entities and their respective Affiliates owns or licenses or otherwise has the right to use all licenses, permits, trademarks, trademark applications, patents, patent applications, service marks, tradenames, copyrights, copyright applications, franchises, authorizations and other intellectual property rights that are necessary for the operation of its businesses in order to perform its obligations under the Transaction Documents to which it is or will be a party and the operation and maintenance of the Solar Loans without infringement upon or conflict with the rights of any other Person with respect thereto, in each case except (i) where the failure to own, license or have such rights or (ii) for such infringements and conflicts which, in respect of both (i) and (ii) individually or in the aggregate, are not reasonably likely to have a Material Adverse Effect.

(aa) None of the Sunnova Entities has received an order from the Securities and Exchange Commission, any State securities commission or any foreign government or agency thereof preventing or suspending the issuance and offering of the Notes, and to the best knowledge of each Sunnova Entity, no such order has been issued and no proceedings for that purpose have been instituted.

(bb) None of the Sunnova Entities has engaged in any activity or conduct which would violate any applicable anti-bribery, anti-corruption or anti-money laundering laws, regulations or rules in any applicable jurisdiction and Sunnova Energy has instituted and maintains policies and procedures reasonably designed to prevent any such violation. None of the Sunnova Entities is a Person that is: (i) the subject of any economic or trade sanctions or restrictive measures enacted, administered, imposed or enforced by the U.S. government (including, without limitation, the U.S. Department of the Treasury, the Office of Foreign Assets Control, the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, Her Majesty's Treasury, the Swiss State Secretariat for Economic Affairs, the Monetary Authority of Singapore, the Hong Kong Monetary Authority, the European Union, or other relevant sanctions authority (collectively, "**Sanctions**") or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions broadly prohibiting dealings with such government, country, or territory (each, a "**Sanctioned Country**"), including Cuba, Iran, Crimea, North Korea, Sudan and Syria. Each Sunnova Entity will not and will cause each other Sunnova Entity not to, in violation of applicable Sanctions, directly or indirectly use the proceeds of the Notes, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) in or involving a Sanctioned Country or any country or territory which at the time of such funding is the subject of comprehensive country-wide or territory-wide Sanctions, other

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than Cuba or Iran, or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of applicable Sanctions. None of the Sunnova Entities nor any of their affiliates or subsidiaries have knowingly engaged in and are not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country in violation of applicable Sanctions. Each Sunnova Entity represents and covenants that, regardless of Sanctions, it will not, directly or indirectly, use the proceeds of the Notes, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other Person, to fund any activities of or business in or involving Cuba or Iran.

(cc) None of the Sunnova Entities or any of their affiliates has engaged or as of the Closing Date will have engaged, in any transaction, investment, undertaking or activity that conceals the identity, source or destination of the proceeds of any category of offenses designated in "The Forty Recommendations" published by the Financial Action Task Force on Money Laundering on June 20, 2003, or in violation of the laws or regulations of the United States, including, but not limited to, the Bank Secrecy Act (31 U.S.C. §§ 5311 et seq.), Title III of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act (Pub. L. 107-56), and the regulations promulgated under each of the foregoing, the Money Laundering Control Act of 1986 (18 U.S.C. §§ 1956 et seq.) or FINRA Conduct Rule 3011, or the anti-money laundering laws of any other jurisdiction, in each case as such laws and regulations may be applicable to the Sunnova Entities or, to the knowledge of such Sunnova Entity, any of their affiliates, all as amended, and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Sunnova Entities or, to the knowledge of such Sunnova Entity, any of their affiliates is or as of the Closing Date will be, as the case may be, in each case with respect to such money laundering laws, pending or, to the knowledge of the Sunnova Entities, threatened. Sunnova Energy represents that it has established an anti-money laundering program that is reasonably designed to ensure compliance with applicable U.S. laws, regulations, and guidance, including rules of self-regulatory organizations, relating to the prevention of money laundering, terrorist financing, and related financial crimes.

(dd) None of the Sunnova Entities is or as of the Closing Date will be, and, to the knowledge of such Sunnova Entity, no director, officer, agent, employee or affiliate of such Sunnova Entity is or as of the Closing Date will be, the target of any economic sanctions administered by the Office of Foreign Assets Control of the United States Department of the Treasury ("**OFAC**"); and no Sunnova Entity will, in violation of applicable Sanctions, use, directly or indirectly, any of the proceeds of the offering of the Notes contemplated hereby, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of conducting business in or with, engaging in any transaction in or with, or financing the activities of, any country, person, or entity that is the target of any U.S. economic sanctions administered by OFAC.

(ee) No Sunnova Entity is and as of the Closing Date will be, and, to the knowledge of such Sunnova Entity, no director, officer, agent, employee, partner, or affiliate of a

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Sunnova Entity is or as of the Closing Date will be, aware of any action, and no Sunnova Entity has taken and as of the Closing Date will have taken, as the case may be, and, to the knowledge of such Sunnova Entity, no director, officer, agent, employee, partner or affiliate of a Sunnova Entity has taken or as of the Closing Date will have (i) taken, as the case may be, any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977 ("**FCPA**") (15 U.S.C. § 78dd-1, et seq.) or any other applicable anti-bribery or anti-corruption laws, including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "foreign official" (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in each case in contravention of the FCPA or any other applicable anti-bribery or anti-corruption laws; (ii) used any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (iii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government or regulatory official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; or (iv) made, offered, agreed, requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including, without limitation, any unlawful rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Sunnova Entities and their affiliates have conducted their businesses in compliance with the FCPA and any other applicable anti-bribery or anti-corruption laws and Sunnova Energy has instituted, maintained and enforced, and will continue to maintain and enforce policies and procedures reasonably designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(ff) The Issuer and, prior to the formation of the Issuer, Sunnova Energy has complied and as of the Closing Date, the Issuer and Sunnova Energy will have complied with the representations, certifications and covenants made by Sunnova Energy to the Rating Agency in connection with the engagement of the Rating Agency to issue and monitor credit ratings on the Notes, including any representation provided to the Rating Agency by the Issuer or Sunnova Energy in connection with Rule 17g-5(a)(3)(iii) of the Exchange Act ("**Rule 17g-5**") except where non-compliance would not have a Material Adverse Effect. The Issuer and Sunnova Energy shall be solely responsible for compliance with Rule 17g-5 in connection with the issuance, monitoring and maintenance of the credit ratings on the Notes. Neither Initial Purchaser is responsible for compliance with any aspect of Rule 17g-5 in connection with the Notes.

(gg) None of the Sunnova Entities or their respective Affiliates has engaged or will engage any third-party due diligence service providers (each a "**Third-Party Due Diligence Provider**") to undertake "due diligence services" in connection with the issuance of the Notes (such services as defined in Rule 17g-10(d)(1) of the Exchange Act, "**Third-Party Due Diligence Services**") and none of the Sunnova Entities or their respective Affiliates has obtained or will obtain a "third-party due diligence report" in connection with the issuance of the Notes

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(such report as defined in Rule 15Ga-2(d) of the Exchange Act, a "**Third-Party Due Diligence Report**"), except as specifically set forth in Exhibit C hereto.

(hh) The Issuer, the Depositor or Sunnova Energy has provided any Form ABS-15G Due Diligence Report to the Initial Purchasers within a reasonable time prior to the furnishing or filing of such report, or any portion thereof, on the Securities and Exchange Commission's EDGAR website or its 17g-5 website, as applicable. All Third Party Due Diligence Reports are deemed to have been obtained by the Issuer, the Depositor or Sunnova Energy pursuant to Rules 15Ga-2(a) and 17g-10 under the Exchange Act, and all legal obligations with respect to Third-Party Due Diligence Reports have been timely complied with (including without limitation that each Form ABS-15G Due Diligence Report was furnished to the Securities and Exchange Commission at least five Business Days before the date hereof as required by Rule 15Ga-2(a) under the Exchange Act). No portion of any Form ABS-15G Due Diligence Report contains any names, addresses, other personal identifiers or zip codes with respect to any individuals, or any other personally identifiable or other information that would be associated with an individual, including without limitation any "nonpublic personal information" within the meaning of Title V of the Gramm-Leach-Bliley Financial Services Modernization Act of 1999.

(ii) Sunnova Energy is the "sponsor" (in such capacity, the "**Sponsor**") and the Depositor is a "majority-owned affiliate" of the Sponsor (in each case, as defined under Regulation RR of the Exchange Act (the "**Risk Retention Rules**")). The Depositor, as sole owner of the beneficial interests of the Issuer, holds an "eligible horizontal residual interest" (as defined in the Risk Retention Rules) equal to at least 5% of the fair value of all the "ABS interests" (as defined in the Risk Retention Rules) in the Issuer issued as part of the transactions contemplated by the Transaction Documents (the "**Retained Interest**"), determined as of the Closing Date using a fair value measurement framework under United States generally accepted accounting principles.

(jj) The Sponsor is in compliance with all the legal requirements imposed by the Risk Retention Rules on the sponsor of the transactions contemplated by the Transaction Documents.

(kk) The Sponsor has determined the fair value of the Retained Interest based on its own valuation methodology, inputs and assumptions.

(ll) No election has been, or will be, made or filed pursuant to which the Issuer is or will be classified as an association taxable as a corporation for U.S. federal income tax purposes.

(mm) Sunnova Energy is the "originator" for purposes of the EU Risk Retention, Due Diligence and Transparency Requirements and the Retained Interest will constitute a material net economic interest of not less than 5% of the nominal value (measured at the origination) of the securitized exposures in accordance with Article 6(3)(d) of the EU Securitization Regulation. Sunnova Energy is the "originator" for purposes of the UK Risk Retention, Due Diligence and Transparency Requirements and the Retained Interest will

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constitute a material net economic interest of not less than 5% of the nominal value (measured at the origination) of the securitized exposures in accordance with Article 6(3)(d) of the UK Securitization Regulation.

(nn) As of the date hereof and as of the Closing Date, the information included in any Beneficial Ownership Certification provided by any Sunnova Entity or any affiliate thereof to which the Beneficial Ownership Regulation is applicable with respect to the transactions undertaken pursuant to the Transaction Documents, is true and correct in all respects. A "**Beneficial Ownership Certification**" means a certification required by 31 C.F.R. § 1010.230 (the "**Beneficial Ownership Regulation**").

Section 3. Purchase, Sale and Delivery of the Notes.

(a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions set forth herein, the Issuer agrees to sell to the Initial Purchasers and the Initial Purchasers severally, and not jointly and severally, agree to purchase the Notes from the Issuer at the purchase prices and in an Initial Outstanding Note Balances, with respect to each Class of Notes, each as set forth opposite the name of the Initial Purchasers in Exhibit D attached hereto.

(b) The Issuer will deliver, against payment of the purchase price, the Notes to be offered and sold by the Initial Purchasers in reliance on Regulation S (the "**Regulation S Notes**") in the form of one or more temporary global notes in registered form without interest coupons (the "**Regulation S Global Notes**") which will be deposited with the Indenture Trustee, in its capacity as custodian, for The Depository Trust Company ("**DTC**") for the respective accounts of the DTC participants for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**"), and Clearstream Banking, société anonyme ("**Clearstream**") and registered in the name of Cede & Co., as nominee for DTC. The Issuer will deliver against payment of the purchase price of the Notes to be purchased by the Initial Purchasers hereunder and to be offered and sold by the Initial Purchasers in reliance on Rule 144A under the Securities Act (the "**144A Notes**") in the form of one or more permanent global securities in definitive form without interest coupons (the "**Rule 144A Global Notes**") deposited with the Indenture Trustee, in its capacity as custodian, for DTC and registered in the name of Cede & Co., as nominee for DTC. The Regulation S Global Notes and the Rule 144A Global Notes shall be assigned separate CUSIP numbers. The Rule 144A Global Notes shall include the legend regarding restrictions on transfer set forth under "TRANSFER RESTRICTIONS" in the Offering Circular. Until the termination of the distribution compliance period (as defined in Regulation S) with respect to the offering of the Notes, interests in the Regulation S Global Notes may only be held by the DTC participants for Euroclear and Clearstream. Interests in any permanent global notes will be held only in book-entry form through Euroclear, Clearstream or DTC, as the case may be, except in the limited circumstances permitted by the Indenture.

(c) Payment for the Notes shall be made by the Initial Purchasers in Federal (same day) funds by wire transfer to an account at a bank designated by the Issuer and approved by the Initial Purchasers on February 16, 2021 (or, at such time not later than seven full Business Days thereafter as the Initial Purchasers and the Issuer determine on or prior to such date, the

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"**Closing Date**") against delivery to the Indenture Trustee, in its capacity as custodian, for DTC of (i) the Regulation S Global Notes representing all of the Regulation S Notes for the respective accounts of the DTC participants for Euroclear and Clearstream and (ii) the Rule 144A Global Notes representing all of the 144A Notes. Copies of the Regulation S Global Notes and the Rule 144A Global Notes will be made available for inspection at the New York office of Kramer Levin Naftalis & Frankel LLP ("**Kramer Levin**") at least 24 hours prior to the Closing Date.

(d) Each of the Issuer, Sunnova Energy, the Depositor and the Initial Purchasers hereby acknowledges and agrees that, for all tax purposes, it is entering into this Agreement with the intention that the Notes will be characterized as indebtedness and shall treat the Notes as indebtedness, unless otherwise required by applicable law.

Section 4. Representations of the Initial Purchaser; Resales. Each Initial Purchaser severally, and not jointly and severally, represents, warrants and agrees that with respect to itself:

(a) It is a qualified institutional buyer and an institutional "accredited investor" (within the meaning of Rule 501(a)(1), (2), (3) or (7) of the Securities Act).

(b) The Notes have not been registered under the Securities Act or under applicable State securities laws or blue sky laws or under the laws of any other jurisdiction and the Notes may not be offered or sold within the United States or to or for the account or benefit of U.S. Persons (as defined in Regulation S under the Securities Act), except to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) in transactions meeting the requirements of Rule 144A and to non-U.S. persons in offshore transactions meeting the requirements of Regulation S that are, with respect to the Class B Notes only, "qualified institutional buyers" (as defined in Rule 144A under the Securities Act). Each Initial Purchaser severally, and not jointly and severally, represents and agrees that it has offered and sold the Notes, and will offer and sell the Notes (A) as part of its distribution at any time and (B) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, only in accordance with Rule 903 or Rule 144A and, in each case, in accordance with this Agreement and the Preliminary Offering Circular and the Offering Circular. Terms used in this subsection (b) shall have the meanings given to them in Regulation S.

(c) It and each of its affiliates will not offer or sell the Notes in the United States by means of any form of general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act, including, but not limited to (i) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, or (ii) any seminar or meeting whose attendees have been invited by any general solicitation or general advertising or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act.

(d) It has not obtained any Third-Party Due Diligence Report with respect to the Notes (it being understood that the Third-Party Due Diligence Reports set forth on Exhibit C have been obtained by a Sunnova Entity).

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(e) It has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Circular in relation thereto to any EEA Retail Investor in any member state of the European Economic Area ("**EEA**"). For the purposes of this provision:

(i) the expression "**EEA Retail Investor**" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**");

(b) a customer within the meaning of Directive (EU) 2016/97 on insurance distribution (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(c) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 (as amended and including any relevant implementing measure in any Relevant Member State, the "**EU Prospectus Regulation**"); and

(ii) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

(f) (i) It has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (as amended) (the "**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom (the "**UK**").

(g) In relation to each member state of the EEA which is subject to the EU Prospectus Regulation (each, a "**Relevant Member State**"), it has not made and will not make an offer of any Notes to the public in that Relevant Member State, other than: (A) to legal entities which are qualified investors as defined in the EU Prospectus Regulation; (B) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the Initial Purchasers or initial purchasers nominated by the Issuer for any such offer; or (C) in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation; provided, that, in the foregoing clause (C) no such offer of the Notes shall require the Issuer to publish a prospectus pursuant to Article 3(1) of the EU Prospectus Regulation. Each person who initially acquires any Notes or to whom any offer is made pursuant to the Preliminary Offering Circular and the Offering Circular will be deemed

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to have represented, warranted and agreed that such offer is made pursuant to one of the exemptions provided above.

For the purposes of this provision, the expression "an offer of any Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

(h) It has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Circular in relation thereto to any UK Retail Investor in the UK. For the purposes of this provision:

(i) the expression "**UK Retail Investor**" means a person who is one (or more) of the following:

(a) a retail client as defined in point (8) of Article 2 of Regulation (EU) 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the "**EUWA**");

(b) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or

(c) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA (as amended, the "**UK Prospectus Regulation**"); and

(ii) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

(i) It has not made and will not make an offer of any Notes to the public in the UK, other than: (A) to legal entities which are qualified investors as defined in Article 2 of the UK Prospectus Regulation; (B) to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Initial Purchasers or initial purchasers nominated by the Issuer for any such offer; or (C) in any other circumstances falling within Section 86 of the FSMA; provided, that, in the foregoing clause (C) no such offer of the Notes shall require the Issuer to publish a prospectus pursuant to Section 85 of the FSMA or to supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. Each person who initially acquires any Notes or to whom

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any offer is made pursuant to the Preliminary Offering Circular and the Offering Circular will be deemed to have represented, warranted and agreed that such offer is made pursuant to one of the exemptions provided above.

For the purposes of this provision, the expression "an offer of any Notes to the public" in relation to any Notes in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

Section 5. Certain Covenants of the Issuer and Sunnova Energy. The Issuer and Sunnova Energy each agree with the Initial Purchasers that:

(a) As promptly as practicable following the Time of Sale and not later than the second business day prior to the Closing Date, Sunnova Energy will prepare and deliver the Offering Circular to the Initial Purchasers. The Issuer will advise the Initial Purchasers promptly of any proposal to amend or supplement the Offering Document and will not effect such amendment or supplementation without the Initial Purchasers' consent, such consent not to be unreasonably withheld. If, at any time following delivery of any document comprising the Offering Document and prior to the completion of the resale of the Notes by the Initial Purchasers, any event occurs as a result of which such document as then amended or supplemented would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Issuer promptly will notify the Initial Purchasers of such event and promptly will prepare, at its own expense, an amendment or supplement which will correct such statement or omission. If, at any time following delivery of any document comprising the Offering Document and prior to the completion of the resale of the Notes by the Initial Purchasers, if, in the reasonable opinion of an Initial Purchaser, a change to the Offering Document is necessary to comply with law or regulations, the Issuer promptly will prepare, at its own expense, an amendment or supplement which will cause the Offering Document to comply with such laws or regulations. Neither the consent of an Initial Purchaser to, nor an Initial Purchaser's delivery to offerees or investors of, any such amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 6 hereof.

(b) The Issuer will furnish to the Initial Purchasers copies of each document comprising a part of the Offering Document as soon as available and in such quantities as an Initial Purchaser reasonably requests. Sunnova Energy will cause to be furnished to the Initial Purchasers on the Closing Date, the letters specified in Section 6(a) hereof. At any time the Notes are Outstanding, the Issuer will promptly furnish or cause to be furnished to the Initial Purchasers and, upon request of holders and prospective purchasers of the Notes, to such holders and prospective purchasers, copies of the information required to be delivered to holders and prospective purchasers of the Notes pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto) in order to permit compliance with Rule 144A in connection with resales by such holders of the Notes. The Issuer will pay the expenses of printing and distributing to the Initial Purchasers all such documents.

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(c) During the period of one year following the Closing Date, the Issuer will not, and will not permit any of its affiliates (as defined in Rule 144 under the Securities Act) to, resell any of the Notes that have been reacquired by any of them, except for sales in a transaction registered under the Securities Act or pursuant to any exemption under the Securities Act that results in such Securities not being "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act.

(d) So long as the Notes are outstanding, the Issuer will not conduct its business in a manner that will require it to be registered as an "investment company" under the Investment Company Act.

(e) The Issuer will pay all expenses incidental to the performance of its obligations under the Transaction Documents including (i) all expenses in connection with the execution, issue, authentication, packaging and initial delivery of the Notes, the preparation of the Transaction Documents and the printing of the Offering Document and amendments and supplements thereto, and any other document relating to the issuance, offer, sale and delivery of the Notes; (ii) any expenses (including reasonable fees and disbursements of counsel to the Initial Purchasers) incurred in connection with qualification of the Notes for sale under the laws of such jurisdictions in the United States as the Initial Purchasers designate and the printing of memoranda relating thereto; (iii) any fees due and payable to the Rating Agency for the ratings of the Notes; (iv) expenses incurred in distributing the Offering Document (including any amendments and supplements thereto) to the Initial Purchasers; and (v) all reasonable and documented out-of-pocket expenses of the Initial Purchasers (including any fees and disbursements of Kramer Levin, counsel to the Initial Purchasers, to the extent incurred); provided that the payment or reimbursement obligations described in this clause (e) in respect of Credit Suisse Securities (USA) LLC or its agents and advisors will be subject to any applicable limitations thereon set forth in the Engagement Letter or as otherwise may be separately agreed with such person).

(f) Until the Initial Purchasers shall have notified the Issuer of the completion of the resale of the Notes, neither the Issuer nor any of its affiliates has or will, either alone or with one or more other persons, bid for or purchase for any account in which it or any of its affiliates has a beneficial interest, any Notes, or attempt to induce any person to purchase any Notes; and neither the Issuer nor any of its affiliates will make bids or purchases for the purpose of creating actual, or apparent, active trading in, or of raising the price of, the Notes.

(g) Each of the Issuer and Sunnova Energy will comply with the representations, certifications and covenants made by it in the engagement letter with the Rating Agency, including any representation, certification or covenant provided by it to the Rating Agency in connection with Rule 17g-5, and will make accessible to any non-hired nationally recognized statistical rating organization all information provided by it to the Rating Agency in connection with the issuance and monitoring of the credit ratings on the Notes in accordance with Rule 17g-5.

(h) As of the respective dates of the Preliminary Offering Circular and the Offering Circular, the Sponsor complied with and was solely responsible for ensuring that the

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disclosure required by Rule 4(c)(1)(i) of the Risk Retention Rules was contained in the Preliminary Offering Circular and the Offering Circular and on and after the Closing Date, the Sponsor shall comply with and be solely responsible for compliance with the Risk Retention Rules, including, without limitation (1) complying with or causing the Servicer to comply with the post-closing disclosure requirements set forth in Rule 4(c)(ii) of the Risk Retention Rules, (2) complying with the records maintenance requirements set forth in Rule 4(d) of the Risk Retention Rules, and (3) complying and causing the compliance with the hedging, transfer and financing prohibitions set forth in Rule 12 of the Risk Retention Rules.

(i) Each Sunnova Entity agrees that it will promptly following any request therefor, provide information and documentation reasonably requested by an Initial Purchaser for purposes of compliance with applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the USA PATRIOT Act, and the regulations thereunder, and the Beneficial Ownership Regulation.

Section 6. Conditions of the Initial Purchaser's Obligation. The obligation of the Initial Purchasers to purchase and pay for the Notes on the Closing Date will be subject to the accuracy of the representations and warranties on the part of the Sunnova Entities herein, the accuracy of the statements of officers of the Sunnova Entities made pursuant to the provisions hereof, to the performance by each of the Sunnova Entities of its obligations hereunder and to the following additional conditions precedent:

(a) The Initial Purchasers shall have received a letter or letters of Ernst & Young LLP, in form and substance satisfactory to the Initial Purchasers, confirming that they are certified independent public accountants and stating in effect that they have performed certain specified procedures, all of which have been agreed to by the Initial Purchasers, as a result of which they determined that certain information of an accounting, financial, numerical or statistical nature, including, but not limited to, the numerical information contained under the heading "Credit Risk Retention", set forth in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular (including such documents that shall have been incorporated by reference therein) agrees with the accounting records of the Sunnova Entities, excluding any questions of legal interpretation.

(b) Subsequent to the execution and delivery of this Agreement, there shall not have occurred (i) a change in U.S. or international financial, political or economic conditions or currency exchange rates or exchange controls (including, but not limited to, any such adverse development as a result of the COVID-19 pandemic) as would, in the judgment of the Initial Purchasers, be likely to prejudice materially the success of the proposed issue, sale or distribution of the Notes, whether in the primary market or in respect of dealings in the secondary market, or (ii) (A) any change, or any development or event involving a prospective change, in the condition (financial or other), business, properties or results of operations of any Sunnova Entity or any of their affiliates (including, but not limited to, any such adverse development as a result of the COVID-19 pandemic), which, in the reasonable judgment of the Initial Purchasers, is material and adverse and makes it impractical or inadvisable to proceed with completion of the offering or the sale of and payment for the Notes; (B) any downgrading in

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the rating of any debt securities of any Sunnova Entities or any of their affiliates by any nationally recognized statistical rating organization, or any public announcement that any such organization has under surveillance or review its rating of any debt securities of any Sunnova Entity or any of their affiliates (other than an announcement with positive implications of a possible upgrading, and no implication of a possible downgrading, of such rating); (C) any suspension or limitation of trading in securities generally on the New York Stock Exchange or any setting of minimum prices for trading on such exchange, or any suspension of trading of any securities of any Sunnova Entity or any of their affiliates on any exchange or in the over-the-counter market; (D) any banking moratorium declared by U.S. Federal or New York authorities; (E) any material disruption of clearing or settlement services in the United States; or (F) any outbreak or escalation of major hostilities in which the United States is involved, any declaration of war by Congress or any other substantial national or international calamity or emergency if, in the judgment of the Initial Purchasers, the effect of any such outbreak, escalation, declaration, calamity or emergency makes it impractical or inadvisable to proceed with completion of the offering or sale of and payment for the Notes.

(c) The Notes shall have been duly authorized, executed, authenticated, delivered and issued, and each of the Transaction Documents shall have been duly authorized, executed and delivered by the respective parties thereto and shall be in full force and effect, and all conditions precedent contained in the Transaction Documents that are required to be satisfied on the Closing Date shall have been satisfied or waived.

(d) The Initial Purchasers shall have received from counsel to each party to the Transaction Documents (except for the Initial Purchasers and as otherwise provided), written opinions dated the Closing Date in form and substance satisfactory to the Initial Purchasers, covering such matters as the Initial Purchasers may reasonably request, subject to customary qualifications, including but not limited to the following:

(i) Corporate Opinions. An opinion in respect of each party to the Transaction Documents (except for the Initial Purchasers) that such party is validly existing and in good standing under the laws of its State of formation, with all requisite power and authority to own or hold its properties and conduct its business.

(ii) Legal, Valid, Binding and Enforceable. An opinion in respect of each party to the Transaction Documents (except for the Initial Purchasers) that each Transaction Document to which it is a party has been duly authorized, executed and delivered and constitutes the valid and legally binding obligations of such party, enforceable in accordance with its terms, subject to (i) bankruptcy, insolvency, reorganization, fraudulent transfer or conveyance, preference, moratorium, conservatorship and similar laws affecting creditors' rights and remedies generally, (ii) general equity principles and (iii) public policy, applicable law relating to fiduciary duties and indemnification and contribution, principles of materiality and reasonableness and implied covenants of good faith and fair dealing.

(iii) Notes. An opinion that the Notes are in the form contemplated by the Indenture and have been duly authorized by the Issuer and, when executed by the

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Issuer and authenticated by the Indenture Trustee in the manner provided in the Indenture and delivered to and paid for by the Initial Purchasers in accordance with this Agreement, (A) will constitute valid and legally binding obligations of the Issuer enforceable against the Issuer in accordance with their terms, subject to (i) bankruptcy, insolvency, reorganization, fraudulent transfer or conveyance, preference, moratorium, conservatorship and similar laws affecting creditors' rights and remedies generally, (ii) general equity principles and (iii) public policy, applicable law relating to fiduciary duties and indemnification and contribution, principles of materiality and reasonableness and implied covenants of good faith and fair dealing; and (B) will be entitled to the benefits of the Indenture.

(iv) No Consents Required. An opinion in respect of each party to the Transaction Documents (except for the Initial Purchasers) that in respect of such party, no consent, approval, license, authorization or validation of, or filing, recording or registration with, any U.S. federal or New York State governmental authority or regulatory body or court (collectively, "**Governmental Approvals**") is required to be obtained by such party as a condition to (A) the offering, issuance or sale by the Issuer of the Notes or (B) the execution, delivery and performance of the Transaction Documents by such party that is party thereto, except for (1) such Governmental Approvals as have been obtained, (2) the filing of the financing statements with the office of the Secretary of State of the State of Delaware and (3) such Governmental Approvals which (I) are of a routine or administrative nature, (II) are not customarily obtained or made prior to the consummation of transactions such as those contemplated by this Agreement and (III) are expected in the reasonable judgment of such party to be obtained or made in the ordinary course of business.

(v) Litigation. An opinion in respect of each party to the Transaction Documents, that in respect of such party, and other than as disclosed in the Offering Circular, there are no legal or governmental actions, suits or proceedings before any court or governmental agency or authority or arbitrator pending or threatened in writing against such party or any of their respective assets that, if determined adversely to such party or any of its subsidiaries, would individually or in the aggregate reasonably be expected to have a Material Adverse Effect, or would materially and adversely affect the ability of such party to perform its obligations under the Transaction Documents.

(vi) Non-Contravention. An opinion in respect of each party to the Transaction Documents (except for the Initial Purchasers) that in respect of such party the execution, delivery and performance of the Transaction Documents to which it is a party will not (A) violate the organizational documents of such party, (B) violate the DGCL, the Delaware LLC Act, the laws of the State of New York or applicable U.S. federal law, or (C) result in a breach or violation of any of the terms and provisions of, or constitute a default under, any material agreement or instrument to which such party or any such subsidiary is a party or by which such party or any such subsidiary is bound or to which any of the properties of such party or any such subsidiary is subject.

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(vii) Securities Laws. An opinion that it is not necessary in connection with (A) the issuance and sale of the Notes by the Issuer to the Initial Purchasers pursuant to this Agreement, or (B) the resale of the Notes by the Initial Purchasers, in each case in the manner contemplated by this Agreement, to register the Notes under the Securities Act or to qualify the Indenture under the Trust Indenture Act.

(viii) Investment Company Act. An opinion that the Issuer is not now and, immediately following the offering and sale of the Notes and the application of the proceeds from such sale as described in the Preliminary Offering Circular, the Time of Sale Information and the Offering Circular, will not be required to register as an "investment company", as such term is defined in the Investment Company Act.

(ix) Volcker Rule. An opinion that the Issuer is not a "covered fund" for purposes of the Volcker Rule, based on its current interpretations.

(x) Federal Income Tax. An opinion from Baker Botts L.L.P. ("**Baker Botts**") that, for U.S. federal income tax purposes, (A) when issued, the Class A Notes (other than any Notes beneficially owned on or after the Closing Date by Sunnova Energy or any of its affiliates) will be characterized as indebtedness, (B) when issued, the Class B Notes (other than any Notes beneficially owned on or after the Closing Date by Sunnova Energy or any of its affiliates) should be characterized as indebtedness and (C) the Issuer will not be classified as an association, a publicly traded partnership, or a taxable mortgage pool that is taxable as a corporation.

(xi) Bankruptcy. (A) An opinion to the effect that (x) each transfer of Conveyed Property by Sunnova Intermediate Holdings to Sunnova ABS Holdings V pursuant to the Contribution Agreement constitutes a "true contribution" or "true sale" of Conveyed Property by Sunnova Intermediate Holdings to Sunnova ABS Holdings V and, in the event that Sunnova Intermediate Holdings were to become a debtor in a case under the Bankruptcy Code, a court of competent jurisdiction would hold that the Conveyed Property and other assets contributed to Sunnova ABS Holdings V under the Contribution Agreement would not constitute property of Sunnova Intermediate Holdings' bankruptcy estate, (y) each transfer of Conveyed Property by Sunnova ABS Holdings V to the Depositor pursuant to the Contribution Agreement constitutes a "true contribution" or "true sale" of Conveyed Property by Sunnova ABS Holdings V to the Depositor and, in the event that Sunnova ABS Holdings V were to become a debtor in a case under the Bankruptcy Code, a court of competent jurisdiction would hold that the Conveyed Property and other assets contributed to the Depositor under the Contribution Agreement would not constitute property of Sunnova ABS Holdings V's bankruptcy estate and (z) each transfer of Conveyed Property by the Depositor to the Issuer pursuant to the Contribution Agreement constitutes a "true contribution" or "true sale" of Conveyed Property by the Depositor to the Issuer and, in the event that the Depositor were to become a debtor in a case under the Bankruptcy Code, a court of competent jurisdiction would hold that the Conveyed Property and other assets sold to the Issuer under the Contribution Agreement would not constitute property of the Depositor's

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bankruptcy estate, (B) an opinion to the effect that in the event that any of Sunnova Energy, Sunnova ABS Holdings V, Sunnova Intermediate Holdings, Sunnova Management or the Depositor were to become a debtor in a case under the Bankruptcy Code, a court of competent jurisdiction would not disregard the separate existence the Issuer and would not order the substantive consolidation of the assets and liabilities of (x) the Issuer on the one hand and (y) Sunnova Energy, Sunnova ABS Holdings V, Sunnova Intermediate Holdings, Sunnova Management or the Depositor on the other hand and (C) an opinion or opinions, covering such bankruptcy matters as the Initial Purchasers may reasonably request.

(xii) Security Interests. An opinion to the effect that (A) in the event that any transfer of Conveyed Property from Sunnova Intermediate Holdings to Sunnova ABS Holdings V shall be considered a loan secured by such Conveyed Property, the Contribution Agreement is effective to create in favor of Sunnova ABS Holdings V a security interest in the accounts, chattel paper, payment intangibles, promissory notes and equipment (as each such term is defined in the New York UCC) that are included in such Conveyed Property sold under the Contribution Agreement and Sunnova ABS Holdings V will have a perfected security interest in the Conveyed Property and other assets which may be perfected by filing, (B) in the event that any transfer of Conveyed Property from Sunnova ABS Holdings V to the Depositor shall be considered a loan secured by such Conveyed Property, the Contribution Agreement is effective to create in favor of the Depositor a security interest in the accounts, chattel paper, payment intangibles, promissory notes and equipment (as each such term is defined in the New York UCC) that are included in such Conveyed Property sold under the Contribution Agreement and the Depositor will have a perfected security interest such Conveyed Property and other assets which may be perfected by filing, (C) in the event that any transfer of Conveyed Property from the Depositor to the Issuer shall be considered a loan secured by such Conveyed Property, the Contribution Agreement is effective to create in favor of the Issuer a security interest in the accounts, chattel paper, payment intangibles, promissory notes and equipment (as each such term is defined in the New York UCC) that are included in such Conveyed Property sold under that agreement and the Issuer will have a perfected security interest in such Conveyed Property and other assets which may be perfected by filing, and (D) the Indenture is effective to create in favor of the Indenture Trustee for the benefit of the noteholders a security interest in the Trust Estate that is of a type in which a security interest may be created under Article 9 of the New York UCC and the Indenture Trustee will have a perfected security interest in the Trust Estate and other assets which may be perfected by filing.

(xiii) Electronic Chattel Paper. An opinion to the effect that (i) the Solar Loan Agreements related to the Solar Loans constitute "electronic chattel paper" as defined in Section 9-102(a)(31) of the UCC and (ii) upon execution of the Custodial Agreement and the Indenture, the Indenture Trustee acting through the Custodian will have a perfected security interest in the Solar Loan Agreements and the rest of the documents comprising the Custodian File for the Solar Loans by "control" pursuant to Section 9-105 of the UCC.

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(xiv) The statements in the Preliminary Offering Circular and the Offering Circular under the headings "The Issuer," "The Depositor," "Description of the Notes," "The Trust Estate," "The Solar Loans," "The Indenture," "The Manager, the Transition Manager and the Management Agreement," "The Servicer, the Backup Servicer and the Servicing Agreement," and "Transfer Restrictions," and the related summary sections in "Summary of Terms," insofar as they constitute a summary of the terms of the Notes, the Issuer Operating Agreement, the Contribution Agreement, the Management Agreement, the Servicing Agreement and the Indenture, are accurate in all material respects.

(xv) The statements in the Preliminary Offering Circular and the Offering Circular under the headings "Summary of Terms—Legal Considerations—Certain U.S. Federal Income Tax Considerations," "Summary of Terms—Legal Considerations—Certain ERISA Considerations," "Summary of Terms—Legal Considerations—Certain Investment Company Act and Volcker Rule Considerations," "Certain U.S. Federal Income Tax Considerations," "Considerations for ERISA and other U.S. Employee Benefit Plans" and "Certain Investment Company Act and Volcker Rule Considerations", insofar as they constitute statements of law or legal conclusions with respect thereto, are accurate in all material respects.

(e) (i) The Initial Purchasers shall have received a letter from Baker Botts that such counsel has no reason to believe the Preliminary Offering Circular and the Pricing Information (taken as a whole), as of the Time of Sale, and the Offering Circular as of its date or as of the Closing Date, includes or included any untrue statement of a material fact or omits or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, it being understood that such counsel will express no belief with respect to (a) the financial statements and schedules or other financial, statistical or accounting information contained or included therein or omitted therefrom or (b) the Collateral Data Information, the Road Show and the Form ABS-15G Due Diligence Report and any information contained or included or incorporated by reference therein or omitted therefrom.

(ii) The Initial Purchasers shall have received a letter from Kramer Levin that such counsel has no reason to believe the Preliminary Offering Circular and the Pricing Information (taken as a whole), as of the Time of Sale or as of the Closing Date, and the Offering Circular as of its date or as of the Closing Date, includes or included any untrue statement of a material fact or omits or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, it being understood that such counsel will express no belief with respect to (a) the financial statements and schedules or other financial, statistical or accounting data contained or included therein or omitted therefrom or (b) the Collateral Data Information, the Road Show and the Form ABS-15G Due Diligence Report and any information contained or included or incorporated by reference therein or omitted therefrom.

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(f) The Initial Purchasers shall have received from each party to the Transaction Documents such information, certificates and documents as the Initial Purchasers may reasonably have requested and all proceedings in connection with the transactions contemplated by this Agreement and all documents incident hereto shall be in all material respects reasonably satisfactory in form and substance to the Initial Purchasers.

(g) (A) The Notes shall have received the ratings set forth in the Offering Circular from KBRA, and (B) none of such ratings shall have been rescinded and no public announcement shall have been made by (x) KBRA that the rating of any Class of Notes has been placed under review or (y) a non-hired rating agency that it has issued an unsolicited lower rating on any Class of Notes.

(h) The Initial Purchasers shall have received copies of each Third Party Due Diligence Report. Each of the Sunnova Entities shall have timely complied with all requirements of Rule 15Ga-2 under the Exchange Act to the satisfaction of the Initial Purchasers.

(i) The Sponsor shall be in compliance with the legal requirements imposed by the Risk Retention Rules on the sponsor of the transactions contemplated by the Transaction Documents.

(j) The Initial Purchasers shall have received a letter from Sunnova Energy containing representations and warranties of Sunnova Energy regarding compliance with the EU Risk Retention, Due Diligence and Transparency Requirements and the UK Risk Retention, Due Diligence and Transparency Requirements.

(k) At least two business days prior to the date hereof, each Sunnova Entity and any affiliate thereof to which the Beneficial Ownership Regulation is applicable with respect to the transactions undertaken pursuant to the Transaction Documents, to the extent that any such entity qualifies as a "legal entity customer" under the Beneficial Ownership Regulation shall (i) deliver, or ensure that it has delivered, to each Initial Purchaser that so requests, a Beneficial Ownership Certification in relation to itself, or (ii) deliver to the Initial Purchasers an updated Beneficial Ownership Certification if any previously delivered Beneficial Ownership Certification ceases to be true and correct in all respects.

The Initial Purchasers may in their sole discretion waive compliance with any conditions to the obligations of the Initial Purchasers hereunder.

Section 7. Indemnification and Contribution.

(a) Each of the Issuer, the Depositor and Sunnova Energy, jointly and severally agrees (i) to indemnify and hold harmless the Initial Purchasers, their respective affiliates, directors, employees and officers and each person, if any, who controls an Initial Purchaser within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange

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Act, against any losses, claims, damages or liabilities, joint or several, to which an Initial Purchaser, affiliate, partner, director, employee, officer or controlling person may become subject, under the Securities Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any document comprising a part of the Offering Document, a Form ABS-15G Due Diligence Report, or any amendment or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and (ii) to reimburse the Initial Purchasers for any documented legal or other expenses reasonably incurred by an Initial Purchaser, affiliate, director, employee, officer or controlling person in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred, including but not limited to an Initial Purchaser's costs of defending itself against any claim or bringing any claim to enforce the indemnification or other obligations of a Sunnova Entity; provided, however, that none of the Sunnova Entities will be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement in or omission or alleged omission from any of such documents in reliance upon and in conformity with Initial Purchaser Information (as defined in subsection (b) below).

(b) The Initial Purchasers will severally, and not jointly and severally, indemnify and hold harmless the Sunnova Entities and each of their affiliates, directors, officers and employees, each person, if any, who controls the Issuer within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, against any losses, claims, damages or liabilities to which they or any of them may become subject, under the Securities Act or the Exchange Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in any document comprising a part of the Offering Document or any amendment or supplement thereto, or arise out of or are based upon the omission or the alleged omission to state therein a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Issuer by the Initial Purchasers specifically for use therein, and will reimburse any documented legal or other expenses reasonably incurred by the Sunnova Entities and such affiliate, director, officer, employee, agent or controlling person in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred, including but not limited to the costs of defending itself against any claim or bringing any claim to enforce the indemnification or other obligations of an Initial Purchaser, it being understood and agreed that the only such information furnished by the Initial Purchasers consists of the first sentence of the second paragraph and the second sentence of the second to last paragraph under the caption "PLAN OF DISTRIBUTION" in the Preliminary Offering Circular and the Offering Circular (collectively, the "**Initial Purchaser Information**"); provided, however, that the Initial Purchasers shall not be liable for any losses, claims, damages or

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liabilities arising out of or based upon the Issuer's failure to perform its obligations under Section 5(a) hereof.

(c) In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to either subsection (a) or (b), such person (the "**indemnified party**") promptly shall notify the person against whom such indemnity may be sought (the "**indemnifying party**") in writing and the indemnifying party, upon request of the indemnified party, shall retain counsel reasonably satisfactory to the indemnified party to represent the indemnified party and any others the indemnifying party may designate in such proceedings and shall pay the fees and disbursements of not more than one such counsel related to such proceeding; provided, however, that the failure of any indemnified party to provide such notice to the indemnifying party shall not relieve the indemnifying party of its obligations under this Section 7 unless such failure results in the forfeiture by the indemnifying party of substantial rights and defenses. In any such proceeding, any indemnified party shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless: (i) the indemnifying party and the indemnified party agree on the retention of such counsel at the indemnifying party's expense, (ii) the indemnifying party shall not have employed counsel reasonably satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action or (iii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood that the indemnifying party shall not, in respect of the legal expenses of any indemnified party in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one counsel (in addition to any local counsel) for all such indemnified parties and that all such fees and expenses shall be reimbursed promptly as they are incurred. Such counsel shall be designated in writing by Sunnova Energy, in the case of parties indemnified pursuant to subsection (a), and by the Initial Purchasers, in the case of parties indemnified pursuant to subsection (b). The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, such consent not to be unreasonably withheld, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to promptly indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement, compromise or consent to the entry of any judgment or otherwise seek to terminate any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity or contribution could have been sought hereunder by such indemnified party, unless such settlement, consent, compromise or termination (i) includes an unconditional written release, in form and substance reasonable satisfactory to the indemnified party, of such indemnified party from all liability on claims that are the subject matter of such proceeding and (ii) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of such indemnified party.

(d) If the indemnification provided for in this Section is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each

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indemnifying party shall contribute to the amount paid or payable by such indemnified party, as incurred, as a result of the expenses, losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Issuer, the Depositor and Sunnova Energy on the one hand and the Initial Purchasers on the other from the offering of the Notes or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Issuer, the Depositor and Sunnova Energy on the one hand and the Initial Purchasers on the other in connection with the statements or omissions which resulted in such expenses, losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Issuer, the Depositor and Sunnova Energy on the one hand and the Initial Purchasers on the other, in connection with the offering of the Notes, shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses other than any Initial Purchaser Compensation (as defined below)) received by the Issuer and the total discounts and commissions received by the Initial Purchasers (the "**Initial Purchaser Compensation**") bear to the aggregate initial offering prices of the Notes. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Issuer, the Depositor, Sunnova Energy, or the Initial Purchasers and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), no Initial Purchaser shall be required to contribute any amount in excess of the amount by which the total discounts and commission received by it exceed the amount of any damages that it otherwise has been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission.

(e) The obligations of the Issuer, the Depositor and Sunnova Energy under this Section shall be in addition to any liability which the Issuer, the Depositor or Sunnova Energy may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls an Initial Purchaser within the meaning of the Securities Act or the Exchange Act; and the obligations of each Initial Purchaser under this Section shall be in addition to any liability which such Initial Purchaser may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls the Issuer, the Depositor or Sunnova Energy within the meaning of the Securities Act or the Exchange Act.

Section 8. Default of Initial Purchasers. If any Initial Purchaser defaults in its obligations to purchase Notes hereunder and the aggregate principal amount of Notes that such defaulting Initial Purchaser agreed but failed to purchase does not exceed 10% of the total principal amount of Notes, the non-defaulting Initial Purchaser may make arrangements satisfactory to the Issuer for the purchase of such Notes by other persons, including any other Initial Purchaser, but if no such arrangements are made by the Closing Date, the non-defaulting

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Initial Purchaser shall be obligated to purchase the Notes that such defaulting Initial Purchaser agreed but failed to purchase. If any Initial Purchaser so defaults and the principal amount of Notes with respect to which such default occurs exceeds 10% of the total principal amount of Notes and arrangements satisfactory to the non-defaulting Initial Purchaser and the Issuer for the purchase of such Notes by other persons are not made within 36 hours after such default, this Agreement will terminate without liability on the part of any non-defaulting Initial Purchaser or the Issuer, except as provided in Section 9 hereof. As used in this Agreement, the term "Initial Purchaser" includes any person substituted for an Initial Purchaser under this Section 8. Nothing herein will relieve a defaulting Initial Purchaser from liability in respect of any default of such Initial Purchaser under this Agreement.

Section 9. Survival of Certain Representations and Obligations. The respective indemnities, agreements, representations, warranties and other statements of the Sunnova Entities or their respective officers and of the Initial Purchasers set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of the Initial Purchasers, the Sunnova Entities, or any of their respective representatives, officers or directors or any controlling person, and will survive delivery of and payment for the Notes. If for any reason the purchase of the Notes by an Initial Purchaser is not consummated, each of the Issuer, the Depositor and Sunnova Energy shall remain responsible for the expenses to be paid or reimbursed by it pursuant to Section 5 hereof (except in the event of a breach of this Agreement by the Initial Purchasers) and the respective obligations of the Issuer, the Depositor, Sunnova Energy and the Initial Purchasers pursuant to Section 7 hereof shall remain in effect.

Section 10. Severability Clause. Any part, provision, representation, or warranty of this Agreement which is prohibited or is held to be void or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.

Section 11. Notices. All communications hereunder will be in writing and, (a) if sent to the Initial Purchasers will be mailed or delivered to (i) Credit Suisse Securities (USA) LLC, Eleven Madison Avenue, New York, New York 10010, Attention: Structured Products Finance and/or (ii) Popular Securities LLC, 208 Ponce de Leon Avenue, Popular Center, Suite 1200, San Juan, Puerto Rico 00918, Attention: Marla Acosta; (b) if sent to the Issuer, will be mailed or delivered to it at 20 East Greenway Plaza, Suite 540, Houston, Texas 77046, Attention: Chief Executive Officer, with a copy (which shall not constitute notice) to Baker Botts L.L.P., 910 Louisiana St., Houston, Texas 77002, Attention: Travis Wofford and Martin Toulouse; (c) if sent to the Depositor, will be mailed or delivered to it at 20 East Greenway Plaza, Suite 540, Houston, Texas 77046, Attention: Chief Executive Officer, with a copy (which shall not constitute notice) to Baker Botts L.L.P., 910 Louisiana St., Houston, Texas 77002, Attention: Travis Wofford and Martin Toulouse; and (d) if sent to Sunnova Energy will be mailed or delivered to it at Sunnova Energy Corporation, 20 East Greenway Plaza, Suite 540, Houston, Texas 77046, Attention: Chief Executive Officer, with a copy (which shall not constitute notice) to Baker Botts L.L.P., 910 Louisiana St., Houston, Texas 77002, Attention: Travis Wofford and

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Martin Toulouse; or, as to each of the foregoing, at such other address, facsimile number or e-mail address as shall be designated by written notice to the other party.

Section 12. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the indemnified persons referred to in Section 7 hereof, and no other person will have any right or obligation hereunder, except that holders of the Notes shall be entitled to enforce the agreements for their benefit contained in the fourth sentence of Section 5(b) hereof against the Issuer as if such holders were parties thereto.

Section 13. Applicable Law. THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAW OTHER THAN SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK. The Issuer, the Depositor and Sunnova Energy hereby submit to the exclusive jurisdiction of the courts of the State of New York and the courts of the United States of America of the Southern District of New York in each case sitting in the Borough of Manhattan in The City of New York and the appellate courts from any thereof in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. Each party hereto waives, to the fullest extent permitted by requirements of law, any right it may have to a trial by jury in respect of any litigation directly or indirectly arising out of, under or in connection with this Agreement. Each party hereto (i) certifies that no representative agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing waiver and (ii) acknowledges that it and the other parties hereto have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 13.

Section 14. Integration, Amendment and Counterparts. This Agreement supersedes all prior or contemporaneous agreements and understandings relating to the subject matter hereof among the Initial Purchasers, Sunnova Energy, the Depositor and the Issuer. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated except by a writing signed by the party against whom enforcement of such change, waiver, discharge or termination is sought. This Agreement may be executed in multiple counterparts (including electronic PDF), each of which shall be an original and all of which taken together shall constitute but one and the same agreement. The parties agree to electronic contracting and signatures with respect to this Agreement. Delivery of an electronic signature to, or a signed copy of, this Agreement by facsimile, email or other electronic transmission (including, without limitation, Adobe “fill and sign” and DOCUSIGN) shall be fully binding on the parties to the same extent as the delivery of the signed originals and shall be admissible into evidence for all purposes. The words “execution,” “execute,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Electronic Signatures in Global and National Commerce Act of 2000, the New York State

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Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Notwithstanding the foregoing, if any party shall request manually signed counterpart signatures to this Agreement, each of the other parties hereby agrees to provide such manually signed signature pages as soon as commercially reasonable.

Section 15. No Petition. Prior to the date that is one year and one day after payment in full of the Notes, each party hereto agrees that it will not file any involuntary petition or otherwise institute, or join any other person in instituting, any bankruptcy, reorganization, arrangement, insolvency or liquidation proceeding or other proceeding under any federal or State bankruptcy or similar law against the Issuer.

Section 16. No Advisory or Fiduciary Responsibility. Each of the Issuer, Depositor and Sunnova Energy acknowledges and agrees that: (a) the purchase and sale of the Notes pursuant to this Agreement, including the determination of the offering prices of the Notes and any related discounts and commissions, is an arm's-length commercial transaction among the Sunnova Entities and the Initial Purchasers and each of the Sunnova Entities is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated by this Agreement; (b) in connection with the purchase and sale of the Notes, each Initial Purchaser is and has been acting solely as principal and is not the agent or fiduciary of any of the Sunnova Entities, or their respective affiliates, directors, officers, stockholders, creditors or employees or any other party; (c) no Initial Purchaser has assumed or will assume an advisory or fiduciary responsibility in favor of any of the Sunnova Entities with respect to any of the transactions contemplated hereby; (d) each Initial Purchaser and its affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Sunnova Entities and that no Initial Purchaser has any obligation to disclose any of such interests by virtue of any fiduciary or advisory relationship; (e) the Sunnova Entities shall each consult with their own advisors concerning the purchase and sale of the Notes and shall be responsible for making their own independent investigation and appraisal of the transaction contemplated hereby, and the Initial Purchasers shall not have any responsibility or liability to any Sunnova Entity with respect thereto; (f) no Initial Purchaser or its affiliates is providing or has provided legal, regulatory, tax, insurance or accounting advice in any jurisdiction; and (g) each of the Sunnova Entities waives, to the fullest extent permitted by law, any claims it may have against an Initial Purchaser for breach of fiduciary duty or alleged breach of fiduciary duty.

Section 17. Recognition of the U.S. Special Resolution Regimes.

(a) In the event that any Initial Purchaser that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Initial Purchaser that is a Covered Entity of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any interest and obligation in or under this Agreement, were governed by the laws of the United States or a state of the United States.

(b) In the event that any Initial Purchaser that is a Covered Entity or a BHC Act Affiliate of such Initial Purchaser that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, any Default Rights under this Agreement that may be

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exercised against such Initial Purchaser that is a Covered Entity are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

For the purposes of this Section 17, the following terms shall have the meaning ascribed to them below:

"**BHC Act Affiliate**" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"**Covered Entity**" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"**U.S. Special Resolution Regime**" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

[Signature Page Follows]

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If the foregoing is in accordance with your understanding of our agreement, please sign and return to the undersigned a counterpart hereof, whereupon this Note Purchase Agreement shall represent a binding agreement among the Issuer, the Depositor, Sunnova Energy, and the Initial Purchasers.

Very truly yours,

Sunnova Helios V Issuer, LLC, as Issuer

By: /s/ Robert L. Lane
Name: Robert L. Lane
Title: Executive Vice President,
Chief Financial Officer

Sunnova Helios V Depositor, LLC, as Depositor

By: /s/ Robert L. Lane
Name: Robert L. Lane
Title: Executive Vice President,
Chief Financial Officer

Sunnova Energy Corporation

By: /s/ Robert L. Lane
Name: Robert L. Lane
Title: Executive Vice President,
Chief Financial Officer

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The foregoing Note Purchase Agreement is hereby confirmed and accepted as of the date first above written.

Credit Suisse Securities (USA) LLC,
as Initial Purchaser

By: /s/ Spencer Hunsberger
Name: Spencer Hunsberger
Title: Managing Director/Authorized Signatory

Popular Securities LLC,
as Initial Purchaser

By: /s/ Marla M. Acosta
Name: Marla M. Acosta
Title:

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EXHIBIT A

Pricing Information

Class A Initial Outstanding Note Balance: $150,079,000
Class B Initial Outstanding Note Balance: $38,562,000

Class A Issue Price: 99.99886%
Class B Issue Price: 97.51251%

Class A Note Rate: 1.80%
Class B Note Rate: 3.15%

Class A Post-ARD Spread: [***]%
Class B Post-ARD Spread: [***]%

Class A CUSIP/ISIN: (144A) 86746EAA5 / US86746EAA55
(Reg S) U8677HAA2 / USU8677HAA24
Class B CUSIP/ISIN: (144A) 86746EAB3 / US86746EAB39
(Reg S) U8677HAB0 / USU8677HAB07

Pricing Date: February 8, 2021

Closing Date: February 16, 2021

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EXHIBIT B

Road Show

[see attached]

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EXHIBIT C

Third-Party Due Diligence Providers

1. Ernst & Young LLP

Third-Party Due Diligence Reports

1. Report of Independent Accountants on Applying Agreed Upon Procedures, dated January 28, 2021, obtained by the Depositor and Sunnova Energy and which sets forth the findings and conclusions, as applicable, of Ernst & Young LLP with respect to certain agreed-upon procedures performed by Ernst & Young LLP

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EXHIBIT D

Initial Purchaser	Class	Initial Note Balance	Purchase Price
Credit Suisse Securities (USA) LLC	A	$126,990,000	[***]%
Credit Suisse Securities (USA) LLC	B	$32,629,000	[***]%
Popular Securities LLC	A	$23,089,000	[***]%
Popular Securities LLC	B	$5,933,000	[***]%

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Exhibit 10.9.10

Execution Version

TENTH AMENDMENT AND WAIVER TO CREDIT AGREEMENT

THIS TENTH AMENDMENT AND WAIVER TO CREDIT AGREEMENT (this "Amendment") is made as of this 29th day of January, 2021, by and among SUNNOVA TEP HOLDINGS, LLC, a Delaware limited liability company (the "Borrower"), SUNNOVA TE MANAGEMENT, LLC, a Delaware limited liability company, in its capacity as Facility Administrator (the "Facility Administrator"), CREDIT SUISSE AG, NEW YORK BRANCH, in its capacity as Administrative Agent for the Lenders (the "Administrative Agent"), the Lenders and the Funding Agents representing a group of Lenders party to the Credit Agreement (defined below) (together with the Borrower, the Administrative Agent, the Lenders and the Facility Administrator, the "Parties"), and amends that certain Credit Agreement, dated as of September 6, 2019, as amended by that certain First Amendment to Credit Agreement, dated as of December 2, 2019, as further amended by that certain Consent and Second Amendment to Credit Agreement, dated as of December 31, 2019, as further amended by that certain Third Amendment to Credit Agreement, dated as of January 31, 2020, as further amended by that certain Fourth Amendment to Credit Agreement, dated as of February 28, 2020, as further amended by that certain Fifth Amendment to Credit Agreement, dated as of March 31, 2020, as further amended by that certain Omnibus Amendment, dated as of May 14, 2020, as further amended by that certain Seventh Amendment to Credit Agreement, dated as of June 26, 2020, as further amended by that certain Eighth Amendment to Credit Agreement, dated as of October 28, 2020, and as further amended by that certain Ninth Amendment to Credit Agreement dated as of November 9, 2020 (as may be further amended, modified, restated, supplemented or extended prior to the date hereof, the "Credit Agreement"), by and among the Borrower, the Facility Administrator, the Administrative Agent, the Lenders and the Funding Agents representing a group of Lenders party thereto, Wells Fargo Bank, National Association, in its capacity as Paying Agent, and U.S. Bank National Association, in its capacity as Verification Agent. Capitalized terms used herein have the meanings set forth in the Credit Agreement.

RECITALS

WHEREAS, the Parties hereto desire to amend the Credit Agreement and provide waivers to certain provisions therein in accordance with Section 10.2(A) thereof as set forth in Section 1 hereof.

NOW, THEREFORE, in consideration of the foregoing, the terms and conditions set forth in this Amendment, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Amendments to the Credit Agreement**. Subject to the satisfaction of the conditions set forth in Section 3:

(a) the Credit Agreement in effect immediately prior to the date hereof is hereby amended to delete the red, stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the blue, double underlined text (indicated in the same manner as the following example: underlined text) as set forth on Exhibit A hereto**;**

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(b) Exhibit G to the Credit Agreement (*Form of Solar Service Agreement*) is hereby replaced in its entirety with Exhibit B attached hereto; and

(c) Exhibit J to the Credit Agreement (*Form of Underwriting and Reassignment Credit Policy*) is hereby replaced in its entirety with Exhibit C attached hereto.

2. **Waivers to the Credit Agreement**. The Borrower and SAP have notified the Administrative Agent that Events of Default of the types described in Sections 6.1(A), (B) and (I) of the Credit Agreement have occurred as a result of the Borrower and SAP directing Host Customers in respect of Solar Assets owned by SAP to remit Host Customer Payments to an account other than the SAP Revenue Account (the "Specified Defaults"). The Administrative Agent and the Lenders have agreed to waive the Specified Defaults, subject to, the terms and conditions set forth in this Section 2.

(i) Upon satisfaction of the conditions set forth in Section 3 and subject to the limitations set forth in this Section 2, the Administrative Agent and the Lenders hereby waive the Specified Defaults.

(ii) The waiver set forth in clause (i) above is limited to those items specifically referenced therein and shall be limited precisely as written in this Amendment. Except as specifically set forth in clause (i) above, nothing contained in this Amendment or any other communication between the Administrative Agent, the Lenders, the Borrower or any Affiliate of the Borrower shall be a waiver of any past, present or future violation, Default or Event of Default under the Credit Agreement or any Transaction Document, other than the Specified Defaults. The Administrative Agent and the Lenders hereby expressly reserve any rights, privileges and remedies under the Credit Agreement and each Transaction Document that the Administrative Agent and the Lenders may have with respect to any violation, Default or Event of Default (other than the Specified Defaults), and any failure by the Administrative Agent or a Lender to exercise any right, privilege or remedy as a result of any such violation, Default or Event of Default shall not directly or indirectly in any way whatsoever either (x) impair, prejudice or otherwise adversely affect the rights of the Administrative Agent or a Lender, except as and to the extent set forth herein, at any time to exercise any right, privilege or remedy in connection with the Credit Agreement or any Transaction Document or (y) amend or alter any provision of the Credit Agreement or any Transaction Document or any other contract or instrument. Nothing in this Amendment shall be construed to be a consent by Administrative Agent or any Lender to any prior, existing or future violations of the Credit Agreement or any Transaction Document.

(iii) This Amendment does not establish a course of conduct between any of the Borrower or any of its Affiliates on the one hand and any of the Administrative Agent or the Lenders on the other hand and the Borrower (on behalf of itself and its Affiliates), the Administrative Agent and the Lenders agree that the Administrative Agent and the Lenders are not obligated to waive compliance with the Credit Agreement or any other

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Transaction Document in the future or consent to other modifications to the Credit Agreement or any other Transaction Document.

(iv) The Borrower is hereby notified that irrespective of (A) any waivers previously granted by the Administrative Agent or the Lenders regarding the Credit Agreement or any other Transaction Document, (B) any previous failures or delays of the Administrative Agent or the Lenders in exercising any right, power or privilege under the Credit Agreement or any other Transaction Document, or (C) any previous failures or delays of the Administrative Agent or the Lenders in the monitoring or in the requiring of compliance by the Borrower or its Affiliates with their respective duties, obligations, and agreements in the Credit Agreement and the other Transaction Documents to which each such Person is a party, the Borrower and its Affiliates will be expected to comply strictly with their respective duties, obligations and agreements under the Credit Agreement and the other Transaction Documents to which each such person is a party.

3. **Conditions Precedent to Amendment**. The effectiveness of this Amendment shall be the date on which the following conditions precedent have been satisfied (as determined by the Administrative Agent):

(i) *Amendment Documents*. The Administrative Agent shall have received a copy of this Amendment duly executed by the parties hereto.

(ii) *SAP Lockbox Account Control Agreement*. The Administrative Agent shall have received a copy of the Deposit Account Control Agreement, by and among Texas Capital Bank, N.A., SAP and the Administrative Agent, covering account number [***], in form and substance satisfactory to the Administrative Agent, duly executed by the parties thereto.

(iii) *Representations and Warranties*. All of the representations and warranties of the Borrower and the Facility Administrator contained in this Amendment shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality, in which case such representations and warranties shall be true and correct in all respects) as of the date hereof (or such earlier date or period specifically stated in such representation or warranty).

(iv) *Legal Opinions*. The Administrative Agent and the Lenders shall have received customary opinions from counsel to the Borrower and the Facility Administrator addressing authorization and enforceability of this Amendment and the documents executed in connection therewith and other corporate matters, including the Administrative Agent's perfected security interest in the account referenced in clause (ii).

(v) *Other Documents*. The Borrower shall have provided the Administrative Agent with all other documents reasonably requested by the Administrative Agent.

4. **Representations and Warranties**. Each of the Borrower and the Facility Administrator represents and warrants as of the date of this Amendment as follows:

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(i) this Amendment has been duly and validly executed and delivered by such party and constitutes its valid and binding obligation, legally enforceable against such party in accordance with its terms, except as enforceability may be limited by applicable insolvency laws and general principles of equity (whether considered in a proceeding at law or in equity);

(ii) the execution, delivery and performance by it of this Amendment are within its powers, and do not conflict with, and will not result in a violation of, or constitute or give rise to an event of default under (a) any of its organizational documents, (b) any agreement or other instrument which may be binding upon it, or (c) any law, governmental regulation, court decree or order applicable to it or its properties, except, in each case, where such conflict, violation or event of default could not reasonably be expected to result in a Material Adverse Effect;

(iii) it has all powers and all governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted except where the failure to obtain such licenses, authorizations, consents and approvals would not result in a Material Adverse Effect; and

(iv) the representations and warranties of such party set forth in the Transaction Documents to which it is a party are true and correct in all material respects (except to the extent there are already materiality qualifiers therein) as of the date hereof.

Each of the Borrower and the Facility Administrator represents and warrants that (i) immediately prior to this Amendment, no Potential Default, Event of Default, Potential Amortization Event or Amortization Event has occurred and is continuing and (ii) no Potential Default, Event of Default, Potential Amortization Event or Amortization Event will occur as a result of the execution of this Amendment.

5. **Effect of Amendment; No Novation**. This Amendment shall not in any manner constitute or be construed to constitute a novation, discharge, forgiveness, extinguishment or release of any obligation under the Credit Agreement or the other Transaction Documents or to keep and perform any of the terms, conditions, agreements contained in therein. Except as expressly amended and modified by this Amendment, all provisions of the Credit Agreement shall remain in full force and effect and each reference to the Credit Agreement and words of similar import in the Transaction Documents shall be a reference to the Credit Agreement as amended hereby and as the same may be further amended, supplemented and otherwise modified and in effect from time to time. This Amendment shall not be deemed to expressly or impliedly waive, amend or supplement any provision of the Credit Agreement other than as set forth herein. This Amendment is a Transaction Document.

6. **No Release; Ratification of Related Documents; Binding Effect**. Nothing contained herein and nothing done pursuant hereto shall affect or be construed to affect or to release the liability of any party or parties whomsoever who may now or hereafter be liable under or on account of the Indebtedness under the Credit Agreement and the other Transaction Documents. Except as expressly provided herein, (i) nothing herein shall limit in any way the

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rights and remedies of the Secured Parties under the Credit Agreement and the other Transaction Documents, and (ii) the terms and conditions of the Credit Agreement and the other Transaction Documents remain in full force and effect and are hereby ratified and affirmed. The Borrower hereby ratifies and affirms all of its promises, covenants and obligations to promptly and properly pay any and all sums due under the Credit Agreement and the other Transaction Documents, as amended by this Amendment and to promptly and properly perform and comply with any and all of its obligations, duties and agreements pursuant thereto, as modified hereby or in connection herewith. This Amendment shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

7. **Entire Agreement; Effectiveness**. This Amendment constitutes the entire agreement among the Parties with respect to the matters dealt with herein. All previous documents, undertakings and agreements, whether verbal, written or otherwise, among the Parties with respect to the subject matter of this Amendment, are hereby cancelled and superseded and shall not affect or modify any of the terms or obligations set forth in this Amendment. Upon the execution of this Amendment, this Amendment shall be binding upon and inure to the benefit of the Parties.

8. **Severability**. Any provision hereof which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and without affecting the validity or enforceability of any provision in any other jurisdiction.

9. **Incorporation By Reference**. Sections 10.9 (Governing Law), 10.10 (Jurisdiction), 10.11 (Waiver of Jury Trial), 10.20 (Non-Petition) and 10.21 (Non-Recourse) of the Credit Agreement hereby are incorporated by reference as if fully set forth in this Amendment *mutatis mutandis*.

10. **Counterparts**. This Amendment may be executed in any number of counterparts and by different Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Amendment by facsimile or by e-mail in portable document format (.pdf) shall be effective as delivery of a manually executed counterpart of this Amendment.

[Signature Pages Follow]

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In Witness Whereof, the Parties hereto have caused this Amendment to be executed by their respective officers thereunto duly authorized, as of the date first above written above**.**

Sunnova TEP Holdings, LLC, as Borrower

By: /s/ Walter A. Baker
Name: Walter A. Baker
Title: Executive Vice President,
General Counsel and Secretary

Sunnova TE Management, LLC, as Facility Administrator

By: /s/ Walter A. Baker
Name: Walter A. Baker
Title: Executive Vice President,
General Counsel and Secretary

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Credit Suisse AG, New York Branch,
as Administrative Agent and as a Funding Agent

By: /s/ Erin McCutcheon
Name: Erin McCutcheon
Title: Director

By: /s/ Patrick Duggan
Name: Patrick Duggan
Title: Vice President

Credit Suisse AG, Cayman Islands Branch,
as a Lender

By: /s/ Erin McCutcheon
Name: Erin McCutcheon
Title: Authorized Signatory

By: /s/ Patrick Duggan
Name: Patrick Duggan
Title: Authorized Signatory

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Alpine Securitization LTD., as a Conduit Lender

By: Credit Suisse AG, New York Branch, as attorney-in-fact

By: /s/ Erin McCutcheon
Name: Erin McCutcheon
Title: Director

By: /s/ Patrick Duggan
Name: Patrick Duggan
Title: Vice President

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LibreMax Opportunistic Value Master Fund, LP, as a Funding Agent and as a Lender

By: LibreMax GP, LLC, its general partner

By: LibreMax Parent GP, LLC, its managing member

By: /s/ Frank Bruttomesso
Name: Frank Bruttomesso
Title: General Counsel

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Wells Fargo Bank, National Association,
not in its individual capacity but solely as Paying Agent

By: /s/ Jennifer C. Westberg_____
Name: Jennifer C. Westberg
Title: Vice President

[*Signature Page to Sunnova TEP IV Warehouse Credit Agreement Tenth Amendment*]

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Exhibit A

[See attached]

[Exhibit A]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit B

[On file with the Administrative Agent]

[Exhibit B]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit C

[See attached]

[Exhibit C]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Credit Agreement

dated as of September 6, 2019

among

Sunnova TEP Holdings, LLC,

as Borrower

Sunnova TE Management, LLC,

as Facility Administrator

Credit Suisse AG, New York Branch,

as Administrative Agent for the financial institutions
that may from time to time become parties hereto as Lenders

Lenders

from time to time party hereto

Funding Agents

from time to time party hereto

Wells Fargo Bank, National Association,

as Paying Agent

and

U.S. Bank National Association,

as Verification Agent

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

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Credit Agreement

This Credit Agreement (this "*Agreement*") is entered into as of September 6, 2019, by and among Sunnova TEP Holdings, LLC, a Delaware limited liability company (the "*Borrower*"), Sunnova TE Management, LLC, a Delaware limited liability company, as Facility Administrator (in such capacity, the "*Facility Administrator*"), the financial institutions from time to time parties hereto (each such financial institution (including any Conduit Lender), a "*Lender*" and collectively, the "*Lenders*"), each Funding Agent representing a group of Lenders, Credit Suisse AG, New York Branch ("*CSNY*"), as administrative agent (in such capacity, the "*Administrative Agent*") for the Lenders, Wells Fargo Bank, National Association, not in its individual capacity, but solely as Paying Agent (as defined below), and U.S. Bank National Association, as Verification Agent (as defined below).

Recitals

Whereas, the Borrower has requested that the Lenders provide loans to Borrower in connection with its ownership interest in the Solar Asset Owner Member Interests; and

Whereas, the Lenders are willing to provide such loans upon the terms and subject to the conditions set forth herein.

Now, Therefore, in consideration of the premises and the mutual agreements contained herein, the parties hereto agree as follows:

Article I

Certain Definitions

Section 1.1. Certain Definitions. Capitalized terms used but not otherwise defined herein have the meanings given to them in Exhibit A attached hereto.

Section 1.2. Computation of Time Periods. In this Agreement, in the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including," the words "to" and "until" each means "to but excluding" and the word "through" means "through and including." Any references to completing an action on a non-Business Day (including any payments), shall be automatically extended to the next Business Day

Section 1.3. Construction. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, (A) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, restated, supplemented or

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otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth therein), (B) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns, (C) the words "herein," "hereof" and "hereunder," and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (D) all references herein to Sections, Schedules and Exhibits shall be construed to refer to Sections of, and Schedules and Exhibits to, this Agreement, (E) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all real property, tangible and intangible assets and properties, including cash, securities, accounts and contract rights, and interests in any of the foregoing, (F) any reference to a statute, rule or regulation is to that statute, rule or regulation as now enacted or as the same may from time to time be amended, re-enacted or expressly replaced and (G) "or" is not exclusive. References to "Managing Member" in this Agreement shall be deemed to include all entities comprising such defined term unless the context requires otherwise. "References to "Manager" in this Agreement shall be deemed to include all entities comprising such defined term unless the context requires otherwise.

Section 1.4. Accounting Terms. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the audited financial statements, except as otherwise specifically prescribed herein.

Article II

Amounts and Terms of the Advances

Section 2.1. Establishment of the Credit Facility. On the Closing Date, and subject to and upon the terms and conditions set forth in this Agreement and the other Transaction Documents, the Administrative Agent and the Lenders agreed to establish the credit facility set forth in this Agreement for the benefit of the Borrower.

Section 2.2. The Advances. (A) Subject to the terms and conditions set forth herein, each Non-Conduit Lender in a Class A Lender Group agrees, severally and not jointly, to make one or more loans (each such loan, a "*Class A Advance*") to the Borrower, from time to time during the Availability Period, in an amount, for each Class A Lender Group, equal to its Class A Lender Group Percentage of the aggregate Class A Advances requested by the Borrower pursuant to Section 2.4; *provided* that the Class A Advances made by any Class A Lender Group shall not exceed its Class A Lender Group Percentage of the lesser of (i) the Class A Aggregate Commitment effective at such time and (ii) the Class A Borrowing Base at such time; *provided*, *further*, that a Non-Conduit Lender in a Class A Lender Group shall be deemed to have satisfied its obligation to make a Class A Advance hereunder (solely with respect to such Class A Advance) to the extent any Conduit Lender in such Lender Group funds such Class A Advance in place of such Non-Conduit Lender in accordance with this Agreement, it being understood that such Conduit Lender may fund a Class A Advance in its sole discretion.

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(B) Subject to the terms and conditions set forth herein, each Non-Conduit Lender in a Class B-I Lender Group agrees, severally and not jointly, to make one or more loans (each such loan, a "*Class B-I Advance*") to the Borrower, from time to time during the Availability Period, in an amount, for each Class B-I Lender Group, equal to its Class B-I Lender Group Percentage of the aggregate Class B-I Advances requested by the Borrower pursuant to Section 2.4; *provided* that the Class B-I Advances made by any Class B-I Lender Group shall not exceed its Class B-I Lender Group Percentage of the lesser of (i) the Class B-I Aggregate Commitment effective at such time and (ii) the Class B-I Borrowing Base at such time; *provided*, *further*, that a Non-Conduit Lender in a Class B-I Lender Group shall be deemed to have satisfied its obligation to make a Class B-I Advance hereunder (solely with respect to such Class B-I Advance) to the extent any Conduit Lender in such Lender Group funds such Class B-I Advance in place of such Non-Conduit Lender in accordance with this Agreement, it being understood that such Conduit Lender may fund a Class B-I Advance in its sole discretion.

(C) Subject to the terms and conditions set forth herein (including the limitations set forth in Section 2.4(B)) each Non-Conduit Lender in a Class B-II Lender Group agrees, severally and not jointly, to make one or more loans (each such loan, a "*Class B-II Advance*") to the Borrower, from time to time during the Availability Period, in an amount, for each Class B-II Lender Group, equal to its Class B-II Lender Group Percentage of the aggregate Class B-II Advances requested by the Borrower pursuant to Section 2.4; *provided*, that the Class B-II Advances made by any Class B-II Lender Group shall not exceed its Class B-II Lender Group Percentage of the lesser of (i) the Class B-II Aggregate Commitment effective at such time and (ii) the Class B-II Borrowing Base at such time; *provided*, *further*, that a Non-Conduit Lender in a Class B-II Lender Group shall be deemed to have satisfied its obligation to make a Class B-II Advance hereunder (solely with respect to such Class B-II Advance) to the extent any Conduit Lender in such Lender Group funds such Class B-II Advance in place of such Non-Conduit Lender in accordance with this Agreement, it being understood that such Conduit Lender may fund a Class B-II Advance in its sole discretion.

Section 2.3. Use of Proceeds. Proceeds of the Advances shall only be used by the Borrower to (i) purchase Solar Assets and/or Solar Asset Owner Member Interests from the Seller under the Sale and Contribution Agreement, (ii) make deposits into the Liquidity Reserve Account (up to the Liquidity Reserve Account Required Balance), (iii) make deposits into the Supplemental Reserve Account (up to the Supplemental Reserve Account Required Balance), (iv) make distributions to the Parent and (v) pay certain fees and expenses incurred in connection with establishment of the credit facility set forth in this Agreement.

Section 2.4. Making the Advances. (A) Except as otherwise provided herein, the Borrower may request that the Lenders make Advances to the Borrower by the delivery to the Administrative Agent, each Funding Agent, the Paying Agent and, so long as it remains a Lender hereunder, the CS Conduit Lender, not later than 1:00 P.M. (New York City time) two (2) Business Days prior to the proposed Funding Date of a written notice of such request substantially in the form of Exhibit B-2 attached hereto (each such notice, a "*Notice of Borrowing*") together with a duly completed Borrowing Base Certificate signed by a Responsible Officer of the Borrower. Any Notice of Borrowing or Borrowing Base Certificate received by the Administrative Agent, the Funding Agents and the Paying Agent after the time specified in the immediately

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preceding sentence shall be deemed to have been received by the Administrative Agent, the Funding Agents and the Paying Agent on the next Business Day, and to the extent that results in the proposed Funding Date being earlier than two (2) Business Days after the date of delivery of such Notice of Borrowing, then the date specified in such Notice of Borrowing as the proposed Funding Date of an Advance shall be deemed to be the Business Day immediately succeeding the proposed Funding Date of such Advance specified in such Notice of Borrowing. The proposed Funding Date specified in a Notice of Borrowing shall be no earlier than two (2) Business Days after the date of delivery of such Notice of Borrowing and may be up to a maximum of thirty (30) days after the date of delivery of such Notice of Borrowing. Unless otherwise provided herein, each Notice of Borrowing shall be irrevocable. The aggregate principal amount of the Class A Advance and Class B Advance requested by the Borrower for any Funding Date shall not be less than the lesser of (x) $1,000,000 and (y) the remaining amount necessary in order for the Borrower to fully utilize all available Commitments. If the Administrative Agent delivers a written notice (including by electronic mail) to the Borrower contesting the Borrower's calculations or any statement within such Notice of Borrowing, it shall promptly inform the Borrower. The Borrower may then deliver an amended Notice of Borrowing to the Administrative Agent, the Funding Agents and the Paying Agent or, by written notice, rescind the Notice of Borrowing.

(B) The Notice of Borrowing shall specify (i) the aggregate amount of Class A Advances requested together with the allocated amount of Class A Advances to be paid by each Class A Lender Group based on its respective Class A Lender Group Percentage, (ii) (a) the aggregate amount of Class B-I Advances requested together with the allocated amount of Class B-I Advances to be paid by each Class B-I Lender Group based on its respective Class B-I Lender Group Percentage, or (b) the aggregate amount of Class B-II Advances requested together with the allocated amount of Class B-II Advances to be paid by each Class B-II Lender Group based on its respective Class B-II Lender Group Percentage and (iii) the Funding Date. The amount of Class A Advances to Class B Advances requested shall be determined on a pro rata basis based on the Class A Borrowing Base and Class B Aggregate Borrowing Base as of the proposed Funding Date. With respect to any Class B Advances requested, the Borrower shall only request and is only permitted to request Class B-II Advances if the amount of outstanding Class B-I Advances is equal to the Class B-I Commitment. Each Funding Agent may, in its sole discretion, allocate any requested Advances among the Lenders in its Lender Group.

(C) With respect to the Advances to be made on the Closing Date, each Lender shall pay the amount of its Advance by wire transfer of such funds to the Borrower's Account no later than 4:00 P.M. (New York City time) on the Closing Date.

(D) With respect to the Advances to be made on any Funding Date, other than the initial Advance to be made on the Closing Date, upon a determination by the Administrative Agent that all conditions precedent to the Advances to be made on such Funding Date set forth in Article III have been satisfied or otherwise waived, each Lender shall fund the amount of its Advance by wire transfer of such funds in accordance with the Borrower's written instructions initiated no later than 2:00 P.M. (New York City time) on such Funding Date.

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(E) Notwithstanding the foregoing, if any Non-Conduit Lender who shall have previously notified the Borrower in writing, in substantially the form of Exhibit H hereto, that it has incurred any external cost, fee or expense directly related to and as a result of the "liquidity coverage ratio" under Basel III in respect of its Commitment hereunder or any liquidity agreement between such Non-Conduit Lender and the Conduit Lender, or its interest in the Advances, such Non-Conduit Lender may, upon receipt of a Notice of Borrowing pursuant to Section 2.4(A), notify the Borrower in writing by 5:00 P.M. (New York City time) two (2) Business Days prior to the Funding Date specified in such Notice of Borrowing, in substantially the form of Exhibit I hereto (a "*Delayed Funding Notice*"), of its intent to fund (or, if applicable and if such Conduit Lender so agrees in its sole discretion, have its Conduit Lender, if applicable, fund all or part of) its allocated amount of the related Advance in an amount that would, if combined with all other requested Advances within the past thirty-five (35) days, exceed $20,000,000 (such amount, the "*Delayed Amount*") on a Business Day that is on or before the thirty-fifth (35th) day following the date of delivery of such Non-Conduit Lender of such Delayed Funding Notice (the "*Delayed Funding Date*") rather than on the date specified in such Notice of Borrowing. If any Non-Conduit Lender provides a Delayed Funding Notice to the Borrower following the delivery by the Borrower of a Notice of Borrowing, the Borrower may revoke such Notice of Borrowing by delivering written notice of the same to the Administrative Agent and the Funding Agents by 12:00 P.M. (New York city time) on the Business Day preceding the related Funding Date. No Non-Conduit Lender that has provided a Delayed Funding Notice in respect of an Advance (a "*Delayed Funding Lender*") shall be considered to be in default of its obligation to fund its Delayed Amount pursuant to Section 2.4(D) hereunder unless and until it has failed to fund the Delayed Amount on or before the Delayed Funding Date. A Delayed Funding Lender is not obliged to fund until thirty-five (35) days have elapsed since the funding request. For the avoidance of doubt, a Delayed Funding Lender shall be required to fund its Delayed Amount regardless of the occurrence of an Amortization Event, Event of Default, Potential Amortization Event or Potential Default which occurs during the period from and including the related Funding Date to and including the related Delayed Funding Date, unless such Amortization Event, Event of Default, Potential Amortization Event or Potential Default relates to an Insolvency Event with respect to the Borrower.

(F) If (i) one or more Delayed Funding Lenders provide a Delayed Funding Notice to the Borrower in respect of a Notice of Borrowing and (ii) the Borrower shall not have revoked the Notice of Borrowing prior to the Business Day preceding such Funding Date, the Administrative Agent shall, by no later than 12:00 P.M. (New York City time) on the Business Day preceding such Funding Date, direct each Lender Group and each Non-Conduit Lender that is not a Delayed Funding Lender with respect to such Funding Date (each a "*Non-Delayed Funding Lender*") to fund an additional portion of such Advance on such Funding Date equal to such Non-Delayed Funding Lender's proportionate share (based upon such Non-Delayed Funding Lender's Commitment relative to the sum of the Commitments of all Non-Delayed Funding Lenders) of the aggregate Delayed Amounts with respect to such Funding Date; *provided,* that in no event shall a Non-Delayed Funding Lender be required to fund any amounts in excess of its Commitment. Subject to Section 2.4(D), in the case of a Non-Delayed Funding Lender that is a Non-Conduit Lender, such Non-Conduit Lender hereby agrees, or, in the case of a Non-Delayed Funding Lender that is a Lender Group, the Conduit Lender in such Lender Group may agree, in its sole discretion, and the Non-Conduit Lenders in such Lender Group hereby agree, to fund such portion of the Advance on such Funding Date.

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(G) After the Non-Delayed Funding Lenders fund a Delayed Amount on any Funding Date in accordance with Section 2.4(F), the Delayed Funding Lender in respect of such Delayed Amount will be obligated to fund an amount equal to the excess, if any, of (a) such Delayed Amount over (b) the amount, if any, by which the portion of any principal distribution amount paid to such Non-Delayed Funding Lenders pursuant to Section 2.7 or any decrease to the outstanding principal balance made in accordance with Section 2.8, on any date during the period from and including such Funding Date to but excluding the Delayed Funding Date for such Delayed Amount, was greater than what it would have been had such Delayed Amount been funded by such Delayed Funding Lender on such Funding Date (the "*Delayed Funding Reimbursement Amount*") with respect to such Delayed Amount on or before its Delayed Funding Date, irrespective of whether the Borrower would be able to satisfy the conditions set forth in Section 3.2(A) to an Advance, in an amount equal to such Delayed Funding Reimbursement Amount on such Delayed Funding Date. Such Delayed Funding Lender shall fund such Delayed Funding Reimbursement Amount on such Delayed Funding Date by paying such amount to the Administrative Agent in immediately available funds, and the Administrative Agent shall distribute such funds to each such Non-Delayed Funding Lender, pro rata based on the relative amount of such Delayed Amount funded by such Non-Delayed Funding Lender on such Funding Date pursuant to Section 2.4(F).

(H) Notwithstanding anything to the contrary set forth in this Agreement, the Class B-II Lenders shall be deemed to satisfy their obligation to timely fund a Class B-II Advance so long as the Class B-II Lenders funds such Class B-II Advance by the Business Day immediately succeeding any Funding Date.

Section 2.5. Fees.

(A) *Facility Administrator Fee.* Subject to the terms and conditions of the Facility Administration Agreement, the Borrower shall pay the Facility Administrator Fee to the initial Facility Administrator and after the resignation or replacement of the initial Facility Administrator, the Borrower shall pay the Facility Administrator Fee to a Successor Facility Administrator appointed in accordance with the Facility Administration Agreement.

(B) *Verification Agent Fee.* Subject to the terms and conditions of the Verification Agent Agreement, the Borrower shall pay to the Verification Agent the Verification Agent Fee.

(C) *Paying Agent Fee.* Subject to the terms and conditions of the Paying Agent Fee Letter, the Borrower shall pay to the Paying Agent the Paying Agent Fee.

(D) *Unused Line Fees*. Solely during the Availability Period, the Borrower agrees to pay to each Funding Agent, for the benefit of the Non-Conduit Lender in its Lender Group and as consideration for the Commitment of such Non-Conduit Lender in such Lender Group unused line fees in Dollars (the "*Unused Line Fee*") for the period from the Closing Date to the last day of the Availability Period, computed as (a) the Unused Line Fee Percentage *multiplied by* (b) the average Unused Portion of the Commitments with respect to such Lender Group during a calendar quarter. Accrued Unused Line Fees shall be due and payable in arrears (from Distributable Collections as set forth and in the order of priority established

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pursuant to Section 2.7) on the Payment Date immediately following the last day of the applicable calendar quarter for which such fee was calculated and on the last day of the Availability Period.

(E) *Payment of Fees*. The fees set forth in Section 2.5(A), (B), (C) and (D) shall be payable on each Payment Date by the Borrower from Distributable Collections as set forth in and in the order of priority established pursuant to Section 2.7(B). Notwithstanding anything to the contrary herein or in any Transaction Document, the fees referred to in this Section 2.5 shall not constitute "Confidential Information."

(F) *Amendment Fee*. Commencing on the Amendment Closing Date and thereafter, the Borrower shall pay to the Administrative Agent a fee of $10,000 in connection with each amendment (or group of related amendments effective of the same date) to the Transaction Documents requested by it, which fee shall be in addition to the reimbursement of costs and expenses associated therewith that is provided for in Section 10.6 hereof. For the avoidance of doubt, any consent to a Proposed Form delivered by the Administrative Agent pursuant to Section 5.1(X) shall not give rise to the obligation to pay the amendment fee set forth in this Section 2.5(F) so long as no amendment to any Transaction Document is required in connection with such Proposed Form as determined by the Administrative Agent in its sole discretion.

(G) *Invested Capital Payment Amount*. The Borrower shall pay the Invested Capital Payment Amount on the Invested Capital Payment Date.

Section 2.6. Reduction/Increase of the Commitments.

(A) The Borrower may, on any Business Day, upon written notice given to the Administrative Agent and each of the Funding Agents not later than ten (10) Business Days prior to the date of the proposed action (which notice may be conditioned upon any event), terminate in whole or reduce in part, on a pro rata basis based on its Class A Lender Group Percentage, Class B-I Lender Group Percentage or Class B-II Lender Group Percentage, as applicable, the Unused Portion of the Commitments with respect to each Lender Group (and on a pro rata basis with respect to each Non-Conduit Lender in such Lender Group); *provided,* that (i) any partial reduction of the Class B Commitments shall be applied first to the Class B-II Commitments (on a pro rata basis with respect to each Non-Conduit Lender in each Class B-II Lender Group), until the Class B-II Commitments shall have been reduced to zero and thereafter shall be applied to the Class B-I Commitments (on a pro rata basis with respect to each Non-Conduit Lender in each Class B-I Lender Group), (ii) any partial reduction shall be in the amount of $1,000,000 or an integral multiple thereof and (iii) any Unused Portion of the Commitments so reduced may not be increased again without the written consent of the related Non-Conduit Lenders in such Lender Group.

(B) The Borrower may, on any Business Day upon written notice given to the Administrative Agent and each of the Funding Agents, request an increase, on a pro rata basis based on its Class A Lender Group Percentage, Class B-I Lender Group Percentage or Class B-II Lender Group Percentage, as applicable, of the Commitments of the Non-Conduit Lender(s) in each Lender Group; *provided,* that any increase shall be at least equal to $5,000,000 or an integral multiple thereof but shall in no event cause the

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Aggregate Commitment to exceed the Maximum Facility Amount, the Class A Aggregate Commitment to exceed the Class A Maximum Facility Amount, the Class B-I Aggregate Commitment to exceed the Class B-I Maximum Facility Amount or the Class B-II Aggregate Commitment to exceed the Class B-II Maximum Facility Amount. Each Non-Conduit Lender shall, within five (5) Business Days of receipt of such request, notify the Administrative Agent and the Administrative Agent shall in turn notify the Borrower in writing (with copies to the other members of the applicable Lender Group) whether or not each Non-Conduit Lender has, in its sole discretion, agreed to increase its Commitment. If a Non-Conduit Lender does not send any notification to the Administrative Agent within such five (5) Business Day period, such Non-Conduit Lender shall be deemed to have declined to increase its Commitment. Any increase in Commitments agreed to pursuant to this Section 2.6(B) may be reduced by a Non-Conduit Lender, at any time, upon five Business Days' written notice to the Borrower from the Administrative Agent (with copies to the other members of the applicable Lender Group) setting forth the amount of such reduction; provided, however, that such Commitment may not be reduced to an amount less than such Non-Conduit Lender's initial Commitment on the Closing Date (if such reduction is prior to a Takeout Transaction) or to an amount less than such Non-Conduit Lender's Commitment on or after a Takeout Transaction (if such reduction is on or after a Takeout Transaction), but may be reduced to an amount that is less than the then Aggregate Outstanding Advances.

Section 2.7. Repayment of the Advances. (A) Notwithstanding any other provision to the contrary, the outstanding principal balance of the Advances and the other Obligations owing under this Agreement, together with all accrued but unpaid interest thereon, shall be due and payable in full, if not due and payable earlier, on the Maturity Date. For the avoidance of doubt, amounts borrowed and repaid hereunder may be reborrowed in accordance with the terms hereof.

(B) On any Business Day, the Borrower may direct the Paying Agent to, and on each Payment Date, the Borrower shall direct the Paying Agent to, subject to Section 2.7(D), apply all amounts on deposit in the Collection Account (including (x)(1)(a) Collections deposited therein during the related Collection Period and (b) any amounts due during the related Collection Period but deposited into the Collection Account within ten (10) Business Days after the end of such Collection Period that the Facility Administrator (at its option) has determined (with written notice thereof to the Paying Agent (with a copy to the Administrative Agent, each Lender and the Borrower)) to be treated as if such amounts were on deposit in the Collection Account at the end of such Collection Period, (2) amounts deposited therein from the Liquidity Reserve Account or the Supplemental Reserve Account, in each case in accordance with Section 8.2 or (3) any amounts deposited therein by the Seller or the Parent pursuant to the Sale and Contribution Agreement or the Parent Guaranty, respectively, but (y) excluding Collections deposited therein in the current Collection Period except as necessary to make distributions pursuant to clauses (i) through (iii) of this Section or as otherwise determined by the Facility Administrator pursuant to clause (x)(1)(a) above) (the "*Distributable Collections*"), amounts on deposit in the Takeout Transaction Account on such Business Day representing net proceeds of any Takeout Transaction and any other amounts paid or received from the Borrower, including pursuant to Sections 2.11, 2.12(A) and 2.13, as applicable, to the Obligations in the following order of priority based solely on information contained in (I) with respect to any Payment Date, the Facility Administrator Report for such related Collection Period or, if no Facility Administrator Report is available, solely as directed in writing by the Administrative Agent or (II) with respect to any other

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Business Day, including the date of closing for a Takeout Transaction, on which the Borrower requests an application and distribution of funds in the Collection Account (and/or Takeout Transaction Account, if applicable, or other amounts paid or received from the Borrower), an interim Facility Administrator Report or such other report in form and substance reasonably satisfactory to the Administrative Agent (as confirmed by the Administrative Agent via an email sent to the Paying Agent) and the Paying Agent that is delivered by the Facility Administrator (which the Facility Administrator hereby agrees to deliver at the request of the Administrative Agent):

(i) ***first (Service Providers)***, ratably, (a) to the Paying Agent (1) the Paying Agent Fee and (2)(x) any accrued and unpaid Paying Agent Fees with respect to prior Payment Dates plus (y) out-of-pocket expenses and indemnities of the Paying Agent incurred and not reimbursed in connection with its obligations and duties under this Agreement; provided that the aggregate payments to the Paying Agent reimbursement for clauses (2)(y) will be limited to $50,000 per calendar year so long as no Event of Default or Amortization Event has occurred pursuant to this Agreement (unless otherwise approved by the Majority Lenders); (b) to the Facility Administrator, the Facility Administrator Fee, and (c) to the Verification Agent, the Verification Agent Fee;

(ii) ***second (Hedge Agreement Payments, Class A Interest Distribution Amount and Unused Line Fee)***, on a *pari passu* basis (a) to the Qualifying Hedge Counterparty under each Hedge Agreement, the payment of all amounts which are due and payable by the Borrower to such Qualifying Hedge Counterparty on such date (other than fees, expenses, termination payments, indemnification payments, tax payments or other similar amounts), pursuant to the terms of the applicable Hedge Agreement (net of all amounts which are due and payable by such Qualifying Hedge Counterparty to the Borrower on such date pursuant to the terms of such Hedge Agreement), and (b)(I) *first,* to each Class A Funding Agent, for the benefit of and on behalf of the Class A Lenders in its Class A Lender Group, the Class A Interest Distribution Amount then due (allocated among the Class A Lender Groups based on their Class A Lender Group Percentages) until paid in full and (II) *second*, to each Class A Funding Agent, for the benefit of and on behalf of the related Non-Conduit Lender(s) in its Class A Lender Group, the payment of the Unused Line Fee then due (allocated among the Class A Lender Groups based on their Class A Lender Group Percentages) until paid in full;

(iii) ***third (Class B Interest Distribution Amount (No Event of Default) and Unused Line Fee)***, so long as no Event of Default has occurred and is continuing, (a) *first,* to each Class B Funding Agent, for the benefit of and on behalf of the Class B Lenders in its Class B Lender Group, the Class B Interest Distribution Amount then due (allocated among the Class B Lender Groups based on their Class B Lender Group Percentages) until paid in full and (b) *second*, to each Class B Funding Agent, for the benefit of and on behalf of the related Non-Conduit Lender(s) in its Class B Lender Group, the payment of the Unused Line Fee then due (allocated among the Class B Lender Groups based on their Class B Lender Group Percentages) until paid in full;

(iv) ***fourth (Liquidity Reserve Account and Supplemental Reserve Account)***, (a) *first*, if the amount on deposit in the Liquidity Reserve Account is less than the Liquidity Reserve Account

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Required Balance and no Amortization Event has occurred and is continuing, to the Liquidity Reserve Account until the amount on deposit in the Liquidity Reserve Account shall equal the Liquidity Reserve Account Required Balance and (b) *second* to the Supplemental Reserve Account, the Supplemental Reserve Account Deposit, if any;

(v) ***fifth (Availability Period Borrowing Base Deficiency)***, during the Availability Period (a) *first,* to the extent required under Section 2.9 in connection with a Class A Borrowing Base Deficiency, to each Class A Funding Agent, on behalf of the Class A Lenders in its Class A Lender Group, for the prepayment and reduction of the outstanding principal amount of any Class A Advances, an amount equal to the amount necessary to cure such Class A Borrowing Base Deficiency (allocated ratably among the Class A Lender Groups based on their Class A Lender Group Percentages) and (b) *second,* to the extent required under Section 2.9 in connection with a Class B-I Borrowing Base Deficiency, Class B-II Borrowing Base Deficiency or Class B Aggregate Borrowing Base Deficiency, as applicable, to each applicable Class B Funding Agent, on behalf of the Class B Lenders in its Class B Lender Group, for the prepayment and reduction of the outstanding principal amount of any applicable Class B Advances, an amount equal to the amount necessary to cure such Class B-I Borrowing Base Deficiency, Class B-II Borrowing Base Deficiency or Class B Aggregate Borrowing Base Deficiency, as applicable (allocated ratably among the applicable Class B-I Lender Groups, Class B-II Lender Groups or Class B Lender Groups, as applicable, based on their Class B-I Lender Group Percentages, Class B-II Lender Group Percentages or Class B Lender Group Percentages, as applicable);

(vi) ***sixth (Qualifying Hedge Counterparty Breakage and Amortization Period Class A Lender Obligations)***, on a *pari passu* basis (a) to the Administrative Agent for the account of the Hedge Counterparty under each Hedge Agreement, all payments which arose due to a default by the Borrower or due to any prepayments of amounts under such Hedge Agreement and all fees, expenses, indemnification payments, tax payments or other amounts (to the extent not previously paid hereunder) which are due and payable by the Borrower to such Hedge Counterparty on such date, pursuant to the terms of the applicable Hedge Agreement (net of all amounts which are due and payable by such Qualifying Hedge Counterparty to the Borrower on such date pursuant to the terms of such Hedge Agreement) and (b) during the Amortization Period, to the Administrative Agent and each Class A Funding Agent on behalf of itself and the Class A Lenders in its related Class A Lender Group, all remaining amounts, for application to the principal balance of the outstanding Class A Advances and the aggregate amount of all Obligations then due from the Borrower to the Administrative Agent, such Class A Funding Agent and each such Class A Lender in the Class A Lender Group (allocated among such Obligations as selected by the Administrative Agent; *provided* that payment of the principal balance of outstanding Class A Advances shall be allocated ratably among the Class A Lender Groups based on their Class A Lender Group Percentages) until paid in full;

(vii) ***seventh (Class B Interest Distribution Amount (Event of Default))***, if an Event of Default has occurred and is continuing, to each Class B Funding Agent, for the benefit of and on behalf of the Class B Lenders in its Class B Lender Group, the Class B Interest Distribution Amount

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then due (allocated among the Class B Lender Groups based on their Class B Lender Group Percentages) until paid in full;

(viii) ***eighth (Amortization Period Class B Lender Obligations; Invested Capital Payment Amount)****, first* (i) during the Amortization Period, to each Class B Funding Agent on behalf of itself and the Class B Lenders in its related Class B Lender Group, all remaining amounts, for application to the payment of the principal balance of the outstanding Class B Advances and the aggregate amount of all Obligations then due from the Borrower to such Class B Funding Agent and each such Class B Lender in the Class B Lender Group (allocated among such Obligations as selected by the Class B Funding Agents; *provided* that payment of the principal balance of outstanding Class B Advances shall be allocated ratably among the Class B Lender Groups based on their Class B Lender Group Percentages) until paid in full and *second* (ii) on the Invested Capital Payment Date, to the Class B-I Funding Agent, on behalf of the Class B-I Lenders in its Class B-I Lender Group, the Invested Capital Payment Amount;

(ix) ***ninth (Class A Additional Interest Distribution Amount and Class B Additional Interest Distribution Amount)***, *first*, to each Class A Funding Agent, for the benefit of and on behalf of the Class A Lenders in its Class A Lender Group, the Class A Additional Interest Distribution Amount then due (allocated among the Class A Lender Groups based on their Class A Lender Group Percentages) until paid in full and *second*, to each Class B Funding Agent, for the benefit of and on behalf of the Class B Lenders in its Class B Lender Group, the Class B Additional Interest Distribution Amount then due (allocated among the Class B Lender Groups based on their Class B Lender Group Percentages);

(x) ***tenth (Lender Fees and Expenses)****, first*, to the Administrative Agent and each Class A Funding Agent on behalf of itself and the Class A Lenders in its related Class A Lender Group, the payment of all Breakage Costs, all Liquidation Fees and all other amounts (other than those already provided for above) due and payable by the Borrower to the Administrative Agent, such Class A Funding Agent and such Class A Lenders (solely in their capacity as a Class A Lender) hereunder or under any other Transaction Document until paid in full and *second*, to each Class B Funding Agent on behalf of itself and the Class B Lenders in its related Class B Lender Group, the payment of all Breakage Costs, all Liquidation Fees and all other amounts (other than those already provided for above) due and payable by the Borrower to such Class B Funding Agent and such Class B Lenders (solely in their capacity as a Class B Lender) hereunder or under any other Transaction Document until paid in full;

(xi) ***eleventh (All Other Obligations)****,* to the Administrative Agent on behalf of any applicable party, the ratable payment of all other Obligations that are past due and/or payable on such date;

(xii) ***twelfth (Service Provider Indemnities)***, ratably, to the Paying Agent, the Verification Agent and/or the Facility Administrator, any indemnification, expenses, fees or other obligations owed to the Paying Agent, the Verification Agent and/or the Facility Administrator, respectively

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(including out-of-pocket expenses and indemnities of the Paying Agent and the Verification Agent not paid pursuant to clause (i) above and any Facility Administrator Fees, Paying Agent Fees or Verification Agent Fees not paid pursuant to clause (i) above), pursuant to the Transaction Documents;

(xiii) ***thirteenth (Eligible Letter of Credit Bank),*** to each Eligible Letter of Credit Bank or other party as directed by the Facility Administrator (a) any fees and expenses related to a Letter of Credit and (b) any amounts which have been drawn under a Letter of Credit and any interest due thereon; and

(xiv) ***fourteenth (Remainder),*** all Distributable Collections remaining in the Collection Account after giving effect to the preceding distributions in this Section 2.7(B), to the Borrower's Account (to cover any other expenses of the Borrower or to make distributions on behalf of the Borrower).

(C) [Reserved].

(D) Notwithstanding anything to the contrary set forth in this Section 2.7 or Section 8.2, the Paying Agent shall not be obligated to make any determination or calculation with respect to the payments or allocations to be made pursuant to either of such Sections, and in making the payments and allocations required under such Sections, the Paying Agent shall be entitled to rely exclusively and conclusively upon the information in the latest Facility Administrator Report (or such other report or direction signed by the Administrative Agent) received by the Paying Agent pursuant to either such Section prior to the applicable payment date. Any payment direction to be acted upon by the Paying Agent pursuant to either such Section on a payment date other than a Payment Date shall be delivered to the Paying Agent at least two (2) Business Days prior to the date on which any payment is to be made.

Section 2.8. Certain Prepayments.

(A) The Borrower may at any time upon written notice to the Administrative Agent, the Funding Agents and the Paying Agent, and subject to the priority of payments set forth in this Section 2.8, prepay all or any portion of the balance of the principal amount of the Class A Advances, Class B-I Advances or the Class B-II Advances based on the outstanding principal amounts thereof, which notice shall be given at least two (2) Business Days prior to the proposed date of such prepayment. If such prepayment is not being made in connection with a Takeout Transaction, such prepayment (which need not be on a Payment Date) shall be accompanied by (a) the payment of all accrued but unpaid interest on the amounts to be so prepaid, (b) any Liquidation Fee in connection with such prepayment if such prepayment is not made on a Payment Date and (c) all payments which arise due to any prepayments of amounts under a Hedge Agreement, pursuant to the terms of the applicable Hedge Agreement (net of all amounts which are due and payable by such Qualifying Hedge Counterparty to the Borrower on such date pursuant to the terms of such Hedge Agreement) (which amounts shall be paid to the Administrative Agent for the account of the Hedge Counterparty under each Hedge Agreement). Prepayments made in accordance with this Section shall be applied (i) in the absence of an Event of Default or Amortization Event, ratably to the outstanding principal amount of Class A

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Advances, Class B Advances and any Hedge Counterparties and (ii) if an Event of Default or Amortization Event has occurred and is continuing, (a) *first*, on a *pari passu* basis (I) to reduce the outstanding principal amount of Class A Advances and (II) to any Hedge Counterparties and (b) *second*, to reduce the outstanding principal amount of Class B Advances; *provided*, that prepayments applied to the Class B Advances shall be applied *first*, to the outstanding principal balance of the Class B-II Advances until paid in full and *second*, to the outstanding principal balance of the Class B-I Advances until paid in full. If such prepayment is being made in connection with a Takeout Transaction, such prepayment shall be not less than the amount required by the definition of "Takeout Transaction".

(B) The Borrower shall deposit all proceeds of any Takeout Transaction (net of reasonable fees, taxes, commissions, premiums and expenses incurred by the Borrower in connection with such Takeout Transaction so long as such deposit is greater than or equal to the Minimum Payoff Amount) into the Takeout Transaction Account, and the Administrative Agent shall apply such proceeds to prepay the applicable Class A Advances and Class B Advances made in respect of the Collateral that is subject to such Takeout Transaction and make other related payments in accordance with Section 2.7(B), including any such payments due to the Paying Agent.

Section 2.9. Mandatory Prepayments of Advances. On any date that the Borrower either (a) obtains knowledge that (i) as of any prior Funding Date, any prior Payment Date or date on which a prepayment was made in accordance with Section 2.8 or (ii) in connection with the delivery of a Borrowing Base Certificate for an upcoming Funding Date, Payment Date or date on which a prepayment is to made in accordance with Section 2.8, or (b) receives notice from the Administrative Agent (with calculations set forth in reasonable detail), that as of any Funding Date, Payment Date or date on which a prepayment is made in accordance with Section 2.8, (i) the aggregate outstanding principal amount of all Class A Advances exceeds the lesser of (x) the amount of the Class A Aggregate Commitment in effect as of such date (without giving effect to or treating as outstanding any Advance that was approved pursuant to Section 2.18) and (y) the Class A Borrowing Base (the occurrence of any such excess being referred to herein as a "*Class A Borrowing Base Deficiency*"), or (ii) (A) if such date is more than 30 days prior to the end of the Availability Period, (I) the aggregate outstanding principal amount of all Class B-I Advances exceeds the lesser of (x) the amount of the Class B-I Aggregate Commitment in effect as of such date (without giving effect to or treating as outstanding any Advance that was approved pursuant to Section 2.18) and (y) the Class B-I Borrowing Base (the occurrence of any such excess being referred to herein as a "*Class B-I Borrowing Base Deficiency*") or (II) the aggregate outstanding principal amount of all Class B-II Advances exceeds the lesser of (x) the amount of the Class B-II Aggregate Commitment in effect as of such date (without giving effect to or treating as outstanding any Advance that was approved pursuant to Section 2.18) and (y) the Class B-II Borrowing Base (the occurrence of any such excess being referred to herein as a "*Class B-II Borrowing Base Deficiency*") and (B) if such date is 30 days or less prior to the end of Availability Period, the aggregate outstanding principal amount of all Class B Advances exceeds the lesser of (x) the amount of the Class B Aggregate Commitment in effect as of such date (without giving effect to or treating as outstanding any Advance that was approved pursuant to Section 2.18) and (y) the Class B Aggregate Borrowing Base (the occurrence of any such excess being referred to herein as a "*Class B Aggregate Borrowing Base Deficiency*" and together with the Class A Borrowing Base Deficiency, the Class B-I Borrowing Base Deficiency and the Class B-II Borrowing Base Deficiency, a "*Borrowing Base*

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Deficiency"), the Borrower shall pay to the Class A Funding Agent, Class B-I Funding Agent and/or the Class B-II Funding Agent, as applicable, for the account of its Lender Group the amount of any such excess (to be applied to the reduction of the applicable Advances ratably among all applicable Lender Groups based on their Lender Group Percentages to the extent necessary to cure such Borrowing Base Deficiency), together with accrued but unpaid interest on the amount required to be so prepaid to the date of such prepayment and any Liquidation Fee in connection with such prepayment if such prepayment is not made on a Payment Date.

Section 2.10. [Reserved].

Section 2.11. Interest. The makers of the Advances shall be entitled to the applicable Interest Distribution Amount payable on each Payment Date in accordance with Section 2.7(B).

Section 2.12. Breakage Costs; Liquidation Fees; Increased Costs; Capital Adequacy; Illegality; Additional Indemnifications.

(A) *Breakage Costs and Liquidation Fees*. (i) If any Advance is not made on the date specified by the Borrower for any reason other than default by the Lenders, the Borrower hereby agrees to pay Breakage Costs, if any, and (ii) the Borrower agrees to pay all Liquidation Fees associated with a reduction of the principal balance of a Class A Advance or Class B Advance at any time. The Borrower shall not be responsible for any Liquidation Fees or any other loss, cost, or expenses arising at the time of, and arising solely as a result of, any assignment made pursuant to Section 10.8 and the reallocation of any portion of a Class A Advance or Class B Advance of the applicable Lender making such assignment unless, in each case, such assignment is requested by the Borrower.

(B) *Increased Costs*. If any Change in Law (a) shall subject any Lender, the Administrative Agent or any Affiliate thereof (each of which, an "*Affected Party*") to any Taxes (other than (x) Indemnified Taxes, (y) Taxes described in clauses (ii) through (iv) of the definition of Excluded Taxes and (z) Connection Income Taxes) on its loans, loan principal, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto, (b) shall impose, modify or deem applicable any reserve requirement (including any reserve requirement imposed by the Board of Governors of the Federal Reserve System), special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Affected Party, or (c) shall impose any other condition affecting the Collateral or the rights of any Lender and the Administrative Agent hereunder, the result of which is to increase the cost to any Affected Party under this Agreement or to reduce the amount of any sum received or receivable by an Affected Party under this Agreement, then on the next Payment Date after written demand by such Affected Party, such Affected Party shall receive such additional amount or amounts as will compensate such Affected Party for such additional or increased cost incurred or such reduction suffered to the extent such additional or increased costs or reduction are incurred or suffered in connection with the Collateral, any obligation to make Advances hereunder, any of the rights of such Lender or the Administrative Agent hereunder, or any payment made hereunder in accordance with Section 2.7(B); *provided*, that the Borrower shall not be required to compensate such Affected Party for any portion of such additional or increased cost or such reduction that is incurred more than one hundred eighty (180) days prior to any such demand

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(except that, if the event giving rise to such additional or increased cost or such reduction is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof).

(C) *Capital Adequacy*. If any Change in Law has or would have the effect of reducing the rate of return on the capital of any Affected Party as a consequence of its obligations hereunder or arising in connection herewith to a level below that which any such Affected Party could have achieved but for such Change in Law (taking into consideration the policies of such Affected Party with respect to capital adequacy) by an amount deemed by such Affected Party to be material, then from time to time, then on the next Payment Date after written demand by such Affected Party (which demand shall be accompanied by a statement setting forth the basis for such demand), such Affected Party shall receive such additional amount or amounts as will compensate such Affected Party for such reduction in accordance with Section 2.7(B); *provided*, that the Borrower shall not be required to compensate such Affected Party for any portion of such additional amount or amounts that are incurred more than one hundred eighty (180) days prior to any such demand (except that, if the event giving rise to such additional amount or amounts is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof).

(D) *Compensation.* If as a result of any event or circumstance similar to those described in Section 2.12(A), 2.12(B), or 2.12(C), any Affected Party is required to compensate a bank or other financial institution providing liquidity support, credit enhancement or other similar support to such Affected Party in connection with this Agreement or the funding or maintenance of Advances hereunder, then on the next Payment Date after written demand by such Affected Party, such Affected Party shall receive such additional amount or amounts as may be necessary to reimburse such Affected Party for any amounts paid by it; *provided*, that the Borrower shall not be required to compensate such Affected Party for any portion of such additional amount or amounts that are incurred more than one hundred eighty (180) days prior to any such demand (except that, if the event giving rise to such additional amount or amounts is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof).

(E) *Calculation*. In determining any amount provided for in this Section 2.12, the Affected Party may use any reasonable averaging and attribution methods. Any Affected Party making a claim under this Section 2.12 shall submit to the Borrower a certificate as to such additional or increased cost or reduction, which certificate shall be conclusive absent manifest error.

Section 2.13. Payments and Computations. (A) The Borrower (through the Paying Agent pursuant to Section 2.7(B) and as otherwise permitted in this Agreement) shall make each payment and prepayment hereunder and under the Advances in respect of principal, interest, expenses, indemnities, fees or other Obligations due from the Borrower not later than 4:00 P.M. (New York City time) on the day when due in U.S. Dollars to the related Funding Agent at its address referred to in Section 10.3 or to such account provided by such Funding Agent in immediately available, same-day funds. Payments on Obligations may also be made by application of funds in the Collection Account or the Takeout Transaction Account as provided in Section 2.7(B), as applicable. All computations of interest for Advances shall be made by the related Funding Agent, who shall notify the Facility Administrator, the Borrower and the Administrative Agent of any determination thereof on or prior to the payment thereof pursuant to Section 2.7(B), as applicable. All computations of interest for Advances made under the Base Rate shall be made by the

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applicable Funding Agent on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed (including the first day but excluding the last day) occurring in the period for which such interest is payable. All other computations of fees and interest provided hereunder shall be made on the basis of a 360-day year and actual days elapsed (including the first day but excluding the last day) occurring in the period for which such interest is payable. Notwithstanding the foregoing, each determination by a Funding Agent of an interest rate hereunder shall be subject to the approval of the Administrative Agent.

(B) All payments to be made in respect of fees, if any, due to the Administrative Agent from the Borrower hereunder shall be made on the date when due without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived by the Borrower, and without setoff, counterclaim or other deduction of any nature (other than with respect to Taxes pursuant to Section 2.17), and an action therefor shall immediately accrue. The Borrower agrees that, to the extent there are insufficient funds in the Administrative Agent's Account, to make any payment under this clause (B) when due, the Borrower shall immediately pay to the Administrative Agent all amounts due that remain unpaid.

Section 2.14. Payment on Non-Business Days. Whenever any payment hereunder or under the Advances shall be stated to be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest.

Section 2.15. [Reserved].

Section 2.16. Extension of the Scheduled Commitment Termination Date or Facility Maturity Date. No earlier than ninety (90) days, and no later than sixty (60) days, prior to the then Scheduled Commitment Termination Date or Facility Maturity Date, the Borrower may deliver written notice to the Administrative Agent and each Funding Agent requesting an extension of such Scheduled Commitment Termination Date or Facility Maturity Date, as applicable. The Administrative Agent shall respond to such request no later than thirty (30) days following the date of its receipt of such request, indicating whether it is considering such request and preliminary conditions precedent to any extension of the Scheduled Commitment Termination Date or the Facility Maturity Date, as applicable, as the Administrative Agent determines to include in such response. The Administrative Agent's failure to respond to a request delivered by the Borrower pursuant to this Section 2.16 shall not be deemed to constitute any agreement by the Administrative Agent to any such extension. The granting of any extension of the Scheduled Commitment Termination Date or the Facility Maturity Date, as applicable, requested by the Borrower shall be in the mutual discretion of the Borrower and the Administrative Agent (on behalf of the Lenders with the consent of all Lender Groups).

Section 2.17. Taxes.

(A) *Defined Terms*. For purposes of this Section 2.17 the term "applicable Law" includes FATCA.

(B) *Payments Free of Taxes*. Any and all payments by or on account of any obligation of the Borrower under any Transaction Document shall be made without deduction or withholding for any Taxes, except as required by applicable Law. If any applicable Law (as determined in the good faith discretion of

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an applicable withholding agent) requires the deduction or withholding of any Tax from any such payment by a withholding agent, then the applicable withholding agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law and, if such Tax is an Indemnified Tax, then the sum payable by the Borrower shall be increased as necessary so that after such deduction or withholding has been made (including such deductions and withholdings applicable to additional sums payable under this Section) the applicable Recipient receives an amount equal to the sum it would have received had no such deduction or withholding been made.

(C) *Payment of Other Taxes by the Borrower.* The Borrower shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of a Funding Agent timely reimburse it for the payment of, any Other Taxes.

(D) *Indemnification by the Borrower*. The Borrower shall indemnify each Recipient, within ten days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Recipient (with a copy to each Funding Agent), or by a Funding Agent on its own behalf or on behalf of a Recipient, shall be conclusive absent manifest error.

(E) *Indemnification by the Lenders.* Each Non-Conduit Lender shall severally indemnify each Funding Agent, within ten days after demand therefor, for (i) any Indemnified Taxes attributable to such Non-Conduit Lender (but only to the extent that the Borrower has not already indemnified such Funding Agent for such Indemnified Taxes and without limiting the obligation of the Borrower to do so), and (ii) any Excluded Taxes attributable to such Non-Conduit Lender, in each case, that are payable or paid by a Funding Agent in connection with any Transaction Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Non-Conduit Lender by its Funding Agent shall be conclusive absent manifest error. Each Non-Conduit Lender hereby authorizes its Funding Agent to set off and apply any and all amounts at any time owing to such Non-Conduit Lender under any Transaction Document or otherwise payable by such Funding Agent to the Non-Conduit Lender from any other source against any amount due to such Funding Agent under this paragraph (E).

(F) *Evidence of Payments*. As soon as practicable after any payment of Taxes by the Borrower to a Governmental Authority pursuant to this Section 2.17, the Borrower shall deliver to each Funding Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to such Funding Agent.

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(G) *Status of Recipients.* (i) Any Recipient that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Transaction Document shall deliver to the Borrower, the Paying Agent and the related Funding Agent, at the time or times reasonably requested by the Borrower, the Paying Agent or such Funding Agent, such properly completed and executed documentation reasonably requested by the Borrower, the Paying Agent or such Funding Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Recipient, if reasonably requested by the Borrower, the Paying Agent or the related Funding Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Borrower, the Paying Agent or such Funding Agent as will enable the Borrower, the Paying Agent or such Funding Agent to determine whether or not such Recipient is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in clauses (ii)(a), (ii)(b) and (ii)(d) below) shall not be required if in the Recipient's reasonable judgment such completion, execution or submission would subject such Recipient to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Recipient.

(ii) Without limiting the generality of the foregoing,

(a) any Recipient that is a U.S. Person shall deliver to the Borrower, the Paying Agent and the related Funding Agent on or prior to the date on which such Recipient becomes a Recipient under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower, the Paying Agent or such Funding Agent), executed originals of Internal Revenue Service Form W-9 certifying that such Recipient is exempt from U.S. federal backup withholding tax;

(b) any Recipient that is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Borrower, the Paying Agent and the related Funding Agent (in such number of copies as shall be requested by the Borrower, the Paying Agent or such Funding Agent) on or prior to the date on which such Recipient becomes a Recipient under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower, the Paying Agent or such Funding Agent), whichever of the following is applicable:

(1) in the case of a Recipient claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Transaction Document, executed originals of Internal Revenue Service Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Transaction Document, Internal Revenue Service Form W-8BEN or W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(2) executed copies of Internal Revenue Service Form W-8ECI;

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(3) in the case of a Recipient claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Internal Revenue Code, (x) a certificate to the effect that such Recipient is not a "bank" within the meaning of Section 881(c)(3)(A) of the Internal Revenue Code, a "10 percent shareholder" of the Borrower within the meaning of Section 881(c)(3)(B) of the Internal Revenue Code, or a "controlled foreign corporation" related to the Borrower as described in Section 881(c)(3)(C) of the Internal Revenue Code (a "*U.S. Tax Compliance Certificate*") and (y) executed originals of Internal Revenue Service Form W-8BEN or W-8BEN-E; or

(4) to the extent a Recipient is not the beneficial owner, executed originals of Internal Revenue Service Form W-8IMY, accompanied by Internal Revenue Service Form W-8ECI, Internal Revenue Service Form W-8BEN or W-8BEN-E, a U.S. Tax Compliance Certificate, Internal Revenue Service Form W-9, and/or other certification documents from each beneficial owner, as applicable; *provided* that if the Recipient is a partnership and one or more direct or indirect partners of such Recipient are claiming the portfolio interest exemption, such Recipient may provide a U.S. Tax Compliance Certificate on behalf of each such direct and indirect partner;

(c) any Recipient which is not a U.S. Person shall, to the extent it is legally entitled to do so, deliver to the Borrower, the Paying Agent and the related Funding Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Recipient becomes a Recipient under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower, the Paying Agent or such Funding Agent), executed originals of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable Law to permit the Borrower, the Paying Agent or such Funding Agent to determine the withholding or deduction required to be made; and

(d) if a payment made to a Recipient under any Transaction Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Recipient were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Recipient shall deliver to the Borrower, the Paying Agent and the related Funding Agent at the time or times prescribed by Law and at such time or times reasonably requested by the Borrower, the Paying Agent or such Funding Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by the Borrower, the Paying Agent or such Funding Agent as may be necessary for the Borrower, the Paying Agent and such Funding Agent to comply with their obligations under FATCA and to determine that such Recipient has complied with such Recipient's obligations under FATCA or to determine the amount, if any, to deduct and withhold from such payment. Solely for purposes of this clause (d), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

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Each Recipient agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower, the Paying Agent and the related Funding Agent in writing of its legal inability to do so.

(H) *Forms for Paying Agent.* The Administrative Agent and each Funding Agent shall deliver to the Paying Agent on or before the first Payment Date, executed originals of Internal Revenue Service Form W-9 or W-8, as applicable, certifying that the Administrative Agent or such Funding Agent is exempt from U.S. federal backup withholding tax. The Administrative Agent and each Funding Agent agrees that if such Internal Revenue Service Form previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or promptly notify the Paying Agent and the Borrower in writing of its legal inability to do so.

(I) *Treatment of Certain Refunds.* If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.17 (including by the payment of additional amounts pursuant to this Section 2.17), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this paragraph (I) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (I), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this paragraph (I) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This paragraph shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(J) *Survival*. Each party's obligations under this Section 2.17 shall survive the resignation or replacement of a Funding Agent or any assignment of rights by, or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Transaction Document.

Section 2.18. Request for Borrowing Exceeding Aggregate Commitment.

(A) *Notice*. The Borrower may, from time to time during the Availability Period, prior to the issuance of a Notice of Borrowing, send a written notice to the Administrative Agent and each Lender Group setting forth the Borrower's intent to request a borrowing that will cause the Aggregate Outstanding Advances to exceed the Aggregate Commitment (but not the Maximum Facility Amount) then in effect. Such notice shall be sent no later than five (5) Business Days prior to the date on which the Borrower intends to send the related Notice of Borrowing and shall set forth the amount by which the sum of the

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Aggregate Outstanding Advances (after giving effect to such borrowing) will exceed the Aggregate Commitment and the related Funding Date.

(B) *Approval/Disapproval*. Upon receipt of the notice described in Section 2.18(A) by the Funding Agents, each Funding Agent shall, no later than five (5) Business Days after receipt thereof, obtain the written approval or disapproval of each Non-Conduit Lender in the related Lender Group regarding the requested Advances, which approval shall be granted or not granted in the sole discretion of the Non-Conduit Lenders. If the making of the requested Advances is approved, the Borrower shall, in accordance with procedures set forth in Section 2.4, send the related Notice of Borrowing. Any approved Advances to be made by the Lenders in the related Lender Group shall be funded within such Lender Group pursuant to any allocation as agreed to by all of the members of such Lender Group. If the making of the requested Advances is not approved, then the Borrower shall, prior to sending its Notice of Borrowing, modify the same in a manner sufficient to ensure that the requested borrowing does not cause the Aggregate Outstanding Advances to exceed the Aggregate Commitment then in effect, as applicable.

(C) *Commitment*. For the avoidance of doubt, if the making of an Advance by a Lender Group that would cause the Aggregate Outstanding Advances to exceed the Aggregate Commitment, as applicable, is approved, each Non-Conduit Lender's Commitment shall be increased solely to the extent such Non-Conduit Lender approved the Advance. Each Non-Conduit Lender's Commitment shall otherwise remain as set forth on Exhibit E unless increased and/or reduced from time to time in accordance with Section 2.6 or amended in connection with assignments made by a Non-Conduit Lender pursuant to Section 10.8. Moreover, the Borrower must go through the procedures described in Sections 2.18(A) and (B) each time a request for an Advance is made which would cause the sum of all outstanding Advances to exceed the Aggregate Commitment, as applicable.

(D) Nothing set forth in this Section 2.18 requires a Conduit Lender to make any Advance; provided, however, a Conduit Lender may, in its sole discretion, make the Advance requested pursuant to this Section 2.18 for its Lender Group. Any Advance approved pursuant to this Section 2.18 shall be made pursuant to and in accordance with Sections 2.2 and 2.4.

Article III

Conditions of Lending and Closing

Section 3.1. Conditions Precedent to Closing. The following conditions shall be satisfied on or before the Closing Date:

(A) *Closing Documents*. The Administrative Agent shall have received each of the following documents, in form and substance satisfactory to Administrative Agent, duly executed, and each such document shall be in full force and effect, and all consents, waivers and approvals necessary for the consummation of the transactions contemplated thereby shall have been obtained:

(i) this Agreement;

(ii) a Loan Note for each Lender Group that has requested the same;

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(iii) the Contribution Agreement;

(iv) the Sale and Contribution Agreement;

(v) the SAP Contribution Agreement;

(vi) the Security Agreement;

(vii) the Pledge Agreement;

(viii) the Subsidiary Guaranty;

(ix) the Facility Administration Agreement;

(x) the Verification Agent Agreement;

(xi) the Parent Guaranty;

(xii) the Tax Equity Investor Consents;

(xiii) each Fee Letter;

(xiv) the Verification Agent Fee Letter; and

(xv) the Paying Agent Fee Letter.

(B) *Secretary's Certificates*. The Administrative Agent shall have received: (i) a certificate from the Assistant Secretary of the Verification Agent, and the Paying Agent, (ii) a certificate from the Secretary of each of the Parent, Intermediate Holdco, the Seller, the Facility Administrator, the Managing Members, SAP, the Borrower and each Affiliate thereof that is party to a Transaction Document (a) attesting to the resolutions of such Person's members, managers or other governing body authorizing its execution, delivery, and performance of this Agreement and the other Transaction Documents to which it is a party, (b) authorizing specific Responsible Officers for such Person to execute the same, and (c) attesting to the incumbency and signatures of such specific Responsible Officers; (iii) copies of governing documents, as amended, modified, or supplemented prior to the Closing Date of each of the Parent, Intermediate Holdco, the Seller, the Facility Administrator, the Managing Members, SAP, the Borrower and each Affiliate thereof that is party to a Transaction Document, in each case certified by a Responsible Officer of such Person; and (iv) a certificate of status with respect to each of the Parent, Intermediate Holdco, the Seller, the Facility Administrator, the Managing Members, SAP, the Borrower and each Affiliate thereof that is party to a Transaction Document dated within fifteen (15) days of the Closing Date, such certificate to be issued by the appropriate officer of the jurisdiction of organization of such entity, which certificate shall indicate that such entity is in good standing in such jurisdiction.

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(C) *Legal Opinions*. The Administrative Agent shall have received customary opinions from (i) counsel (which may be in-house counsel) to Paying Agent and Verification Agent addressing authorization and enforceability of the Transaction Documents and other corporate matters and (ii) counsel to the Parent, Intermediate Holdco, the Seller, the Facility Administrator, the Managing Members, SAP, the Borrower and each Affiliate thereof that is party to a Transaction Document addressing (a) authorization and enforceability of the Transaction Documents and other corporate matters, (b) security interest and UCC matters, (c) substantive consolidation matters and (d) true sale matters.

(D) *No Material Adverse Effect.* Since December 31, 2018 there has been no Material Adverse Effect.

(E) *Know Your Customer Information.* The Administrative Agent and the Paying Agent shall have received all documentation and other information required by regulatory authorities under applicable "Know Your Customer" and anti-money laundering rules and regulations, including the Patriot Act.

(F) *Payment of Fees*. The Borrower shall have paid all fees previously agreed in writing to be paid on or prior to the Closing Date.

(G) *Evidence of Insurance.* The Administrative Agent shall have received certification evidencing coverage under the insurance policies referred to in Section 5.1(L).

(H) *[Reserved]*.

(I) *[Reserved]*.

(J) *Taxes*. The Administrative Agent shall have received a certificate from the Borrower that all sales, use and property taxes, and any other taxes in connection with any period prior to the Closing Date, that are due and owing with respect to each Solar Asset and/or Solar Asset Owner Member Interest have been paid or provided for by the Parent.

(K) *Closing Date Certificate of the Borrower.* The Administrative Agent shall have received a certificate of a Responsible Officer of the Borrower (in his or her capacity as such) in form satisfactory to Administrative Agent certifying that its representations and warranties set forth in the Transaction Documents to which it is a party are true and correct in all material respects as of the Closing Date (except to the extent such representations and warranties expressly relate to any earlier date, in which case such representations and warranties shall be true and correct in all material respects as of such earlier date).

(L) *UCC Search Results*. Administrative Agent shall have received the results of a recent search of all effective UCC financing statements (or equivalent filings) made with respect to the Assignors, the Seller, the Borrower, SAP, the Managing Members and the Financing Funds in all appropriate jurisdictions together with copies of all such filings disclosed by such search.

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(M) *UCC Financing Statements*. The Borrower shall have duly filed proper financing statements (or the equivalent thereof in any applicable foreign jurisdiction, as applicable), on or before the Closing Date, under the UCC with the Delaware Secretary of State and any other applicable filing office in any applicable jurisdiction that the Administrative Agent deems necessary or desirable in order to perfect the Administrative Agent's interests in the Collateral. The Borrower shall have filed proper financing statement amendments (or the equivalent thereof in any applicable foreign jurisdiction, as applicable), if any, necessary to release all security interests and other rights of any Person in the Collateral previously granted by the Borrower or any of its affiliates;

(N) *Accounts*. The Administrative Agent shall have received evidence reasonably satisfactory to it that the Collection Account, the Supplemental Reserve Account, the Liquidity Reserve Account, the SAP Revenue Account, the Takeout Transaction Account and the Borrower's Account have been established.

(O) *Tax Equity Facility Due Diligence*. The Administrative Agent shall be satisfied with the results of any due diligence of the Financing Funds, the SAP Financing Documents, the Tax Equity Financing Documents and the transactions contemplated by the SAP Financing Documents and Tax Equity Financing Documents, including receipt of fully executed Tax Equity Financing Documents and any related Tax Loss Insurance Policy, in its sole discretion.

Section 3.2. Conditions Precedent to All Advances. (A) Except as otherwise expressly provided below, the obligation of each Non-Conduit Lender to make or participate in each Advance (including the initial Advances made on the Closing Date) shall be subject, at the time thereof, to the satisfaction of the following conditions:

(i) *Funding Documents*. The Administrative Agent and each Funding Agent shall have received, no later than two (2) Business Days prior to the Funding Date, a completed Notice of Borrowing and a Borrowing Base Certificate, each in form and substance satisfactory to the Administrative Agent.

(ii) *Solar Assets*. All conditions to the acquisition of Solar Assets by the respective Financing Fund under the applicable Tax Equity Financing Documents have been satisfied and all conditions to the acquisition of Solar Assets by the Seller, the Borrower and SAP under the Contribution Agreement, the Sale and Contribution Agreement, the SAP Contribution Agreement and the SAP NTP Financing Documents, as applicable, have been satisfied.

(iii) *Managing Members*. All conditions to the acquisition of Managing Members by the Seller and the Borrower under the Contribution Agreement, the Sale and Contribution Agreement and Section 3.3 shall have been satisfied.

(iv) *Representations and Warranties*. All of the representations and warranties of the Borrower, the Seller, Intermediate Holdco, the Parent and the initial Facility Administrator contained in this Agreement or any other Transaction Document that relate to the eligibility of the Solar Assets shall be true and correct as of the Funding Date and all other representations and warranties of the

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Borrower, the Seller, Intermediate Holdco, the Parent, the Managing Members, SAP and the initial Facility Administrator contained in this Agreement or any other Transaction Document shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality, in which case such representations and warranties shall be true and correct in all respects) as of the Funding Date (or such earlier date or period specifically stated in such representation or warranty).

(v) *No Defaults; Solvency*. The Administrative Agent shall have received a certification that no Amortization Event, Event of Default, Potential Amortization Event or Potential Default has occurred and is continuing or would result from any borrowing of any Advance or from the application of the proceeds therefrom and after giving effect to such Advance or from the application of the proceeds therefrom, the Borrower will be Solvent.

(vi) *Verification Agent Certificate*. The Administrative Agent shall have received the A-1 Verification Agent Certification (or, in respect of the initial Advance, the Closing Date Verification Agent Certification) in respect of the Solar Assets from the Verification Agent pursuant to the Verification Agent Agreement.

(vii) *Hedge Requirements*. The Borrower shall be in compliance with all applicable Hedge Requirements.

(viii) *Liquidity Reserve*. The amount on deposit in the Liquidity Reserve Account shall not be less than the Liquidity Reserve Account Required Balance, taking into account the application of the proceeds of the Advances on the Funding Date.

(ix) *Aggregate Commitment/No Borrowing Base Deficiency*. After giving effect to such Advance, the Aggregate Outstanding Advances shall not exceed the Aggregate Commitment in effect as of such Funding Date unless the Borrower shall have, pursuant to the procedures set forth in Section 2.18, received the written approval of the Non-Conduit Lenders with respect to such Advance, such approval to be granted by each Non-Conduit Lender in its sole discretion. After giving effect to such Advance, there should not exist a Class A Borrowing Base Deficiency, Class B-I Borrowing Base Deficiency or a Class B-II Borrowing Base Deficiency.

(x) *Availability Period*. The Commitment Termination Date shall not have occurred, nor shall it occur as a result of making such Advance, nor has the Availability Period ended.

(xi) *Updated Schedules*. The Borrower shall have provided the Administrative Agent an updated Schedule IV, an updated Schedule V, an updated Schedule VI and an updated Schedule VII to reflect the Scheduled Hedged SREC Payments, Scheduled Host Customer Payments, Scheduled PBI Payments and Scheduled Managing Member Distributions as of such Funding Date.

(xii) *Other Documents*. The Borrower shall have provided the Administrative Agent with all documents reasonably requested by the Administrative Agent related to the Solar Assets being

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financed by the Borrower (indirectly through its ownership of the Solar Asset Owner Member Interests) on such Funding Date.

(xiii) *Class B Advances*. With respect to the Class B Advances, the Class A Lenders shall have funded the requested Class A Advances on such Funding Date.

(B) Each Notice of Borrowing submitted by the Borrower after the Closing Date shall be deemed to be a representation and warranty that the conditions specified in this Section 3.2 have been satisfied on and as of the date of the applicable Notice of Borrowing.

Section 3.3. Conditions Precedent to Acquisition of Additional Managing Members. As a condition to the Borrower's acquisition of a Managing Member after the Closing Date:

(A) the Borrower shall have provided the Administrative Agent with all documents reasonably requested by the Administrative Agent related to the such Managing Member and the related Financing Fund; and

(B) the Administrative Agent, the Majority Lenders and the Majority Class B Lenders shall have consented to the Borrower's acquisition of such Managing Member, in each case, in their reasonable discretion; *provided*, that consent by the Majority Class B Lenders shall not be unreasonably withheld, conditioned or delayed if otherwise approved by the Majority Lenders; *provided*, *further*, that if the Majority Class B Lenders have not affirmatively disapproved such transaction in writing within five (5) Business Days of receiving drafts of the relevant financing fund limited liability company agreement, master purchase agreement and tax loss insurance policy that are, in each case, considered by the Administrative Agent to be substantially final and the Majority Lenders have otherwise approved such transaction, such transaction shall be deemed approved by the Majority Class B Lenders). The Administrative Agent and the Lenders shall use their best efforts to provide the consent required by this clause (B) (or confirm their affirmative disapproval of such transaction) within five (5) Business Days of receiving drafts of the relevant financing fund limited liability company agreement, master purchase agreement and tax loss insurance policy that are, in each case, considered by the Administrative Agent to be substantially final.

Article IV

Representations and Warranties

Section 4.1. Representations and Warranties of the Borrower. The Borrower represents and warrants to the Administrative Agent and each Lender as of the Closing Date, as of each Funding Date, and with respect to paragraphs (A), (B), (F), (G), (I), (K), and (L) through (S) as of each Payment Date, as follows:

(A) *Organization; Corporate Powers*. Each Relevant Party (i) is a duly organized and validly existing limited liability company, in good standing under the laws of the State of Delaware, (ii) has the limited liability company power and authority to own its property and assets and to

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transact the business in which it is engaged and presently proposes to engage, and (iii) is duly qualified and is authorized to do business in all jurisdictions where it is required to be so qualified or authorized.

(B) *Authority and Enforceability*. Each Relevant Party has the limited liability company or other organizational power and authority to execute, deliver and carry out the terms and provisions of the Transaction Documents to which it is party and has taken all necessary company or other organizational action to authorize the execution, delivery and performance of the Transaction Documents to which it is party. Each Relevant Party has duly executed and delivered each Transaction Document to which it is party and each Transaction Document to which it is party constitutes the legal, valid and binding agreement and obligation of the respective Relevant Party enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws generally affecting creditors' rights and by equitable principles (regardless of whether enforcement is sought in equity or at law).

(C) *Government Approvals.* No order, consent, authorization, approval, license, or validation of, or filing recording, registration with, or exemption by, any Governmental Authority is required to authorize or is required as a condition to: (i) the execution, delivery and performance by a Relevant Party of any Transaction Document to which it is a party or any of its obligations thereunder or (ii) the legality, validity, binding effect or enforceability of any Transaction Document to which such Relevant Party is a party.

(D) *Litigation*. There are no material actions, suits or proceedings, pending or threatened in writing with respect to any Relevant Party.

(E) *Applicable Law, Contractual Obligations and Organizational Documents.* Neither the execution, delivery and performance by any Relevant Party of the Transaction Documents to which it is party nor compliance with the terms and provisions thereof (i) will contravene any provision of any law, statute, rule, regulation, order, writ, injunction or decree of any Governmental Authority applicable to such Relevant Party or its properties and assets, (ii) will conflict with or result in any breach of, any of the terms, covenants, conditions or provisions of, or constitute a default under or result in the creation or imposition of (or the obligation to create or impose) any Lien (other than the Liens created pursuant to the Security Agreement, the Pledge Agreement or Permitted Liens) upon any of the property or assets of the Borrower pursuant to the terms of any contract, or (iii) will breach any provision of the certificate of formation or the operating agreement of such Relevant Party and will, for each of subsection (i), (ii) and (iii), result in a Material Adverse Effect.

(F) *Use of Proceeds*. Proceeds of the Class A Advances and the Class B Advances have been used only as permitted under Section 2.3. No part of the proceeds of the Class A Advances or the Class B Advances will be used directly or indirectly to purchase or carry Margin Stock, or to extend credit to others for the purpose of purchasing or carrying any Margin Stock, in violation of

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any of the provisions of Regulations T, U or X of the Board of Governors of the Federal Reserve System. The Borrower is not engaged in the business of extending credit for the purpose of purchasing or carrying any Margin Stock. At no time would more than 25% of the value of the assets of the Borrower that are subject to any "arrangement" (as such term is used in Section 221.2(g) of such Regulation U) hereunder be represented by Margin Stock.

(G) *Accounts*. The names and addresses of the Collection Account, the Supplemental Reserve Account, the Liquidity Reserve Account, the SAP Lockbox Account, the SAP Revenue Account, the Takeout Transaction Account and the Borrower's Account are specified on Schedule II attached hereto, as updated pursuant to Section 5.1(Q). Other than accounts on Schedule II attached hereto, the Borrower (or, with respect to the SAP Lockbox Account, SAP) does not have any other accounts. The Borrower has directed, or has caused to be directed (i) each Financing Fund, each Managing Member and SAP to make all payments in respect of the Managing Member Distributions and the SAP Distributions, as applicable, to the Collection Account, (ii) all Host Customers related to Solar Assets owned by SAP to make Host Customer Payments to the SAP Lockbox Account and (iii) each Hedged SREC Counterparty to make all Hedged SREC Payments to the Collection Account and, to the extent any payments referred to in clauses (i), (ii) or (iii) are deposited into another account, has caused such payments to be deposited into the Collection Account no later than two (2) Business Days after receipt. The Borrower shall cause (i) SAP to cause all amounts on deposit in the SAP Lockbox Account in excess of an amount to be agreed to by SAP and the Administrative Agent to be swept daily into the SAP Revenue Account pursuant to standing instructions and (ii) the SAP Lockbox Account to at all times be subject to a first priority perfected security interest in favor of the Administrative Agent.

(H) *ERISA*. None of the assets of the Borrower are or, prior to the repayment of all Obligations, will be subject to Title I of ERISA, Section 4975 of the Internal Revenue Code, or, by reason of any investment in the Borrower by any governmental plan, as the case may be, any other federal, state, or local provision similar to Section 406 of ERISA or Section 4975 of the Internal Revenue Code. Neither the Borrower nor any of its ERISA Affiliates has maintained, participated or had any liability in respect to any Plan during the past six (6) years which could reasonably be expected to subject the Borrower or any of its ERISA Affiliates to any tax, penalty or other liabilities. No ERISA Event has occurred or is reasonably likely to occur. With respect to any Plan which is a Multi-Employer Plan, no such Multi-Employer Plan is, or to the knowledge of the Relevant Parties reasonably like to occur, in reorganization or insolvent as defined in Title IV of ERISA Borrower and the Lenders, take any.

(I) *Taxes*. Each Relevant Party has timely filed (or had filed on its behalf) all federal state, provincial, territorial, foreign and other Tax returns and reports required to be filed under applicable law, and has timely paid (or had paid on its behalf) all federal state, foreign and other Taxes levied or imposed upon it or its properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate actions diligently conducted and for which adequate reserves have been provided in accordance with GAAP. No Lien or similar adverse claim has been filed, and no claim is being asserted, with respect to any such Tax due from any

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Relevant Party or with respect to any Solar Assets. Any Taxes due and payable by any Relevant Party or its predecessors in interest in connection with the execution and delivery of this Agreement and the other Transaction Documents and the transfers and transactions contemplated hereby or thereby have been paid or shall have been paid if and when due. Except to the extent provided in the Tax Equity Financing Documents, no Relevant Party is liable for Taxes payable by any other Person.

(J) *Material Agreements*. The Borrower has not defaulted under the Transaction Documents, any similar agreements entered into in connection with a Takeout Transaction or any other material agreement to which the Borrower is a party and to the Borrower's knowledge, there is no breach or default by a counterparty to such Transaction Documents, similar agreements entered into in connection with the Takeout Transaction or any other material agreement to which the Borrower is a party.

(K) *Accuracy of Information*. The written information (other than financial projections, forward looking statements, and information of a general economic or industry specific nature) that has been made available to the Paying Agent, the Verification Agent, the Administrative Agent or any Lender by or on behalf of the Borrower or any Affiliate thereof in connection with the transactions hereunder including any written statement or certificate of factual information, when taken as a whole, does not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in the light of the circumstances under which such statements are made (giving effect to all supplements and updates thereto).

(L) *No Material Adverse Effect*. Since the date of delivery of the latest audited financial statements for a fiscal year of SEI pursuant to Section 5.1(A)(i), there has been no Material Adverse Effect.

(M) *Investment Company Act.* No Relevant Party is an "investment company" or an "affiliated person" of or "promoter" or "principal underwriter" for an "investment company" as such terms are defined in the 1940 Act, nor is any Relevant Party otherwise subject to regulation thereunder and no Relevant Party relies solely on the exemption from the definition of "investment company" in Section 3(c)(1) and/or 3(c)(7) of the 1940 Act (although such exemptions may be available).

(N) *Covered Fund*. No Relevant Party is a "covered fund" under Section 13 of the Bank Holding Company Act of 1956, as amended

(O) *Properties; Security Interest.* The Borrower has good title to all of its properties and assets necessary in the ordinary conduct of its business, free and clear of Liens other than Permitted Liens and Permitted Equity Liens. Once executed and delivered, the Security Agreement, the Pledge Agreement and the SAP Lockbox Account Control Agreement create, as security for the Obligations, a valid and enforceable and (coupled with this Agreement and the taking of all actions required thereunder and under the Security Agreement, the Pledge Agreement and the SAP Lockbox

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Account Control Agreement for perfection) perfected security interest in and Lien on all of the Collateral, in favor of the Administrative Agent, for the benefit of the Secured Parties, superior to and prior to the rights of all third persons and subject to no other Liens, except for Permitted Liens.

(P) *Subsidiaries*. The Borrower does not have, and shall not have, any Subsidiaries (other than the Managing Members and SAP), and does not and shall not otherwise own or hold, directly or indirectly, any Capital Stock of any other Person (other than in the case of Capital Stock of the Managing Members and SAP).

(Q) *Valid Transfer*. The Contribution Agreements create a valid sale, transfer or assignment from the applicable Assignor to the Seller of all right, title and interest of such Assignor in and to the Conveyed Property in each case conveyed to Seller thereunder. The Sale and Contribution Agreement creates a valid sale, transfer and/or assignment from the Seller to the Borrower of all right, title and interest of the Seller in and to the Conveyed Property in each case conveyed to the Borrower thereunder. The SAP Contribution Agreement creates a valid transfer and/or assignment from the Borrower to SAP of all right title and interest of the Borrower in and to the Conveyed Property in each case conveyed to SAP thereunder.

(R) *Purchases of Solar Assets.* The Borrower has given reasonably equivalent value to the Seller (which may include additional Capital Stock in the Borrower) in consideration for the transfer to the Borrower by the Seller of the Conveyed Property conveyed to the Borrower under the Sale and Contribution Agreement, and no such transfer has been made for or on account of an antecedent debt owed by the Seller to the Borrower.

(S) *OFAC and Patriot Act*. Neither any Relevant Party nor, to the knowledge of any Relevant Party, any of its officers, directors or employees appears on the Specially Designated Nationals and Blocked Persons List published by the Office of Foreign Assets Control ("*OFAC*") or is otherwise a person with which any U.S. person is prohibited from dealing under the laws of the United States, unless authorized by OFAC. No Relevant Party conducts business or completes transactions with the governments of, or persons within, any country under economic sanctions administered and enforced by OFAC. No Relevant Party will directly or indirectly use the proceeds from this Agreement, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person to fund any activities of or business with any person that, at the time of such funding, is the subject of economic sanctions administered or enforced by OFAC, or is in any country or territory that, at the time of such funding or facilitation, is the subject of economic sanctions administered or enforced by OFAC. No Relevant Party is in violation of Executive Order No. 13224 or the Patriot Act.

(T) *Foreign Corrupt Practices Act.* Neither the Relevant Parties nor, to the knowledge of the Relevant Parties, any of its directors, officers, agents or employees, has used any of the proceeds of any Advance (i) for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (ii) to make any direct or indirect unlawful payment to any government official or employee from corporate funds, (iii) to violate any provision of the U.S. Foreign Corrupt

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Practices Act of 1977 or similar law of a jurisdiction in which a Relevant Party conducts its business and to which they are lawfully subject, or (iv) to make any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

(U) *Eligibility*. Each Solar Asset listed on the Schedule of Solar Assets most recently delivered to the Administrative Agent was an Eligible Solar Asset as of such date of delivery of such Schedule of Solar Assets.

(V) *Beneficial Ownership Certification*. The information included in any Beneficial Ownership Certification delivered by the Borrower is true and correct in all respects.

Article V

Covenants

Section 5.1. Affirmative Covenants. The Borrower covenants and agrees that, until all Obligations (other than contingent obligations not then due) hereunder have been paid in full and the Commitments have been terminated:

(A) *Reporting Requirements.* The Borrower will furnish to the Administrative Agent and each Lender and, in the case of subclause (v)(a) below and the Paying Agent:

(i) within (a) the earlier of (x) one hundred eighty (180) days after the close of each fiscal year of SEI (beginning with the fiscal year ending December 31, 2019) and (y) such earlier period as required by Applicable Law, the unqualified (provided, however explanatory language added to the auditor's standard report shall not constitute a qualification) audited financial statements for such fiscal year that include the consolidated balance sheet of SEI and its consolidated subsidiaries as of the end of such fiscal year, the related consolidated statements of income, of stockholders' equity and of cash flows for such fiscal year, in each case, setting forth comparative figures for the preceding fiscal year (it being acknowledged that such requirement with respect to SEI may be satisfied by the filing of the appropriate report on Form 10-K with the Securities and Exchange Commission), and, beginning with the fiscal year ending December 31, 2019, the assets and liabilities of the Parent and the Borrower as of the end of such fiscal year presented in a note or schedule to such financial statements of SEI, and in each case prepared in accordance with GAAP, and audited by a Nationally Recognized Accounting Firm selected by SEI and (b) the earlier of (x) sixty (60) days after the end of each of the first three quarters of its fiscal year and (y) such earlier period as required by Applicable Law, the unaudited consolidated balance sheets and income statements for such fiscal quarter on a year-to-date basis for SEI and its consolidated subsidiaries (it being acknowledged that such requirement with respect to SEI may be satisfied by the filing of the appropriate report on Form 10-Q with the Securities and Exchange Commission);

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(ii) if, at any time, Sunnova Management is the Facility Administrator, but is not a subsidiary of SEI, within (a) the earlier of (x) 180 days after the end of each of its fiscal years (beginning with the fiscal year ending December 31, 2019) and (y) such earlier period as required by Applicable Law, a copy of the unqualified (provided, however explanatory language added to the auditor's standard report shall not constitute a qualification) audited consolidated financial statements for such year for Sunnova Management, containing financial statements for such year and prepared by a Nationally Recognized Accounting Firm selected by Sunnova Management and (b) the earlier of (x) sixty (60) days after the end of each of its fiscal quarters and (y) such earlier period as required by Applicable Law, the unaudited consolidated balance sheets and income statements for such fiscal quarter on a year-to-date basis for Sunnova Management;

(iii) at any time that Sunnova Management is the Facility Administrator, within one hundred eighty (180) days after the end of each of its fiscal years (beginning with the fiscal year ending December 31, 2019), a report prepared by a Qualified Service Provider containing such firm's conclusions with respect to an examination of certain information relating to Sunnova Management's compliance with its obligations under the Transaction Documents (including, without limitation, such firm's conclusions with respect to an examination of the calculations of amounts set forth in certain of Sunnova Management's reports delivered hereunder and pursuant to the Facility Administration Agreement during the prior calendar year and Sunnova Management's source records for such amounts), in form and substance satisfactory to the Administrative Agent;

(iv) as soon as possible, and in any event within five (5) Business Days, after the Borrower or any of their ERISA Affiliates knows or has reason to know that an ERISA Event has occurred, a certificate of a responsible officer of the Borrower setting forth the details of such ERISA Event, the action that the Borrower or the ERISA Affiliate proposes to take with respect thereto, and, when known, any action taken or threatened by the Internal Revenue Service, Department of Labor or the Pension Benefit Guaranty Corporation;

(v) (a) promptly, and in any event within five (5) Business Days, after a Responsible Officer of any of the Borrower, the Seller, Intermediate Holdco, the Facility Administrator (if it is an Affiliate of the Borrower) or the Parent obtains knowledge thereof, notice of the occurrence of any event that constitutes an Event of Default, a Potential Default, an Amortization Event or a Potential Amortization Event, which notice shall specify the nature thereof, the period of existence thereof and what action the Borrower propose to take with respect thereto and (b) promptly, and in any event within five (5) Business Days after a Responsible Officer of any of the Borrower, the Seller, Intermediate Holdco, the Facility Administrator (if it is an Affiliate of the Borrower) or the Parent obtains knowledge thereof, notice of any other development concerning any litigation, governmental or regulatory proceeding (including environmental law) or labor matter (including ERISA Event) pending or threatened in writing against the (1) Borrower or (2) Parent or SEI that, in the case of this clause (2), individually or in the aggregate, if adversely determined, would reasonably be

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likely to have a material adverse effect on (1) the ability of the Parent to perform its obligations under the Parent Guaranty, or (2) the business, operations, financial condition, or assets of the SEI or Parent;

(vi) promptly, and in any event within five (5) Business Days after a Responsible Officer of any of the Borrower, the Seller, Intermediate Holdco, the Facility Administrator (if it is an Affiliate of the Borrower) or the Parent obtains knowledge thereof, notice of the occurrence of any event that constitutes a default, an event of default or any event that would permit the acceleration of any obligation under a Sunnova Credit Facility; and

(vii) promptly, and in any event within five (5) Business Days, after receipt thereof by any of the Borrower, the Seller, Intermediate Holdco, the Facility Administrator, the Managing Members, the Financing Funds, the Manager (if it is an Affiliate of the Borrower) or the Parent, copies of all material notices, requests, and other documents (excluding regular periodic reports) delivered or received by the Borrower, the Seller, Intermediate Holdco, the Facility Administrator, the Managing Members, the Financing Funds, the Manager (if it is an Affiliate of the Borrower) or the Parent under or in connection with the Sale and Contribution Agreement, the SAP Contribution Agreement, the Tax Equity Financing Documents, the SAP NTP Financing Documents or the SAP Financing Documents;

(viii) promptly, and in any event within five (5) Business Days, after receipt thereof by any of the Borrower, the Seller, Intermediate Holdco, the Facility Administrator (if it is an Affiliate of the Borrower) or the Parent, copies of all notices and other documents delivered or received by the Borrower with respect to any material tax Liens on Solar Assets (either individually or in the aggregate);

(ix) on each Funding Date and on each other day on which SAP or a Financing Fund either acquires or disposes of Solar Assets that is included in the Borrowing Base, an updated Schedule IV, an updated Schedule V, an updated Schedule VI and an updated Schedule VII, in each case, to reflect such acquisition or disposition of Solar Assets on such date;

(x) on each Funding Date on which the Borrower acquires a Managing Member from the Seller, an updated Schedule VIII to reflect such acquisition of such Managing Member on such date; and

(xi) subject to any confidentiality requirements of the Securities and Exchange Commission, promptly after receipt thereof by SEI or any Subsidiary, copies of each notice or other correspondence received from the Securities and Exchange Commission concerning any investigation or possible investigation or other inquiry by such agency regarding financial or other operational results of SEI or any Subsidiary which could reasonably be expected to result in Material Adverse Effect.

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(B) *Solar Asset Reporting.* The Borrower shall:

(i) enforce the provisions of each Management Agreement and Servicing Agreement which require the Manager to deliver any reports to a Financing Fund or SAP; and

(ii) enforce the provisions of the Facility Administration Agreement which require the Facility Administrator to deliver any reports (including the Facility Administrator Report and any Borrowing Base Certificate setting forth detailed calculations of the Borrowing Base) to the Administrative Agent, each Funding Agent and the Paying Agent; and

(iii) within 20 Business Days of the Closing Date, cause to be delivered to the Administrative Agent an A-1 Verification Agent Certification with respect to the Solar Assets relating to the initial Advance; and

(iv) on the Scheduled Commitment Termination Date, cause to be delivered to the Administrative Agent an A-2 Verification Agent Certification with respect to all Solar Assets included in the Borrowing Base.

(C) *UCC Matters; Protection and Perfection of Security Interests.* The Borrower agrees to notify the Administrative Agent in writing of any change (i) in its legal name, (ii) in its identity or type of organization or corporate structure, or (iii) in the jurisdiction of its organization, in each case, within ten (10) days of such change. The Borrower agrees that from time to time, at its sole cost and expense, it will promptly execute and deliver all further instruments and documents, and take all further action necessary or reasonably required by the Administrative Agent (a) to complete all assignments from Assignors to the Seller under the Contribution Agreement, from the Seller to the Borrower under the Sale and Contribution Agreement, from a Financing Fund to the Parent or an Affiliate thereof pursuant to a SREC Direct Sale, from the Borrower to SAP under the SAP Contribution Agreement and, with respect to SRECs, from a Financing Fund to the Borrower in accordance with Section 5.2(N), (b) to perfect, protect or more fully evidence the Administrative Agent's security interest in the Collateral, or (c) to enable the Administrative Agent to exercise or enforce any of its rights hereunder, under the Security Agreement or under any other Transaction Document. Without limiting the Borrower's obligation to do so, the Borrower hereby irrevocably authorizes the filing of such financing or continuation statements, or amendments thereto or assignments thereof, and such other instruments or notices, as may be necessary or reasonably required by the Administrative Agent. The Borrower hereby authorizes the Administrative Agent to file one or more financing or continuation statements, and amendments thereto and assignments thereof, naming the Borrower as debtor, relative to all or any of the Collateral now existing or hereafter arising without the signature of the Borrower where permitted by law. A carbon, photographic or other reproduction of the Security Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement.

(D) *Access to Certain Documentation and Information Regarding the Solar Assets.* The Borrower shall permit (and, as applicable, shall cause the Facility Administrator, the Managing Members, SAP and the Verification Agent to permit) the Administrative Agent (and, as applicable,

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the Verification Agent) or its duly authorized representatives or independent contractors, upon reasonable advance notice to the Borrower (and, as applicable, the Facility Administrator, the Managing Members, SAP and the Verification Agent), (i) access to documentation that the Borrower, the Facility Administrator, the Managing Members, SAP or the Verification Agent, as applicable, may possess regarding the Solar Assets, (ii) to visit the Borrower, the Facility Administrator, the Managing Members, SAP or the Verification Agent, as applicable, and to discuss their respective affairs, finances and accounts (as they relate to their respective obligations under this Agreement and the other Transaction Documents) with the Borrower, the Facility Administrator, the Managing Members, SAP or the Verification Agent, as applicable, their respective officers, and independent accountants (subject to such accountants' customary policies and procedures), and (iii) to examine the books of account and records of the Borrower, the Verification Agent, the Facility Administrator, the Managing Members, or SAP, as applicable as they relate to the Solar Assets, to make copies thereof or extracts therefrom, in each case, at such reasonable times and during regular business hours of the Borrower, the Verification Agent, the Facility Administrator, the Managing Members, or SAP as applicable; *provided* that, upon the existence of an Event of Default, the Class B Lenders shall have the same rights of access, inspection and examination as the Administrative Agent under this Section 5.1(D). The frequency of the granting of such access, such visits and such examinations, and the party to bear the expense thereof, shall be governed by the provisions of Section 7.11 with respect to the reviews of the Borrower' business operations described in such Section 7.11. The Administrative Agent (and, as applicable, the Verification Agent and the Class B Lenders) shall and shall cause their representatives or independent contractors to use commercially reasonable efforts to avoid interruption of the normal business operations of the Borrower, the Verification Agent, the Facility Administrator, the Managing Members or SAP, as applicable. Notwithstanding anything to the contrary in this Section 5.1(D), (i) none of the Borrower, the Verification Agent, the Facility Administrator, the Managing Members or SAP will be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (x) constitutes non-financial trade secrets or non-financial proprietary information, (y) in respect of which disclosure to the Administrative Agent or any Lender (or their respective representatives or contractors) is prohibited by law or any binding confidentiality agreement, or (z) is subject to attorney-client or similar privilege or constitutes attorney work product and (ii) the Borrower shall have the opportunity to participate in any discussions with the Borrower's independent accountants.

(E) *Existence and Rights; Compliance with Laws*. The Borrower shall preserve and keep in full force and effect each Relevant Party's limited liability company existence, and any material rights, permits, patents, franchises, licenses and qualifications. The Borrower shall comply, and cause each other Relevant Party to, comply with all applicable laws and maintain in place all permits, licenses, approvals and qualifications required for each of them to conduct its business activities to the extent that the lack of compliance thereof would result in a Material Adverse Effect.

(F) *Books and Records*. The Borrower shall maintain, and cause (if any are Affiliates of the Borrower) the Facility Administrator to maintain, proper and complete financial and accounting books and records. The Borrower shall, and shall cause the Financing Funds and SAP to, maintain

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with respect to Solar Assets accounts and records as to each Solar Asset that are proper, complete, accurate and sufficiently detailed so as to permit (i) the reader thereof to know as of the most recently ended calendar month the status of each Solar Asset including payments made and payments owing (and whether or not such payments are past due), and (ii) reconciliation of payments on each Solar Asset and the amounts from time to time deposited in respect thereof in the Collection Account, if applicable.

(G) *Taxes*. The Borrower shall pay, or cause to be paid, when due all Taxes imposed upon any Relevant Party or any of its properties or which they are required to withhold and pay over, and provide evidence of such payment to the Administrative Agent if requested; *provided,* that no Relevant Party shall be required to pay any such Tax that is being contested in good faith by proper actions diligently conducted if (i) they have maintained adequate reserves with respect thereto in accordance with GAAP and (ii) in the case of a Tax that has or may become a Lien against any of the Collateral, such proceedings conclusively operate to stay the sale of any portion of the Collateral to satisfy such Tax.

(H) *Maintenance of Properties*. The Borrower shall ensure that each Relevant Party's material properties and equipment used or useful in each of their business in whomsoever's possession they may be, are kept in reasonably good repair, working order and condition, normal wear and tear excepted, and that from time to time there are made in such properties and equipment all needful and proper repairs, renewals, replacements, extensions, additions, betterments and improvements thereto, in each case, to the extent and in the manner customary for companies in similar businesses.

(I) *ERISA*. The Borrower shall deliver to the Administrative Agent such certifications or other evidence from time to time prior to the repayment of all Obligations and the termination of all Commitments, as requested by the Administrative Agent in its sole discretion, that (i) no Relevant Party is an "employee benefit plan" as defined in Section 3(3) of ERISA, which is subject to Title I of ERISA or a plan within the meaning of Section 4975 of the Internal Revenue Code, or a "governmental plan" within the meaning of Section 3(32) of ERISA, (ii) no Relevant Party is subject to state statutes regulating investments and fiduciary obligations with respect to governmental plans, and (iii) assets of the Borrower do not constitute "plan assets" within the meaning of 29 C.F.R. Section 2510.3-101, as modified in application by Section 3(42) of ERISA of any "benefit plan investor" as defined in Section 3(42) of ERISA.

(J) *Use of Proceeds.* The Borrower will only use the proceeds of the Class A Advances and the Class B Advances as permitted under Section 2.3.

(K) *Change of State of Organization; Collections; Names, Etc.* (i) In respect of each Assignor, the Seller, the Facility Administrator, the Managing Members, the Financing Funds and SAP, the Borrower shall notify the Administrative Agent, the Paying Agent and the Verification Agent in writing of any change (a) in such entity's legal name, (b) in such entity's identity or type of

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organization or corporate structure, or (c) in the jurisdiction of such entity's organization, in each case, within ten (10) days of such change; and

(ii) in the event that the Borrower or any Affiliated Entity thereof receives any Collections directly, the Borrower shall hold, or cause such Affiliated Entity to hold, all such Collections in trust for the benefit of the Secured Parties and deposit, or cause such Affiliated Entity to deposit, such amounts into the Collection Account, as soon as practicable, but in no event later than two (2) Business Days after its receipt thereof.

(L) *Insurance.* The Borrower shall maintain or cause to be maintained by the Facility Administrator pursuant to the Facility Administration Agreement and by the Manager pursuant to the Managements Agreements, at the Facility Administrator's and the Manager's own expenses, insurance coverage (i) by such insurers and in such forms and amounts and against such risks as are generally consistent with the insurance coverage maintained by the Borrower, Facility Administrator, the Manager, the Managing Members, the Financing Funds and SAP as of the Closing Date or (ii) as is customary, reasonable and prudent in light of the size and nature of the Borrower's, the Facility Administrator's, the Manager's, the Manager Member's, the Financing Funds' and SAP's respective businesses as of any date after the Closing Date. The Borrower shall be deemed to have complied with this provision if one of its Affiliates has such policy coverage and, by the terms of any such policies, the coverage afforded thereunder extends to the Borrower. Upon the request of the Administrative Agent at any time subsequent to the Closing Date, the Borrower shall cause to be delivered to the Administrative Agent, a certification evidencing the Borrower's, the Facility Administrator's, the Manager's, the Manager Member's, the Financing Funds' and SAP's coverage under any such policies.

(M) *Maintenance of Independent Director.* The Borrower shall maintain at least one individual to serve as an independent director (an "*Independent Director*") of the Borrower, (i) which is not, nor at any time during the past six (6) years has been, (a) a direct or indirect beneficial owner, a partner (whether direct, indirect or beneficial), customer or supplier of the Borrower or any of its Affiliates, (b) a manager, officer, employee, member, stockholder, director, creditor, Affiliate or associate of the Borrower or any of its Affiliates (other than as an independent officer, director, member or manager acting in a capacity similar to that set forth herein), (c) a person related to, or which is an Affiliate of, any person referred to in clauses (a) or (b), or (d) a trustee, conservator or receiver for any Affiliate of the Borrower or any of its Affiliates, (ii) which shall have had prior experience as an independent director for a corporation or limited liability company whose charter documents required the unanimous consent of all independent directors thereof before such corporation or limited liability company could consent to the institution of bankruptcy or insolvency proceedings against it or could file a petition seeking relief under any applicable federal or state law relating to bankruptcy, and (iii) which shall have at least three (3) years of employment experience with one or more entities with a national reputation and presence that provide, in the ordinary course of their respective businesses, advisory, management or placement services to issuers of securitization or structured finance instruments, agreements or securities, and is currently employed by such an entity.

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(N) *The Sale and Contribution Agreement*. The Borrower shall make such reasonable requests for information and reports or for action under the Sale and Contribution Agreement to the Seller as the Administrative Agent may reasonably request to the extent that the Borrower is entitled to do the same thereunder.

(O) *Management Agreement/Servicing Agreement.* The Borrower shall cause the Managing Members to direct the Financing Funds and SAP to keep in full force and effect each Management Agreement and Servicing Agreement or such equivalent replacement agreements such that O&M Services and Servicing Services are provided in respect of the Solar Assets owned by such Person in a manner consistent with the Tax Equity Financing Documents and the SAP Financing Documents and with the same degree of care that the Parent and its Affiliates use to provide similar services to Solar Assets not owned by a Financing Fund or SAP.

(P) *Maintenance of Separate Existence.* The Borrower shall take all reasonable steps to continue its identity as a separate legal entity and to make it apparent to third Persons that it is an entity with assets and liabilities distinct from those of the Affiliated Entities or any other Person, and that it is not a division of any of the Affiliated Entities or any other Person. In that regard the Borrower shall:

(i) maintain its limited liability company existence, make independent decisions with respect to its daily operations and business affairs, not amend, modify, terminate or fail to comply with the provisions of its organizational documents, not merge into or consolidate with any Person, or dissolve, terminate, liquidate in whole or in part, transfer or otherwise dispose of all or substantially all of its assets or change its legal structure, and, other than pursuant to the terms of the limited liability company agreement of the Borrower, not be controlled in making such decisions by any other Affiliated Entity or any other Person;

(ii) maintain its assets in a manner which facilitates their identification and segregation from those of any of the other Affiliated Entities;

(iii) except as expressly otherwise permitted hereunder, conduct all intercompany transactions or enter into any contract or agreement with the other Affiliated Entities except upon terms and conditions that are intrinsically fair and substantially similar to those that would be available on an arm's length basis with unaffiliated third parties;

(iv) not assume or guarantee any obligation of any of the other Affiliated Entities, nor have any of its obligations assumed or guaranteed by any other Affiliated Entity, pledge its assets for the benefit of any other Affiliated Entity, or hold itself out as responsible for the debts of any other Affiliated Entity or for the decisions or actions with respect to the business and affairs of any other Affiliated Entity;

(v) except as expressly otherwise permitted hereunder or contemplated under any of the other Transaction Documents, the SAP Financing Documents, the SAP NTP Financing Documents or the Tax Equity Financing Documents, not permit the commingling or pooling

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of its funds or other assets with the assets of any other Affiliated Entity or make any loans or advances to any other Affiliated Entity;

(vi) maintain separate deposit and other bank accounts to which no other Affiliated Entity has any access;

(vii) compensate (either directly or through reimbursement of its allocable share of any shared expenses) all employees, consultants and agents, and Affiliated Entities, to the extent applicable, for services provided to the Borrower by such employees, consultants and agents or Affiliated Entities, in each case, either directly from the Borrower's own funds or indirectly through documented capital contributions from Parent or any other direct or indirect parent of the Borrower;

(viii) have agreed with each of the other relevant Affiliated Entities to allocate among themselves, through documented intercompany transactions, including documented capital contributions from Parent or any other direct or indirect parent of the Borrower, shared overhead and corporate operating services and expenses which are not reflected in documentation in connection with a Takeout Transaction (including the services of shared employees, consultants and agents and reasonable legal and auditing expenses) on the basis of actual use or the value of services rendered, and otherwise on a basis reasonably related to actual use or the value of services rendered;

(ix) pay for its own account, directly from the Borrower's own funds or indirectly through documented capital contributions from Parent or any other direct or indirect parent of the Borrower, its own liabilities, including, without limitation, for accounting and payroll services, rent, lease and other expenses (or its allocable share of any such amounts provided by one or more other Affiliated Entity) and not have such liabilities or operating expenses (or the Borrower's allocable share thereof) paid by any of the Affiliated Entities; *provided,* that Parent or another Affiliated Entity shall be permitted to pay the initial organizational expenses of the Borrower;

(x) conduct its business (whether in writing or orally) solely in its own name through its duly authorized officers, employees and agents, including the Facility Administrator, hold itself out to the public as a legal entity separate and distinct from any other Affiliated Entity, and correct any known misunderstanding regarding its separate identity;

(xi) maintain a sufficient number of employees in light of its contemplated business operations, and maintain adequate capital for the normal obligations reasonably foreseeable in a business of its size and character and in light of its contemplated business operations;

(xii) maintain its books, records, resolutions and agreements as official records, and shall maintain all of its books, records, financial statements and bank accounts separate from

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those of any other Affiliated Entity, and shall not permit its assets to be listed on the financial statement of any other Affiliated Entity; *provided*, however, that the Borrower's assets may be included in a consolidated financial statement of its affiliates provided that (i) appropriate notation shall be made on such consolidated financial statements to indicate the separateness of Borrower and such affiliates and to indicate that the Borrower's assets and credit are not available to satisfy the debts and other obligations of such affiliates or any other Person and (ii) such assets shall be listed on the Borrower's own separate balance sheet;

(xiii) except as provided in the limited liability company agreement of the Borrower, not acquire obligations or securities of any other Affiliated Entities, or identify its members or the other Affiliated Entities, as applicable, as a division or part of it;

(xiv) file its own tax returns unless prohibited by Applicable Law from doing so (except that the Borrower may file or may include its filing as part of a consolidated federal tax return, to the extent required and/or permitted by Applicable Law, *provided* that, there shall be an appropriate notation indicating the separate existence of the Borrower and its assets and liabilities); and

(xv) otherwise practice and adhere to corporate formalities such as complying with its organizational documents and member and Facility Administrator resolutions, the holding of regularly scheduled meetings of members and Facility Administrator, use stationery, invoices and checks separate from those of any other Affiliated Entity, and maintaining complete and correct books and records and minutes of meetings and other proceedings of its members and Facility Administrator.

(Q) *Updates to Account Schedule.* Schedule II attached hereto shall be updated by the Borrower and delivered to the Administrative Agent and each Lender immediately to reflect any changes as to which the notice and other requirements specified in Section 5.2(K) have been satisfied.

(R) *Deposits into the Accounts.* (i) The Borrower shall (a) direct, or cause to be directed, all Collections other than Collections related to SAP Solar Assets to the Collection Account and all Collections related to SAP Solar Assets to the SAP Lockbox Account, (b) direct, or cause to be directed, all Hedged SREC Counterparties to make all related Hedged SREC Payments directly into the Collection Account and, to the extent any Hedged SREC Payments are deposited by the relevant Hedged SREC Counterparty in another account, cause such payments to be deposited into the Collection Account no later than two (2) Business Days after receipt, and (c) deposit or cause to be deposited all net proceeds of a Takeout Transaction into the Takeout Transaction Account in accordance with Section 2.7(B).

(ii) The Borrower shall not and shall not permit the Managing Members or SAP to deposit into or otherwise credit (or cause to be deposited or credited), or consent to or fail to object

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to any such deposit or credit of, cash or cash proceeds other than Collections into the Collection Account or the SAP Lockbox Account.

(S) *Hedging*. The Borrower shall collectively at all times satisfy the Hedge Requirements. To the extent the Borrower is required to terminate one or more Hedge Agreements in order to satisfy the Hedge Requirements, the Borrower shall terminate such Hedge Agreements in the order in which they are entered into.

(T) *Update to Solar Assets.* The Borrower shall notify the Facility Administrator and the Administrative Agent in writing of any additions or deletions to the Schedule of Solar Assets, no later than each Funding Date and each Payment Date (which in the case of the update delivered on any Payment Date shall be prepared as of the last day of the related Collection Period).

(U) *Notice to Seller and Parent.* The Borrower shall promptly notify the Seller and the Parent of a breach of Section 4.1(U) and shall require the Seller or the Parent to cure such breach or pay the Liquidated Damages Amount for such Defective Solar Asset pursuant to and in accordance with the Sale and Contribution Agreement or the Parent Guaranty, as applicable.

(V) *Government Approvals.* The Borrower shall promptly obtain all orders, consents, authorizations, approvals, licenses and validations of, or file recordings, register with, or obtain exemption from, any Governmental Authority required as a condition to the performance of its obligations under any Transaction Document.

(W) *Underwriting and Reassignment Credit Policy*. The Borrower shall provide or shall cause the Parent to provide, to the Administrative Agent (with a copy to each Lender) all proposed revisions to the Underwriting and Reassignment Credit Policy. Exhibit J shall be deemed to be amended to include such revisions upon the consent of the Administrative Agent, the Majority Lenders and the Majority Class B Lenders, in each case, in their reasonable discretion; provided, that consent by the Majority Class B Lenders shall not be unreasonably withheld, conditioned or delayed if otherwise approved by the Majority Lenders; provided, further, that if the Majority Class B Lenders have not affirmatively disapproved such revisions in writing within five (5) Business Days of receiving such revisions and the Majority Lenders have otherwise approved such revisions, such revisions shall be deemed approved by the Majority Class B Lenders.

(X) *Deviations from Approved Forms.* The Borrower shall provide or shall cause the Seller to provide, to the Administrative Agent (with a copy to each Lender) all proposed forms of Solar Service Agreements which deviate in any material respect from a form attached hereto as Exhibit G (each such form a "*Proposed Form*") and shall provide notice to the Administrative Agent (with a copy to each Lender) regarding the cessation of a form of Solar Service Agreement attached hereto as Exhibit G or previously delivered hereunder. The Administrative Agent shall use its best efforts to notify the Borrower in writing within ten (10) Business Days of receipt of a Proposed Form of its objection or approval of the terms of such Proposed Form. Upon the written approval of the Administrative Agent, such approval not to be unreasonably withheld or delayed, Exhibit G shall be

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deemed to be amended to include such Proposed Form as a Solar Service Agreement in addition to the other forms attached or previously delivered hereunder. The Borrower shall, no less frequently than once per calendar quarter, provide or shall cause the Seller to provide, to the Administrative Agent (with copies to each Lender) all forms of Solar Service Agreements that incorporate changes which do not deviate materially from a form attached hereto as Exhibit G. Upon receipt of such forms of Solar Service Agreements, Exhibit G shall be deemed to be amended to include such forms in addition to the other forms attached or previously delivered hereunder.

(Y) *Beneficial Owner Certification.* Promptly following any request therefor, the Borrower shall provide such information and documentation reasonably requested by the Administrative Agent or any Lender for purposes of compliance with applicable "know your customer" requirements under the Patriot Act, the Beneficial Ownership Regulation or other applicable anti-money laundering laws.

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Section 5.2. Negative Covenants. The Borrower covenants and agrees that, until all Obligations (other than contingent obligations not then due) hereunder have been paid in full, the Borrower will not:

(A) *Business Activities*. (x) Conduct any business other than:

(i) the acquisition from time to time of any or all right, title and (direct or indirect) interest in and to (1) Solar Assets and Solar Asset Owner Membership Interests and all rights and interests thereunder or relating thereto pursuant to the Sale and Contribution Agreement and (2) SRECs in accordance with Section 5.2(N);

(ii) the conveyance from time to time of Solar Asset Owner Member Interests, SAP Solar Assets or Hedged SREC Solar Assets in connection with a Takeout Transaction, the conveyance of Solar Assets to SAP and the sale or transfer of any Excess SRECs;

(iii) the origination of Hedged SREC Agreements;

(iii) the execution and delivery by the Borrower from time to time of purchase agreements, in form and substance satisfactory to the Administrative Agent, related to the sale of securities by the Borrower or any of their Affiliates in connection with a Takeout Transaction;

(iv) the performance by the Borrower of all of its obligations under the aforementioned agreements and under this Agreement and any documentation related thereto;

(v) the preparation, execution and delivery of any and all other documents and agreements as may be required in connection with the performance of the activities of the Borrower approved above; and

(vi) to engage in any lawful act or activity and to exercise any powers permitted under the Delaware Limited Liability Company Act that are reasonably related, incidental, necessary, or advisable to accomplish the foregoing; or

(y) permit the Managing Members or SAP to conduct any business other than the transactions contemplated by the Tax Equity Financing Documents.

Notwithstanding the foregoing, after the Closing Date and at any time on or prior to the earlier of (a) the Maturity Date and (b) the date on which all Obligations (other than contingent obligations not then due) of the Borrower hereunder have been paid in full, the Borrower shall not, without the prior written consent of the Administrative Agent and the Majority Lenders (1) purchase or otherwise acquire any Solar Assets or Solar Asset Owner Membership Interests, or interests therein, except for acquisitions from the Seller pursuant to and in accordance with the Sale and

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Contribution Agreement, (2) convey or otherwise dispose of any Collateral or interests therein, other than permitted under Sections 5.2(A)(ii) or 5.2(E) or the SAP Contribution Agreement, or (3) establish any Subsidiaries; *provided*, that notwithstanding this paragraph, the Borrower may continue to own directly or indirectly interests in the Financing Funds and SAP, which shall purchase and acquire Solar Assets in accordance with the terms of the SAP Financing Documents, the SAP NTP Financing Documents or the Tax Equity Financing Documents, as applicable.

(B) *Sales, Liens, Etc*. Except as permitted hereunder (i) sell, assign (by operation of law or otherwise) or otherwise dispose of, or create or suffer to exist any Lien upon or with respect to, the Collateral or any portion thereof, or upon or with respect to the Collection Account or any other account owned by or in the name of the Borrower or SAP to which any Collections are sent, or assign any right to receive income in respect thereof, or (ii) create or suffer to exist any Lien upon or with respect to any of its properties, whether now owned or hereafter acquired, or assign any right to receive income, to secure or provide for the payment of any Indebtedness of any Person or for any other reason; *provided* that notwithstanding anything to the contrary herein, this Section 5.2(B) shall not prohibit (x) any Lien that constitutes a Permitted Lien or a Permitted Equity Lien, (y) a SAP Transfer or (z) so long as notice is given to Administrative Agent (with a copy to each Lender) under any Facility Administrator Report of any of the following, any actions permitted under Sections 5.2(A)(ii).

(C) *Indebtedness.* Incur or assume any Indebtedness, except Permitted Indebtedness.

(D) *Loans and Advances.* Make any loans or advances to any Person.

(E) *Dividends, Etc.* Declare or make any dividend payment or other distribution of assets, properties, cash, rights, obligations or securities on account of any interest in Borrower, or purchase, redeem or otherwise acquire for value any interest in the Affiliated Entities or any rights or options to acquire any such interest to any Person that is not the Borrower, except:

(i) transfers, dividends or other distributions of Transferable Assets to the Seller pursuant to the Sale and Contribution Agreement;

(ii) distributions of cash by the Borrower to the Borrower's Account in accordance with Section 2.7(B)(xiv);

(iii) distributions of Solar Assets that were Substantial Stage Solar Assets or Final Stage Solar Assets in accordance with a SAP Transfer;

(iv) transfers, dividends or other distributions of Service Incentives;

(v) transfers, dividends or other distributions of Solar Asset Owner Member Interests, SAP Solar Assets or Hedged SREC Solar Assets in connection with a Takeout Transaction;

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(vi) transfers, dividends or other distributions of SREC Direct Sale Proceeds; or

(vii) transfers, dividends or other distributions of Excess SRECs and Excess SREC Proceeds;

provided, that the distributions described in subsection (i) of clause (E) shall not be permitted if either an Event of Default or Potential Default would result therefrom unless all outstanding Obligations (other than contingent liabilities for which no claims have been asserted) have been irrevocably paid in full with all accrued but unpaid interest thereon and any related Liquidation Fees; *provided*, *further*, that nothing in this Section 5.2(E) shall prohibit or limit any Financing Fund Contributions.

(F) *Mergers, Etc.* Merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, or acquire all or substantially all of the assets of, any Person, except in connection with the acquisition or sale of Solar Assets or Solar Asset Owner Membership Interests and similar property pursuant to the Sale and Contribution Agreement, in connection with a Takeout Transaction or an acquisition or sale where all Obligations have been paid in full with all accrued but unpaid interest thereon and any related Liquidation Fees.

(G) *Investments.* Make any investment of capital in any Person either by purchase of stock or securities, contributions to capital, property transfer or otherwise or acquire or agree to acquire by any manner any business of any Person except pursuant to the transactions contemplated herein and in the SAP Financing Documents, the SAP NTP Financing Documents or the Tax Equity Financing Documents.

(H) *Change in Organizational Documents.* Amend, modify or otherwise change any of the terms or provisions in its organizational documents as in effect on the date hereof without the consent of the Administrative Agent and the Majority Lenders.

(I) *Transactions with Affiliates.* Enter into, or be a party to, any transaction with any of its Affiliates, except (i) the transactions contemplated by the Transaction Documents, the SAP Financing Documents, the SAP NTP Financing Documents, the Tax Equity Financing Documents or any similar conveyance agreement entered into in connection with a Takeout Transaction or SAP Transfer, (ii) any other transactions (including the lease of office space or computer equipment or software by the Borrower from an Affiliate and the sharing of employees and employee resources and benefits) (a) in the ordinary course of business or as otherwise permitted hereunder, (b) pursuant to the reasonable requirements and purposes of the Borrower's business, (c) upon fair and reasonable terms (and, to the extent material, pursuant to written agreements) that are consistent with market terms for any such transaction, and (d) permitted by Sections 5.2(B), (C), (E) or (F), (iii) employment and severance arrangements and health, disability and similar insurance or benefit plans between the Borrower and its directors, officers, employees in the ordinary course of business, and (iv) the payment of customary fees and reasonable out of pocket costs to, and indemnities

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provided on behalf of, directors, managers, consultants, officers and employees of any parent entity of the Borrower to the extent attributable to the ownership or operation of the Borrower.

(J) *Addition, Termination or Substitution of Accounts*. Add, terminate or substitute, or consent to the addition, termination or substitution of, the Collection Account, the Supplemental Reserve Account, the Liquidity Reserve Account, the SAP Lockbox Account (including any termination, revocation or substitution of the standing instructions to sweep amounts on deposit in the SAP Lockbox Account into the SAP Revenue Account on a daily basis as set forth in Section 4.1(G)), the SAP Revenue Account or the Takeout Transaction Account unless the Administrative Agent and the Majority Lenders shall have consented thereto after having received at least thirty (30) days' prior written notice thereof. Notwithstanding the foregoing, the Borrower neither has nor shall have any control over the Collection Account, the Supplemental Reserve Account, the Liquidity Reserve Account, the SAP Lockbox Account, the SAP Revenue Account or the Takeout Transaction Account. For the avoidance of doubt, any Financing Fund Contributions shall not be controlled or distributed through the Paying Agent Accounts.

(K) *Collections*. (i) Deposit at any time Collections into any bank account other than in accordance with Section 5.1(R), (ii) make any change to the payment instructions to a Financing Fund, a Managing Member or SAP in respect of the Solar Asset Owner Member Interests to any other destination other than the Collection Account, (iii) make any change to the payment instructions to any Hedged SREC Counterparty or direct any Hedged SREC Counterparty to make any Hedged SREC Payments to go to any destination other than the Collection Account, or (iv) permit the assets of any Person (other than the Borrower) to be deposited into the Collection Account.

(L) *Amendments to Transaction Documents*. (x) Without the consent of the Administrative Agent and subject to Section 10.2, amend, modify or otherwise change any of the terms or provisions of any Transaction Document other than (i) supplements identifying Solar Assets and/or Solar Asset Owner Membership Interests to be transferred in in accordance with the Sale and Contribution Agreement, (ii) supplements identifying Solar Assets to be financed in connection with each Funding Date, (iii) amendments, supplements or other changes in accordance with the terms of the applicable Transaction Document, the SAP Financing Documents, the SAP NTP Financing Documents or Tax Equity Financing Document, and (iv) amendments, supplements or other changes with respect to exhibits and schedules to any Transaction Document, the SAP Financing Documents, the SAP NTP Financing Documents or Tax Equity Financing Document that would not reasonably be expected to have a material adverse effect on the value, enforceability, or collectability of the Collateral or adversely affect Collections and (y) without the consent of the Majority Class B Lenders, amend, modify or otherwise change the Parent Guaranty or Section 8 of the Sale and Contribution Agreement.

(M) *Bankruptcy of Tax Equity Parties*. Without the consent of the Administrative Agent, the Borrower shall not, directly or indirectly, cause the institution of bankruptcy or insolvency proceedings against a Tax Equity Party.

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(N) *SRECs*. The Borrower shall not acquire SRECs directly or indirectly from a Financing Fund unless such acquisition (i) is pursuant to distribution of such SRECs from such Financing Fund, (ii) does not require the Borrower to purchase such SRECs or otherwise make any conveyance in exchange for such SRECs and (iii) is made pursuant to documentation acceptable to the Administrative Agent.

Section 5.3. Covenants Regarding the Solar Asset Owner Member Interests. The Borrower covenants and agrees, that, until all Obligations (other than contingent obligations not then due) hereunder have been paid in full, the Borrower shall:

(A) determine whether or not to exercise each Purchase Option in accordance with the Purchase Standard. The Borrower will make such determination, and if it determines to do so, will exercise such Purchase Option, no later than 60 days following the related Call Date in accordance with the terms and conditions of the related Financing Fund LLCA. Such determination will take into account whether sufficient funds are available in the Supplemental Reserve Account to pay the related Purchase Option Price, and if such funds are not then available in the Supplemental Reserve Account, the Borrower shall make a determination, in accordance with the Purchase Standard, whether to exercise such Purchase Option as soon thereafter as such funds are available in the Supplemental Reserve Account. Upon the Borrower's exercise and completion of a Purchase Option, the Borrower shall (i) instruct the related Financing Fund to pay all distributions to be made by such Financing Fund to the Borrower in respect of the Managing Member Interests and the Tax Equity Investor Interests directly to the Collection Account and deliver to the Administrative Agent the original certificate of the related Managing Member Interests and the related Tax Equity Investor Interests together with instruments of transfer executed in blank, (ii) cause the Managing Members to execute and deliver to the Administrative Agent an Accession Agreement to the Pledge Agreement covering the Tax Equity Investor Interest acquired pursuant to the Purchase Option, and (iii) cause the Managing Members to amend the related Financing Fund LLCA to require such Financing Fund to have at all times an Independent Director;

(B) (x) cause the Managing Members (i) to cause each Financing Fund to make all Managing Member Distributions directly to the Collection Account and (ii) to deliver to the Administrative Agent for deposit into the Collection Account any Managing Member Distributions received by the Managing Members and (y) cause SAP to (i) make all SAP Distributions directly to the Collection Account and (ii) to deliver to the Administrative Agent for deposit into the Collection Account any SAP Distributions received by SAP;

(C) cause each of the Managing Members and SAP to comply with the provisions of its operating agreement and not to take any action that would cause the Managing Members to violate the provisions of the related Financing Fund LLCA;

(D) cause each of the Managing Members and SAP to maintain all material licenses and permits required to carry on its business as now conducted and in accordance with the provisions of the Transaction Documents, except to the extent the failure to do so could not reasonably be

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expected to have a material adverse effect on the interests of the Administrative Agent or the Lenders;

(E) not permit or consent to the admission of any new member of the Managing Members or SAP other than a successor independent member in accordance with the provisions of their respective operating agreements;

(F) cause the Managing Members not to permit or consent to the admission of any new member of a Financing Fund other than pursuant to the exercise of a Purchase Option by the Managing Member;

(G) cause the Managing Members not to make any material amendment to a Financing Fund LLCA that could reasonably be expected to have a material adverse effect on the interests of the Administrative Agent or the Lenders and cause the Managing Members and SAP not to make any material amendment to their respective operating agreements that could reasonably be expected to have a material adverse effect on the interests of the Administrative Agent or the Lenders;

(H) cause the Managing Members on its own behalf and on behalf of each Financing Fund (i) to comply with and enforce the provisions of the Tax Loss Insurance Policies and (ii) not to consent to any amendment to a Tax Loss Insurance Policy to the extent that such amendment could reasonably be expected to have a material adverse effect on the interests of the Administrative Agent or the Lenders;

(I) cause the Managing Members to cause each Financing Fund to (i) comply with the provisions of each respective Financing Fund LLCA and (ii) not take any action that would violate the provisions of such Financing Fund LLCA, and cause the Managing Members and SAP to not to make any material amendment to their respective operating agreement that could reasonably be expected to have a material adverse effect on the interests of the Administrative Agent or the Lenders;

(J) cause the Managing Members to cause each Financing Fund and cause the Managing Members and SAP to maintain all material licenses and permits required to carry on its business as now conducted and in accordance with the provisions of the SAP Financing Documents, the SAP NTP Financing Documents and the Tax Equity Financing Documents, except to the extent the failure to do so could not reasonably be expected to have a material adverse effect on the interests of the Administrative Agent or the Lenders;

(K) cause the Managing Members to cause the related Financing Funds not to incur any indebtedness or sell, dispose of or other encumber any of its assets other than as permitted by the Transaction Documents; and

(L) cause the Managing Members to obtain the consent of the Administrative Agent for any action that requires the prior consent of a Managing Member and the related Tax Equity Investor in

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the related Financing Fund LLCA or any action that could reasonably be expected to cause a Material Adverse Effect.

Article VI

Events of Default

Section 6.1. Events of Default. The occurrence of any of the following specified events shall constitute an event of default under this Agreement (each, an "*Event of Default*"):

(A) *Non-Payment.* (i) The Borrower shall fail to make any required payment of principal (excluding any payment required to be made to cure a Class B-I Borrowing Base Deficiency, a Class B-II Borrowing Base Deficiency or a Class B Aggregate Borrowing Base Deficiency during the Amortization Period) or interest when due hereunder (excluding Additional Interest Distribution Amounts during the Amortization Period) and such failure shall continue unremedied for two (2) Business Days after the day such payment is due or (ii) the Borrower shall fail to pay the Aggregate Outstanding Advances by the Maturity Date, or (iii) the Borrower shall fail to make any required payment on any other Obligation when due hereunder or under any other Transaction Document and such failure under this sub-clause (iii) shall continue unremedied for five (5) Business Days after the earlier of (a) written notice of such failure shall have been given to the Borrower by the Administrative Agent or any Lender or (b) the date upon which a Responsible Officer of the Borrower obtained knowledge of such failure.

(B) *Representations*. Any representation or warranty made or deemed made by the Borrower (other than pursuant to Section 4.1(U) hereof or, with respect to the Parent only, Section 4.1(L) hereof), the Seller, the Parent, the Facility Administrator, the Managing Members or SAP herein or in any other Transaction Document (after giving effect to any qualification as to materiality set forth therein, if any) shall prove to have been inaccurate in any material respect when made and such defect, to the extent it is capable of being cured, is not cured within thirty (30) days from the earlier of the date of receipt by the Borrower, the Parent, the Seller, the Facility Administrator, the Managing Members or SAP as the case may be, of written notice from the Administrative Agent of such failure by the Borrower, the Parent, the Facility Administrator, the Seller, the Managing Members or SAP, as the case may be, of such failure.

(C) *Covenants*. The Borrower, the Seller, the Facility Administrator, the Managing Members or SAP shall fail to perform or observe any other term, covenant or agreement contained in this Agreement or in any other Transaction Document which has not been cured within thirty (30) days from the earlier of the date of receipt by the Borrower, the Facility Administrator, the Managing Members or SAP, as the case may be, of written notice from the Administrative Agent of such failure by the Borrower, the Facility Administrator, the Managing Members or SAP, as the case may be, of such failure.

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(D) *Validity of Transaction Documents.* This Agreement or any other Transaction Document shall (except in accordance with its terms), in whole or in part, cease to be (i) in full force and effect and/or (ii) the legally valid, binding and enforceable obligation of the Seller, the Borrower, the Parent, the Facility Administrator, a Managing Member or SAP.

(E) *Insolvency Event.* An Insolvency Event shall have occurred with respect to Parent, the Seller, Borrower, the Facility Administrator, a Managing Member, SAP or a Financing Fund.

(F) *Breach of Parent Guaranty; Failure to Pay Liquidated Damages Amounts.* Any failure by Parent to perform under the Parent Guaranty; *provided* that a breach by Parent of the Financial Covenants is not an Event of Default hereunder, or any failure of TEP Developer or TEP Resources to pay Liquidated Damages Amounts pursuant to the Sale and Contribution Agreements.

(G) *ERISA Event.* Either (i) any ERISA Event shall have occurred or (ii) the assets of the Borrower become subject to Title I of ERISA, Section 4975 of the Internal Revenue Code, or, by reason of any investment in the Borrower by any governmental plan, as the case may be, any other federal, state, or local provision similar to Section 406 of ERISA or Section 4975 of the Internal Revenue Code.

(H) *Borrowing Base Deficiency.* A Class A Borrowing Base Deficiency or, during the Availability Period, a Class B-I Borrowing Base Deficiency, a Class B-II Borrowing Base Deficiency or Class B Aggregate Borrowing Base Deficiency continues for more than two (2) Business Days.

(I) *Security Interest.* The Administrative Agent, for the benefit of the Lenders, ceases to have a first priority perfected security interest in Collateral having a value in excess of $150,000 and such failure shall continue unremedied for more than five (5) Business Days unless such Liens with a higher priority than Agent's Liens are Permitted Liens or Permitted Equity Liens; provided that if such cessation in security interest is due to Administrative Agent's actions, then no Event of Default shall be deemed to occur under this Section 6.1(I).

(J) *Judgments*. There shall remain in force, undischarged, unsatisfied, and unstayed for more than thirty (30) consecutive days, any final non-appealable judgment against any Relevant Party in excess of $250,000 or the Parent in excess of $1,000,000, in each case over and above the amount of insurance coverage available from a financially sound insurer that has not denied coverage.

(K) *1940 Act*. Any Relevant Party becomes, or becomes controlled by, an entity required to register as an "investment company" under the 1940 Act.

(L) *Hedging.* Failure of the Borrower to maintain Hedge Agreements satisfying the Hedge Requirements and such failure continues for five (5) Business Days or any Hedge Counterparty ceases to be a Qualifying Hedge Counterparty and such Hedge Counterparty is not replaced with a Qualifying Hedge Counterparty within ten Business Days.

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(M) *Change of Control*. The occurrence of a Change of Control.

(N) *Financing Fund Material Adverse Effect*. The occurrence of any event that results in a Material Adverse Effect (as defined in the Financing Fund LLCA) with respect to a Managing Member or a Financing Fund.

(O) *Replacement of Manager*. The Manager resigns, removed or is replaced under a Management Agreement or a Servicing Agreement and, in each case, a replacement Manager, acceptable to the Administrative Agent has not accepted an appointment under such agreement within 60 days of such resignation or removal.

(P) *Parent Material Adverse Effect*. A representation or warranty made or deemed made by the Borrower pursuant to Section 4.1(L) hereof regarding the Parent shall prove to have been inaccurate in any material respect when made and such defect, to the extent it is capable of being cured, is not cured within ninety (90) days from the earlier of the date of receipt by the Borrower of written notice from the Administrative Agent of such failure by the Borrower.

(Q) *Resignation or Removal of Managing Member*. A Managing Member resigns or is removed under a Financing Fund LLCA.

Section 6.2. Remedies. If any Event of Default shall then be continuing, the Administrative Agent (i) may, in its discretion, or (ii) shall, upon the written request of the Majority Lenders, by written notice to the Borrower and the Lenders, take any or all of the following actions, without prejudice to the rights of the Administrative Agent or any Lender to enforce its claims against the Borrower in any manner permitted under applicable law:

(A) declare the Commitments terminated, whereupon the Commitment of each Lender shall forthwith terminate immediately without any other notice of any kind;

(B) declare the principal of and any accrued interest in respect of the Class A Advances, the Class B Advances and all other Obligations owing hereunder and thereunder to be, whereupon the same shall become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower; *provided,* that, upon the occurrence of an Insolvency Event with respect to the Borrower, the principal of and any accrued interest in respect of the Advances and all other Obligations owing hereunder shall be immediately due and payable without any notice to the Borrower or Lenders;

(C) if the Facility Administrator is Sunnova Management, replace the Facility Administrator with a Successor Facility Administrator in accordance with the Facility Administration Agreement; and/or

(D) foreclose on and liquidate the Collateral or to the extent permitted by the Tax Equity Financing Documents, the Solar Assets owned by a Financing Fund, and pursue all other remedies

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available under the Security Agreement, the Pledge Agreement, the Subsidiary Guaranty and the other Transaction Documents, subject to the terms of the Tax Equity Financing Documents.

Section 6.3. Class B Buyout Option (A) The Administrative Agent shall provide prompt written notice (the "*Triggering Event Notice*") to the Class B Lenders if an Event of Default shall have occurred and (i) the Administrative Agent shall have declared the Class A Advances, the Class B Advances and all other Obligations hereunder and thereunder immediately due and payable, (ii) the Administrative Agent shall have commenced enforcement proceedings against the Borrower and the Collateral or (iii) an Event of Default shall be continuing for sixty (60) days and the Administrative Agent shall not have commenced enforcement proceedings against the Borrower and the Collateral; *provided*, *however*, that, in no event shall the Administrative Agent be obligated to send to the Class B Lenders more than one (1) Triggering Event Notice in respect of any single event or occurrence as to which such notice relates. The Triggering Event Notice shall include the bank account information for payment of the Class B Buyout Amount and the following (including supporting detail) without duplication: (i) the aggregate principal amount of the Class A Advances, interest and fees with respect thereto (but excluding any prepayment fees or penalties), the fees, expenses and indemnities due the Administrative Agent, and all other Obligations owing to the Class A Lenders then outstanding and unpaid and (ii) the Obligations owing to the Class A Lenders expected to accrue through the Class B Buyout Option Exercise Date (*provided* that any such amounts that are not earned or actually due and owing as of the Class B Buyout Option Exercise Date shall not be required to be paid on the Class B Buyout Option Exercise Date) and (iii) the amount of all liabilities that have been incurred by the Borrower under Section 10.5 to the Class A Lenders (such amounts in clause (iii), the "*Class A Indemnified Liabilities*", and such amounts in clauses (i) through (iii), collectively, "*Estimated Class B Buyout Amount*").

(B) The Class B Lenders shall have the option (the "*Class B Buyout Option*"), exercised by delivery of a written notice to the Administrative Agent (a "*Class B Buyout Notice*"), to purchase all (but not less than all) of the aggregate principal amount of the Class A Advances, together with interest and fees due with respect thereto, and all other Obligations owing to the Class A Lenders (collectively, the "*Class B Purchase Rights*"). Unless the Administrative Agent (acting at the direction of the Majority Lenders), in each case, agrees in writing to a longer time period, the Class B Purchase Right shall be exercisable by any one or more Class B Lenders for a period of 10 Business Days, commencing on the date on which the Administrative Agent provides the Triggering Event Notice (each such date, a "*Class B Purchase Right Termination Date*"). The Class A Lenders shall retain all rights to be indemnified or held harmless by the Borrower in accordance with the terms of this Agreement with respect to any contingent claims for indemnification or cost reimbursement that are not paid as part of the Class B Buyout Amount. Prior to the applicable Class B Purchase Right Termination Date, any one or more Class B Lenders may exercise the Class B Purchase Right (each, a "*Buyout Class B Lender*") by delivering the Class B Buyout Notice, which notice (i) shall be irrevocable (unless the final Class B Buyout Amount is more than $100,000 higher than the Estimated Class B Buyout Amount set forth in the Triggering Event Notice, in which case such Class B Buyout Option Notice may be revoked in the sole and absolute discretion of the applicable Class B Lender at any time prior to the Class B Buyout Option Exercise Date), (ii) shall state that each such Class B Lender is electing to exercise the Class B Purchase Rights (ratably based on the aggregate Class B Commitments of the Non-Conduit Lenders related to each Buyout Class B Lender over the aggregate Class B Commitments

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of the Non-Conduit Lenders related to all Buyout Class B Lenders or such other allocation as the related Class B Lenders shall agree) and (iii) shall specify the date on which such right is to be exercised by such Class B Lenders (such date, the "*Class B Buyout Option Exercise Date*"), which date shall be a Business Day not more than fifteen (15) Business Days after receipt by the Administrative Agent of such notice(s).

(C) On the Business Day prior to the Class B Buyout Option Exercise Date, the Administrative Agent shall deliver to each Buyout Class B Lender a written notice specifying (without duplication) the aggregate outstanding principal balance of the Class A Advances, interest and fees with respect thereto (but excluding any prepayment fees or penalties) and all other Obligations owing to the Class A Lenders then outstanding and unpaid as of the Class B Buyout Option Exercise Date and, subject to and in accordance with Section 10.5, Class A Indemnified Liabilities then outstanding and unpaid of which it is then aware (collectively, the "*Class B Buyout Amount*"). On the Class B Buyout Option Exercise Date, the Administrative Agent shall cause the Class A Lenders to sell, and the Class A Lenders shall sell, to the Buyout Class B Lenders their respective *pro rata* portions of the Class B Buyout Amounts, and such Class B Lenders shall purchase from the Class A Lenders, at their respective *pro rata* portions of the Class B Buyout Amount, all of the Class A Advances. The Class A Lenders shall cooperate with the Administrative Agent in effectuating such sales of their respective Class A Advances.

(D) Upon the date of such purchase and sale, each Buyout Class B Lender shall (i) pay to the Class A Lenders its *pro rata* portion of the Class B Buyout Amount therefor and (ii) agree to indemnify and hold harmless the Administrative Agent and the Class A Lenders from and against any loss, liability, claim, damage or expense (including reasonable fees and expenses of legal counsel and indemnification) arising out of any claim asserted by a third party as a direct result of any acts by the Buyout Class B Lenders occurring after the date of such purchase (but excluding, for the avoidance of doubt, any such loss, liability, claim, damage or expense resulting from the gross negligence, bad faith or willful misconduct of the Administrative Agent or any Class A Lender seeking indemnification). The Class B Buyout Amount and other sums shall be remitted by wire transfer of immediately available funds to the bank account set forth in the Triggering Event Notice. In connection with the foregoing purchase, accrued and unpaid interest on the Class A Loans shall be calculated through the Business Day on which such purchase and sale shall occur if the amounts so paid by the Buyout Class B Lenders to the bank account designated by the Class A Lenders are received in such account prior to at before 1:00 p.m., New York time and interest shall be calculated to and include the next Business Day if the amounts so paid by the Buyout Class B Lenders to the bank account designated by the Class A Lenders are received in such Account later than 1:00 p.m., New York time.

(E) Any purchase pursuant to this Section 6.3 shall be expressly made without representation or warranty of any kind by the Class A Lenders, the Administrative Agent or any other Person as to the Obligations owing to the Class A Lenders or otherwise and without recourse to the Class A Lenders, the Administrative Agent or any other Person, except that the Class A Lenders shall represent and warrant: (i) the amount of Class A Advances being purchased and that the purchase price and other sums payable by the Buyout Class B Lenders are true, correct and accurate amounts, (ii) that the Class A Lenders shall convey all right, title and interest in and to the Class A Advances free and clear of any Liens of the Class A Lenders or created or suffered to exist by the Class A Lenders, (iii) as to the absence of any claims

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made or threatened in writing against the Class A Lenders related to the Class A Advances, and (iv) the Class A Lenders are duly authorized to assign the Class A Advances.

Section 6.4. Sale of Collateral (A) The power to effect any sale of any portion of the Collateral upon the occurrence and during the continuance of an Event of Default pursuant to this Article VI, the Security Agreement, the Pledge Agreement and the SAP Lockbox Account Control Agreement shall not be exhausted by any one or more sales as to any portion of the Collateral remaining unsold, but shall continue unimpaired until all Collateral shall have been sold or until all Obligations (other than contingent obligations not then due) hereunder have been paid in full. The Administrative Agent acting on its own or through an agent, may from time to time postpone any sale by public announcement made at the time and place of such sale.

(B) Notwithstanding anything to the contrary set forth herein, but subject in all events to clause (v) of this Section 6.4(B), if the Administrative Agent (acting at the written direction of the Majority Lenders) elects to solicit and accept bids in connection with, and to sell or dispose of, the Collateral, the Administrative Agent shall deliver a notice (a "*Collateral Sale Notice*") of such sale to the Borrower and the Lenders. The date of the intended sale of Collateral (the "*Intended Collateral Sale Date*") need not be specified in the Collateral Sale Notice but shall be a date after the related Class B Purchase Right Termination Date described in Section 6.3(B). The Collateral Sale Notice shall include the following (including supporting detail) without duplication: (i) the aggregate principal amount of the Class A Advances, interest and fees with respect thereto (but excluding any prepayment fees or penalties), the fees, expenses and indemnities due the Administrative Agent, and all other Obligations owing to the Class A Lenders then outstanding and unpaid, (ii) the Obligations owing to the Class A Lenders expected to accrue through the Intended Collateral Sale Date (*provided* that any such amounts that are not earned or actually due and owing as of the Intended Collateral Sale Date shall not be required to be paid on the Intended Collateral Sale Date) and (iii) the amount of Class A Indemnified Liabilities. Following receipt of the Collateral Sale Notice:

(i) The Class B Lenders shall have the right to purchase all (but not less than all) of the Collateral (the "*Class B Collateral Purchase Right*") at a price equal to (without duplication) the aggregate principal amount of the Class A Advances, interest and fees with respect thereto (but excluding any prepayment fees or penalties), the fees, expenses and indemnities due the Administrative Agent, and all other Obligations owing to the Class A Lenders then outstanding and unpaid as of the Intended Collateral Sale Date and, subject to and in accordance with Section 10.5, Class A Indemnified Liabilities then outstanding and unpaid of which it is then aware (collectively, the "*Class B Collateral Purchase Amount*"). If any Class B Lender desires to exercise its Class B Collateral Purchase Right, it shall send a written notice (a "*Class B Collateral Exercise Notice*") to the Administrative Agent no later than the thirtieth (30th) day after receipt of the Collateral Sale Notice (the "*Class B Collateral Exercise Deadline*") irrevocably and unconditionally agreeing to purchase all (but not less than all) of the Collateral on a Business Day which is no later than the fifth (5th) Business Day following delivery of its Class B Collateral Exercise Notice (the "*Class B Collateral Purchase Date*") at a price equal to the Class B Collateral Purchase Amount.

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(ii) If the Administrative Agent receives only one Class B Collateral Exercise Notice prior to the Class B Collateral Exercise Deadline, then the Class B Lender who delivered such Class B Collateral Exercise Notice shall be deemed to have exercised the Class B Collateral Purchase Right and shall be obligated to purchase all (but not less than all) of the Collateral on the Class B Collateral Purchase Date on terms and at a price equal to the Class B Collateral Purchase Amount.

(iii) If the Administrative Agent receives more than one Class B Collateral Exercise Notice prior to the Class B Collateral Exercise Deadline (the senders of such Class B Collateral Exercise Notice, each a "*Bidder*"), the Administrative Agent shall schedule a meeting or conference call (the "*Final Auction*") for 10:00 a.m. (or such other time as may be acceptable to the Administrative Agent and each Bidder) on the date that is two (2) Business Days prior to the Class B Collateral Purchase Date. At such meeting or on such call, each Bidder shall be entitled to make one or more irrevocable and unconditional bids to purchase all (but not less than all) of the Collateral on the Class B Collateral Purchase Date at an all cash price greater than the Class B Collateral Purchase Amount. The Final Auction shall conclude upon the earlier of (a) the time when all Bidders (other than the Bidder who made the then highest bid) confirm they will not make any further bids and (b) thirty (30) minutes having elapsed since the making of the then highest bid. The Bidder that has made the highest bid when the Final Auction has concluded shall be deemed to have exercised the Class B Collateral Purchase Right and shall be obligated irrevocably and unconditionally to purchase all (but not less than all) of the Collateral on the Class B Collateral Purchase Date at a price equal to such highest bid.

(iv) If the Administrative Agent receives no Class B Collateral Exercise Notice prior to the Class B Collateral Exercise Deadline or the sale of the Collateral is for any reason not consummated on the Class B Collateral Purchase Date, the Class B Collateral Purchase Right shall terminate automatically without notice or any action required on the part of any Person and the Administrative Agent shall, subject to the terms of this Agreement, proceed with a sale of the Collateral (or rights or interests therein), at one or more public or private sales as permitted by law. Each of the Lenders may bid on and purchase the Collateral (or rights or interest therein) at such a sale.

(v) Notwithstanding anything to the contrary contained in this Section 6.4(B), the Majority Lenders agree not to instruct the Administrative Agent to solicit and accept bids in connection with, or to sell or dispose of, the Collateral following the occurrence of an Event of Default unless and until (i) no Class B Lender shall have duly delivered to the Administrative Agent pursuant to Section 6.3 a Class B Buyout Notice for such Class B Lender on or prior to the related Class B Purchase Right Termination Date or (ii) the Class B Lenders who have delivered timely Class B Buyout Notice(s) shall have failed to pay the Class B Buyout Amount for such Class B Lender in full on the related Class B Buyout Option Exercise Date all in accordance with Section 6.3.

(C) If the Class B Lenders do not elect to exercise the Class B Collateral Purchase Right prior to the Class B Collateral Exercise Deadline, then the Administrative Agent shall sell the Collateral as otherwise set forth in this Section 6.4 and pursuant to the other Transaction Documents. The Class B Lenders shall also

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have the right to bid for and purchase the Collateral offered for sale at a public auction conducted by the Administrative Agent pursuant to this Section 6.4 and the other Transaction Documents and, upon compliance with the terms of any such sale, may hold, retain and dispose of such property without further accountability therefor. Any Class B Lender purchasing Collateral at such a sale may set off the purchase price of such property against amounts owing to it in payment of such purchase price up to the full amount owing to it so long as the cash portion of such purchase price equals or exceeds either the (x) cash portion of the next highest bidder in such auction or (y) amount required to pay off the Class A Obligations in full.

(D) Unless otherwise stipulated at the time of sale, the Collateral or any portion thereof are to be sold on an "as is-where is" basis.

(E) The Administrative Agent shall incur no liability as a result of the sale (whether public or private) of the Collateral or any part thereof at any sale pursuant to this Agreement conducted in a commercially reasonable manner and at the written direction of the Majority Lenders. Each of the Borrower and the Secured Parties hereby agrees that in respect of any sale of any of the Collateral pursuant to the terms hereof, the Administrative Agent is hereby authorized to comply with any limitation or restriction in connection with such sale as it may be advised by counsel is necessary in order to avoid any violation of Applicable Laws, or in order to obtain any required approval of the sale or of the purchaser by any Governmental Authority, and the Borrower and the Secured Parties further agree that such compliance shall not, in and of itself, result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor shall the Administrative Agent be liable or accountable to the Borrower or the Secured Parties for any discount allowed by reason of the fact that the Collateral or any part thereof is sold in compliance with any such limitation or restriction.

Article VII

The Administrative Agent and Funding Agents

Section 7.1. Appointment; Nature of Relationship. The Administrative Agent is appointed by the Funding Agents and the Lenders (and by each Qualifying Hedge Counterparty by execution of a Qualifying Hedge Counterparty Joinder, if applicable) as the Administrative Agent hereunder and under each other Transaction Document, and each of the Funding Agents and the Lenders and each Qualifying Hedge Counterparty irrevocably authorizes the Administrative Agent to act as the contractual representative of such Funding Agent and such Lender and such Qualifying Hedge Counterparty with the rights and duties expressly set forth herein and in the other Transaction Documents. The Administrative Agent agrees to act as such contractual representative upon the express conditions contained in this Article VII. Notwithstanding the use of the defined term "Administrative Agent," it is expressly understood and agreed that the Administrative Agent shall not have any fiduciary responsibilities to any Funding Agent or Lender or any Qualifying Hedge Counterparty by reason of this Agreement and that the Administrative Agent is merely acting as the representative of the Funding Agents, the Lenders and each Qualifying Hedge Counterparty with only those duties as are expressly set forth in this Agreement and the other Transaction Documents. In its capacity as the Funding Agents', the Lenders' and each Qualifying Hedge Counterparty's

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contractual representative, the Administrative Agent (A) does not have any implied duties and does not assume any fiduciary duties to any of the Funding Agents, the Lenders or any Qualifying Hedge Counterparty, (B) is a "representative" of the Funding Agents, the Lenders and each Qualifying Hedge Counterparty within the meaning of Section 9-102 of the UCC as in effect in the State of New York, and (C) is acting as an independent contractor, the rights and duties of which are limited to those expressly set forth in this Agreement and the other Transaction Documents. Each of the Funding Agents, the Lenders and each Qualifying Hedge Counterparty agree to assert no claim against the Administrative Agent on any agency theory or any other theory of liability for breach of fiduciary duty, all of which claims each Funding Agent, each Lender and each Qualifying Hedge Counterparty waives.

Section 7.2. Powers. Each Funding Agent, Lender and Qualifying Hedge Counterparty authorizes the Administrative Agent to take such action on such Funding Agent's, Lender's or Qualifying Hedge Counterparty's behalf and to exercise such powers, rights and remedies hereunder and under the other Transaction Documents as are specifically delegated or granted to the Administrative Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. The Administrative Agent shall have only those duties and responsibilities that are expressly specified herein and in the other Transaction Documents. The Administrative Agent may exercise such powers, rights and remedies and perform such duties by or through its agents or employees. The Administrative Agent shall not have, by reason hereof or in any of the other Transaction Documents, a fiduciary relationship in respect of any Funding Agent, Lender or Qualifying Hedge Counterparty; and nothing herein or any of the other Transaction Documents, expressed or implied, is intended to or shall be so construed as to impose upon the Administrative Agent any obligations in respect hereof or any of the other Transaction Documents except as expressly set forth herein or therein.

Section 7.3. Exculpatory Provisions. Neither the Administrative Agent nor any of its officers, partners, directors, employees or agents shall be liable to the Borrower, any Funding Agent, any Lender or any Qualifying Hedge Counterparty for any action taken or omitted by the Administrative Agent under or in connection with any of the Transaction Documents except to the extent such action or inaction is found in a final non-appealable judgment by a court of competent jurisdiction to have arisen solely from (A) the gross negligence or willful misconduct of such Person or (B) breach of contract by such Person with respect to the Transaction Documents. The Administrative Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Transaction Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until the Administrative Agent shall have received instructions in respect thereof from the Lenders as directed by the terms of this Agreement or other Transaction Document, or, in the absence of such direction, the Majority Lenders, and such instructions and any action taken or failure to act pursuant thereto shall be binding on all of the Lenders and on all holders of Loan Notes. Without prejudice to the generality of the foregoing, (i) the Administrative Agent shall be fully justified in failing or refusing to take any action hereunder and under any other Transaction Document unless it shall first be indemnified to its satisfaction by the Lenders pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action; (ii) the Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any Class A Loan Note, Class B Loan Note, notice, consent, certificate, affidavit, letter, telegram, statement, paper, communication, instrument or document believed by

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it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of counsel (who may be counsel for the Borrower), accountants, experts and other professional advisors selected by it with due care; and (iii) no Lender, Funding Agent or Qualifying Hedge Counterparty shall have any right of action whatsoever against the Administrative Agent as a result of the Administrative Agent acting or (where so instructed) refraining from acting hereunder or any of the other Transaction Documents in accordance with the instructions of the applicable Lenders.

Section 7.4. No Responsibility for Certain Matters. The Administrative Agent nor any of its directors, officers, agents or employees shall not be responsible to any Funding Agent, any Lender or any Qualifying Hedge Counterparty for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency of this Agreement or any other Transaction Document or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by or on behalf of the Borrower, the Facility Administrator or Parent or their respective affiliates to the Administrative Agent, any Funding Agent, any Lender or any Qualifying Hedge Counterparty in connection with the Transaction Documents and the transactions contemplated thereby or for the financial condition or business affairs of the Borrower, the Facility Administrator or Parent or their respective affiliates to the Administrative Agent or any other Person liable for the payment of any Obligations, nor shall the Administrative Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Transaction Documents or as to the use of the proceeds of the Advances or as to the existence or possible existence of any Event of Default or Potential Event of Default or to make any disclosures with respect to the foregoing. Without limiting the generality of the foregoing, the Administrative Agent shall have no duty or obligation whatsoever to make, verify, or recompute any numerical information or other calculations under or in connection with this Agreement or any other Transaction Document, including any numerical information and other calculations included in any Borrowing Base Certificate, Facility Administrator Report or otherwise, and the Administrative Agent shall have no duty or liability to confirm, verify or review the contents, and shall not be responsible for the accuracy or content, of any documents, certificates or opinions delivered in connection with this Agreement or any other Transaction Document. In addition, the Administrative Agent shall have no duty or liability to determine whether any Solar Asset is an Eligible Solar Asset or to inspect the Solar Assets at any time or ascertain or inquire as to the performance or observance of any of the Borrower's, the Facility Administrator's or the Parent's or any of their respective affiliate's representations, warranties or covenants. Anything contained herein to the contrary notwithstanding, the Administrative Agent shall not have any liability arising from confirmations of the amount of outstanding Advances or the component amounts thereof. The Administrative Agent shall not be responsible to any Funding Agent, any Lender or any Qualifying Hedge Counterparty for the perfection or priority of any of the Liens on any of the Collateral, or for the execution, effectiveness, genuineness, validity, legality, enforceability, collectability, or sufficiency of this Agreement or any of the other Transaction Documents or the transactions contemplated thereby, or for the financial condition of any guarantor of any or all of the Obligations, the Borrower or any of its respective Affiliates.

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Section 7.5. Employment of Administrative Agents and Counsel. The Administrative Agent may execute any of its duties as the Administrative Agent hereunder and under any other Transaction Document by or through employees, agents, and attorneys-in-fact and shall not be answerable to the Funding Agents, the Lenders or any Qualifying Hedge Counterparty, except as to money or securities received by it or its authorized agents, for the default or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care. The Administrative Agent shall be entitled to advice of counsel concerning the contractual arrangement between the Administrative Agent and the Funding Agents, the Lenders or any Qualifying Hedge Counterparty and all matters pertaining to the Administrative Agent's duties hereunder and under any other Transaction Document.

Section 7.6. The Administrative Agent's Reimbursement and Indemnification. Each Non-Conduit Lender, ratably, based on the Class A Lender Group Percentages, the Class B-I Lender Group Percentages and Class B-II Lender Group Percentages, as applicable, severally agrees to indemnify each of the Administrative Agent and its Affiliates and officers, partners, directors, trustees, employees and agents of the Administrative Agent (each, an "*Indemnitee Agent Party*"), to the extent that such Indemnitee Agent Party shall not have been reimbursed by the Borrower, (A) for any reasonable and documented expenses incurred by such Indemnitee Agent Party on behalf of the Lenders in connection with the preparation, execution, delivery, administrations and enforcement of the Transaction Documents and (B) for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Indemnitee Agent Party in exercising its powers, rights and remedies or performing its duties hereunder or under the other Transaction Documents or otherwise in its capacity as such Indemnitee Agent Party in any way relating to or arising out of this Agreement or the other Transaction Documents, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY, OR SOLE NEGLIGENCE OF SUCH INDEMNITEE AGENT PARTY; *provided*, no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Indemnitee Agent Party's gross negligence or willful misconduct as determined by a final, non-appealable judgment of a court of competent jurisdiction. If any indemnity furnished to any Indemnitee Agent Party for any purpose shall, in the opinion of such Indemnitee Agent Party, be insufficient or become impaired, such Indemnitee Agent Party may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; *provided further*, that in no event shall this sentence require any Lender to indemnify any Indemnitee Agent Party against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's pro rata share of the aggregate outstanding principal amount of Advances of all Lenders; and *provided*, *further*, this sentence shall not be deemed to require any Lender to indemnify any Indemnitee Agent Party against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement described in the proviso in the immediately preceding sentence.

Section 7.7. Rights as a Lender. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon the Administrative Agent in its individual capacity as a Lender hereunder. With respect to its Commitment and Advances made by it and the Loan

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Notes (if any) issued to it, the Administrative Agent shall have the same rights and powers hereunder and under any other Transaction Document as any other Lender and may exercise the same as if it were not performing the duties and functions delegated to it hereunder, and the term "Lender" shall, unless the context clearly otherwise indicates, include the Administrative Agent in its individual capacity. The Administrative Agent may accept deposits from, lend money to, and generally engage in any kind of trust, debt, equity or other transaction, in addition to those contemplated by this Agreement or any other Transaction Document, with the Borrower or any of its Affiliates in which such Person is not prohibited hereby from engaging with any other Person.

Section 7.8. Lender Credit Decision. Each Lender represents and warrants that it has made its own independent investigation of the financial condition and affairs of the Borrower in connection with Advances hereunder and that it has made and shall continue to make its own appraisal of the creditworthiness of the Borrower. The Administrative Agent shall not have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of a Lender or, except as otherwise required in this Agreement or any other Transaction Document, to provide such Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Advances or at any time or times thereafter, and the Administrative Agent shall not have any responsibility with respect to the accuracy of or the completeness of any information provided by or on behalf of the Borrower, the Facility Administrator or the Parent to a Lender.

Section 7.9. Successor Administrative Agent. (A) The Administrative Agent may resign at any time by giving written notice thereof to the Lenders, the Funding Agents, each Qualifying Hedge Counterparty, the Verification Agent, the Paying Agent and the Borrower. If the Administrative Agent shall resign under this Agreement, then the Majority Lenders and the Borrower shall appoint a successor agent, whereupon such successor agent shall succeed to the rights, powers and duties of the Administrative Agent and references herein to the Administrative Agent shall mean such successor agent, effective upon its appointment; and such former Administrative Agent's rights, powers and duties in such capacity shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement. After any retiring Administrative Agent's resignation hereunder in such capacity, the provisions of this Article VII and Sections 2.17, 2.12, 10.5 and 10.6 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement.

(B) If the Administrative Agent ceases to be an Affiliate of any Lender hereunder, the Majority Lenders shall have the right to terminate the Administrative Agent upon ten (10) days' notice to the Administrative Agent, the Lenders, the Funding Agents, each Qualifying Hedge Counterparty, the Verification Agent, the Paying Agent and the Borrower and replace the Administrative Agent with a successor of their choosing, whereupon such successor Administrative Agent shall succeed to the rights, powers and duties of the Administrative Agent and references herein to the Administrative Agent shall mean such successor agent, effective upon its appointment; and such former Administrative Agent's rights, powers and duties in such capacity shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Agreement. After any terminated Administrative Agent's termination hereunder as such agent, the provisions of this Article VII and Sections

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2.17, 2.12, 10.5 and 10.6 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement.

(C) If no successor Administrative Agent shall have been so appointed by the Majority Lenders and the Borrower and shall have accepted such appointment within thirty (30) days after the exiting Administrative Agent's giving notice of resignation or receipt of notice of removal, then the exiting Administrative Agent may appoint, on behalf of the Borrower and the Lenders, a successor Administrative Agent (but only if such successor is reasonably acceptable to the Majority Lenders) or petition a court of competent jurisdiction to appoint a successor Administrative Agent.

(D) If (i) the Class A Commitments have expired or terminated and all Obligations due and owing to the Class A Lenders have been reduced to zero or (ii) any Class B Lender or Lenders elect to purchase and does purchase all Class A Advances funded by the Class A Lenders pursuant to Section 6.3 on the date on which circumstance described in either preceding clause (i) or (ii) occurs, Credit Suisse AG, New York Branch (or its successor or assign under this Agreement) shall assign, at the direction of the Majority Lenders, to the Person specified by the Majority Lenders, and such assignee shall assume (and shall be deemed to have assumed) all of Credit Suisse AG, New York Branch's (or its successor or assign's) rights, powers and duties as Administrative Agent under this Agreement and the other Transaction Documents, without further act or deed on the part of the Administrative Agent (or such other Person) or any of the other parties to this Agreement or any other Transaction Document; *provided* that the provisions of this Article VII and Sections 2.17, 2.12, 10.5 and 10.6 of this Agreement shall inure to its benefit of Credit Suisse AG, New York Branch (or its successor or assign) as to any actions taken or omitted to be taken by it while it was Administrative Agent.

Section 7.10. Transaction Documents; Further Assurances. (A) Each Non-Conduit Lender, each Funding Agent and each Qualifying Hedge Counterparty authorizes the Administrative Agent to enter into each of the Transaction Documents to which it is a party and each Lender, each Funding Agent and each Qualifying Hedge Counterparty authorizes the Administrative Agent to take all action contemplated by such documents in its capacity as Administrative Agent. Each Lender, each Funding Agent and each Qualifying Hedge Counterparty agrees that no Lender, no Funding Agent and no Qualifying Hedge Counterparty, respectively, shall have the right individually to seek to realize upon the security granted by any Transaction Document, it being understood and agreed that such rights and remedies may be exercised solely by the Administrative Agent for the benefit of the Lenders, the Funding Agents and each Qualifying Hedge Counterparty upon the terms of the Transaction Documents.

(B) Any Funding Agent may (in their sole discretion and expense), at any time, have their Advances rated by Moody's, S&P, DBRS, Inc., A.M. Best or Kroll Bond Rating Agency, Inc. Any such rating shall not be a condition precedent to closing the credit facility or the making of the Advances as set forth in this Agreement. The Borrower, Sunnova Management, and the Parent shall provide reasonable assistance to obtain such rating. For the avoidance of doubt, any such rating shall not be a condition precedent to the exercise of any rights of the Borrower or Sunnova Management under this Agreement. Any costs or fees associated with the rating of the Advances shall be borne by the Funding Agent and the Lenders.

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(C) Each Lender, by funding an Advance, shall be deemed to have acknowledged receipt of, and consented to and approved, each Transaction Document and each other document required to be approved by the Administrative Agent, any Funding Agent, any Lender or any Qualified Hedge Counterparty, as applicable, on the Closing Date or any Funding Date.

Section 7.11. Collateral Review. (A) Prior to the occurrence of an Event of Default, the Administrative Agent and/or its designated agent may not more than one (1) time during any given twelve (12) month period (at the expense of the Borrower), upon reasonable notice, perform (i) reviews of the Facility Administrator's and/or Borrower's business operations and (ii) audits of the Collateral, in all cases, the scope of which shall be determined by the Administrative Agent.

(B) After the occurrence of and during the continuance of an Event of Default, the Administrative Agent or its designated agent may, in its sole discretion regarding frequency (at the expense of the Borrower), upon reasonable notice, perform (i) reviews of the Facility Administrator's and/or Borrower's business operations and (ii) audits or any other review of the Collateral, in all cases, the scope of which shall be determined by the Administrative Agent.

(C) The results of any review conducted in accordance with this Section 7.11 shall be distributed by the Administrative Agent to the Lenders.

Section 7.12. Funding Agent Appointment; Nature of Relationship. Each Funding Agent is appointed by the Lenders in its Lender Group as their agent hereunder, and such Lenders irrevocably authorize such Funding Agent to act as the contractual representative of such Lenders with the rights and duties expressly set forth herein and in the other Transaction Documents. Each Funding Agent agrees to act as such contractual representative upon the express conditions contained in this Article VII. Notwithstanding the use of the defined term "Administrative Agent," it is expressly understood and agreed that no Funding Agent shall have any fiduciary responsibilities to any Lender by reason of this Agreement and that each Funding Agent is merely acting as the representative of the Lenders in its Lender Group with only those duties as are expressly set forth in this Agreement and the other Transaction Documents. In its capacity as the related Lenders' contractual representative, each Funding Agent (A) does not have any implied duties and does not assume any fiduciary duties to any of the Lenders, (B) is a "representative" of the Lenders in its Lender Group within the meaning of Section 9-102 of the UCC as in effect in the State of New York and (C) is acting as an independent contractor, the rights and duties of which are limited to those expressly set forth in this Agreement and the other Transaction Documents. Each of the Lenders agrees to assert no claim against their Funding Agent on any agency theory or any other theory of liability for breach of fiduciary duty, all of which claims each Lender waives.

Section 7.13. Funding Agent Powers. Each Lender authorizes the Funding Agent in its Lender Group to take such action on such Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Transaction Documents as are specifically delegated or granted to the Funding Agents by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. The Funding Agents shall have only those duties and responsibilities that are expressly specified herein and in the other Transaction Documents. The Funding Agents may exercise such

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powers, rights and remedies and perform such duties by or through its agents or employees. The Funding Agents shall not have, by reason hereof or in any of the other Transaction Documents, a fiduciary relationship in respect of any Lender; and nothing herein or any of the other Transaction Documents, expressed or implied, is intended to or shall be so construed as to impose upon the Funding Agents any obligations in respect hereof or any of the other Transaction Documents except as expressly set forth herein or therein.

Section 7.14. Funding Agent Exculpatory Provisions. Neither any Funding Agent nor any of its officers, partners, directors, employees or agents shall be liable to the Borrower, the Lenders or any Lender for any action taken or omitted by such Funding Agent under or in connection with any of the Transaction Documents except to the extent such action or inaction is found in a final non-appealable judgment by a court of competent jurisdiction to have arisen solely from (A) the gross negligence or willful misconduct of such Person or (B) breach of contract by such Person with respect to the Transaction Documents. Each Funding Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Transaction Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until such Funding Agent shall have received instructions in respect thereof from each of the Lenders in its Lender Group as directed by the terms of this Agreement or other Transaction Document, and such instructions and any action taken or failure to act pursuant thereto shall be binding on all such Lenders. Without prejudice to the generality of the foregoing, (i) each Funding Agent shall be fully justified in failing or refusing to take any action hereunder and under any other Transaction Document unless it shall first be indemnified to its satisfaction by the Lenders in its Lender Group pro rata against any and all liability, cost and expense that it may incur by reason of taking or continuing to take any such action; (ii) each Funding Agent shall be entitled to rely, and shall be fully protected in relying, upon any Loan Note, notice, consent, certificate, affidavit, letter, telegram, statement, paper, communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of counsel (who may be counsel for the Borrower), accountants, experts and other professional advisors selected by it with due care; and (iii) no Lender shall have any right of action whatsoever against the Funding Agents as a result of such Funding Agent acting or (where so instructed) refraining from acting hereunder or any of the other Transaction Documents in accordance with the instructions of the applicable Lenders.

Section 7.15. No Funding Agent Responsibility for Certain Matters. Neither any Funding Agent nor any of its directors, officers, agents or employees shall not be responsible to any Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency of this Agreement or any other Transaction Document or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by or on behalf of the Borrower, the Facility Administrator or Parent or their respective affiliates to the Administrative Agent, any Funding Agent, any Lender or any Qualifying Hedge Counterparty in connection with the Transaction Documents and the transactions contemplated thereby or for the financial condition or business affairs of the Borrower, the Facility Administrator or Parent or their respective affiliates to such Funding Agent or any other Person liable for the payment of any Obligations, nor shall any Funding Agent be required to ascertain or inquire as

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to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Transaction Documents or as to the use of the proceeds of the Advances or as to the existence or possible existence of any Event of Default or Potential Event of Default or to make any disclosures with respect to the foregoing. Without limiting the generality of the foregoing, the Funding Agents shall have no duty or obligation whatsoever to make, verify, or recompute any numerical information or other calculations under or in connection with this Agreement or any other Transaction Document, including any numerical information and other calculations included in any Borrowing Base Certificate, Facility Administrator Report or otherwise, and the Funding Agents shall have no duty or liability to confirm, verify or review the contents, and shall not be responsible for the accuracy or content, of any documents, certificates or opinions delivered in connection with this Agreement or any other Transaction Document. In addition, the Funding Agents shall have no duty or liability to determine whether any Solar Asset is an Eligible Solar Asset or to inspect the Solar Assets at any time or ascertain or inquire as to the performance or observance of any of the Borrower's, the Facility Administrator's or the Parent's or any of their respective affiliate's representations, warranties or covenants. Anything contained herein to the contrary notwithstanding, the Funding Agents shall not have any liability arising from confirmations of the amount of outstanding Advances or the component amounts thereof. The Funding Agents shall not be responsible to any Lender for the perfection or priority of any of the Liens on any of the Collateral, or for the execution, effectiveness, genuineness, validity, legality, enforceability, collectability, or sufficiency of this Agreement or any of the other Transaction Documents or the transactions contemplated thereby, or for the financial condition of any guarantor of any or all of the Obligations, the Borrower or any of its respective Affiliates.

Section 7.16. Funding Agent Employment of Agents and Counsel. Each Funding Agent may execute any of its duties as a Funding Agent hereunder by or through employees, agents, and attorneys-in-fact and shall not be answerable to the Lenders in its Lender Group, except as to money or securities received by it or its authorized agents, for the default or misconduct of any such agents or attorneys-in-fact selected by it with reasonable care. Each Funding Agent, at the expense of the Non-Conduit Lenders, shall be entitled to advice of counsel concerning the contractual arrangement between such Funding Agent and the Lenders in its Lender Group and all matters pertaining to such Funding Agent's duties hereunder and under any other Transaction Document.

Section 7.17. Funding Agent's Reimbursement and Indemnification. Each Non-Conduit Lender in each Lender Group, ratably, based on the applicable Class A Lender Group Percentages, the Class B-I Lender Group Percentages and Class B-II Lender Group Percentages, as applicable, severally agrees to indemnify each of the Funding Agent in their Lender Group and its Affiliates and officers, partners, directors, trustees, employees and agents of the Administrative Agent (each, an "*Indemnitee Funding Agent Party*"), to the extent that such Indemnitee Funding Agent Party shall not have been reimbursed by the Borrower, (A) for any reasonable and documented expenses incurred by such Indemnitee Funding Agent Party on behalf of the Lenders in connection with the preparation, execution, delivery, administrations and enforcement of the Transaction Documents and (B) for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Indemnitee Funding Agent Party in exercising its powers, rights and remedies or performing its duties

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hereunder or under the other Transaction Documents or otherwise in its capacity as such Indemnitee Funding Agent Party in any way relating to or arising out of this Agreement or the other Transaction Documents, IN ALL CASES, WHETHER OR NOT CAUSED BY OR ARISING, IN WHOLE OR IN PART, OUT OF THE COMPARATIVE, CONTRIBUTORY, OR SOLE NEGLIGENCE OF SUCH INDEMNITEE FUNDING AGENT PARTY; *provided*, no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from such Indemnitee Funding Agent Party's gross negligence or willful misconduct as determined by a final, non-appealable judgment of a court of competent jurisdiction. If any indemnity furnished to any Indemnitee Funding Agent Party for any purpose shall, in the opinion of such Indemnitee Funding Agent Party, be insufficient or become impaired, such Indemnitee Funding Agent Party may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; *provided further*, that in no event shall this sentence require any Lender to indemnify any Indemnitee Funding Agent Party against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's pro rata share of the aggregate outstanding principal amount of Advances of all Lenders in the applicable Lender Group; and *provided*, *further*, this sentence shall not be deemed to require any Lender to indemnify any Indemnitee Funding Agent Party against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement described in the proviso in the immediately preceding sentence.

Section 7.18. Funding Agent Rights as a Lender. The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon any Funding Agent in its individual capacity as a Lender hereunder. With respect to its Commitment and Advances made by it and the Loan Notes (if any) issued to it, each Funding Agent shall have the same rights and powers hereunder and under any other Transaction Document as any other Lender and may exercise the same as if it were not performing the duties and functions delegated to it hereunder, and the term "Lender" shall, unless the context clearly otherwise indicates, include such Funding Agent in its individual capacity. Each Funding Agent may accept deposits from, lend money to, and generally engage in any kind of trust, debt, equity or other transaction, in addition to those contemplated by this Agreement or any other Transaction Document, with the Borrower or any of their Affiliates in which such Person is not prohibited hereby from engaging with any other Person.

Section 7.19. Funding Agent Lender Credit Decision. Each Lender represents and warrants that it has made its own independent investigation of the financial condition and affairs of the Borrower in connection with Advances hereunder and that it has made and shall continue to make its own appraisal of the creditworthiness of the Borrower. No Funding Agent shall have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of a Lender or, except as otherwise required in this Agreement or any other Transaction Document, to provide such Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Advances or at any time or times thereafter, and no Funding Agent shall have any responsibility with respect to the accuracy of or the completeness of any information provided by or on behalf of the Borrower, the Facility Administrator or the Parent to a Lender.

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Section 7.20. Funding Agent Successor Funding Agent. (A) Any Funding Agent may resign at any time by giving written notice thereof to the Lenders in its Lender Group, the Administrative Agent and the Borrower. If a Funding Agent shall resign under this Agreement, then the Lenders in the applicable Lender Group shall appoint a successor agent, whereupon such successor agent shall succeed to the rights, powers and duties of such Funding Agent and references herein to such Funding Agent shall mean such successor agent, effective upon its appointment; and such former Funding Agent's rights, powers and duties in such capacity shall be terminated, without any other or further act or deed on the part of such former Funding Agent or any of the parties to this Agreement. After any retiring Administrative Agent's resignation hereunder in such capacity, the provisions of this Article VII and Sections 2.17, 2.12, 10.5 and 10.6 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Funding Agent under this Agreement.

(B) If any Funding Agent ceases to be an Affiliate of any Lender in its Lender Group hereunder, the Lenders in such Lender Group shall have the right to terminate such Funding Agent upon ten (10) days' notice to such Funding Agent, the Administrative Agent and the Borrower and replace such Funding Agent with a successor of their choosing, whereupon such successor Funding Agent shall succeed to the rights, powers and duties of such Funding Agent and references herein to such Funding Agent shall mean such successor agent, effective upon its appointment; and such former Funding Agent's rights, powers and duties in such capacity shall be terminated, without any other or further act or deed on the part of such former Funding Agent or any of the parties to this Agreement. After any terminated Funding Agent's termination hereunder as such agent, the provisions of this Article VII and Sections 2.17, 2.12, 10.5 and 10.6 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Funding Agent under this Agreement.

(C) If no successor Funding Agent shall have been so appointed by such Lenders and shall have accepted such appointment within thirty (30) days after the exiting Funding Agent's giving notice of resignation or receipt of notice of removal, then the exiting Funding Agent may appoint, on behalf of such Lenders, a successor Funding Agent (but only if such successor is reasonably acceptable to each such Lender) or petition a court of competent jurisdiction to appoint a successor Funding Agent.

Section 7.21. Funding Agent Transaction Documents; Further Assurances. Each Lender authorizes the Funding Agent in its Lender Group to enter into each of the Transaction Documents to which it is a party and each Lender authorizes the Funding Agent in its Lender Group to take all action contemplated by such documents in its capacity as Funding Agent.

Section 7.22. Lender Relationships.

(A) *Subordination; Non-Petition Covenants*. Anything in this Agreement or any other Transaction Documents to the contrary notwithstanding, the Borrower and each member of each Class B Lender Group agree for the benefit of members of the Class A Lender Groups that the Obligations owing to the Class B Lenders shall be subordinate and junior to the Obligations owing to the Class A Lenders to the extent set forth in Section 2.7, including during any case against the Borrower under the Bankruptcy Code and any other applicable federal or State bankruptcy, insolvency or other similar law. If,

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notwithstanding the provisions of this Agreement, any holder of an Obligation owing to a Class B Lender shall have become aware or received written notice (in either case prior to the time that all Obligations owing to the Class A Lenders have been paid in full) that it has received any payment or distribution in respect of any Obligation owing to a Class B Lender contrary to the provisions of this Agreement, then such payment or distribution shall be received and held in trust for the benefit of, and shall forthwith be paid over and delivered to, the Class A Lenders ratably based on the amount of the Obligations owing to the Class A Lenders which the Class A Lenders are entitled thereto in accordance with this Agreement; *provided*, *however*, that, if any such payment or distribution is made other than in cash, it shall be held by the Class A Lenders as part of the Collateral and subject in all respects to the provisions of this Agreement, including the provisions of this Section 7.22. The holders of the Obligations owing to the Class B Lenders agree, for the benefit of the holders of the Obligations owing to the Class A Lenders, that, before the date that is one year and one day after the termination of this Agreement or, if longer, the expiration of the then applicable preference period plus one day, the holders of the Obligations of the Class B Lenders shall not, without the prior written consent of the Majority Lenders, acquiesce, petition or otherwise invoke or cause any other Person to invoke the process of any governmental authority for the purpose of commencing or sustaining a case against the Borrower under the Bankruptcy Code and any other applicable federal or State bankruptcy, insolvency or other similar law or appointing a receiver, liquidator, assignee, trustee, custodian, sequestrator or other similar official of the Borrower or any substantial part of its property or ordering the winding-up or liquidation of the affairs of the Borrower.

(B) *Standard of Conduct*. In exercising any of its or their voting rights, rights to direct and consent or any other rights as a Lender hereunder, subject to the terms and conditions of this Agreement, a Lender or Lenders, as the case may be, shall not, except as may be expressly provided herein with respect to any particular matter, have any obligation or duty to any Person or to consider or take into account the interests of any Person and shall not be liable to any Person for any action taken by it or them or at its or their direction or any failure by it or them to act or to direct that an action be taken, without regard to whether such action or inaction benefits or adversely effects any Lender, the Borrower or any other Person, except for any liability to which such Lender may be subject to the extent that the same results from such Lender's taking or directing an action, or failing to take or direct an action, in bad faith or in violation of the express terms of this Agreement.

Article VIII

Administration and Servicing of the Collateral

Section 8.1. Management Agreements/Servicing Agreements/Facility Administration Agreement.

(A) Each Management Agreement, duly executed counterparts of which have been delivered to the Administrative Agent, sets forth the covenants and obligations of the Manager with respect to the Solar Assets and other matters addressed in the Management Agreements, and reference is hereby made to the Management Agreements for a detailed statement of said covenants and obligations of the Manager thereunder. The Borrower shall cause the Manager (to the extent an Affiliate of the Borrower) and each Relevant Party that is party to a Management Agreement to (i) perform and observe all of the material terms, covenants and conditions of each Management Agreement and (ii) promptly notify the Administrative Agent and each Lender of any notice to Borrower, a Managing Member or SAP of any material default under any Management Agreement.

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(B) Each Servicing Agreement, duly executed counterparts of which have been delivered to the Administrative Agent, sets forth the covenants and obligations of the Manager with respect to the Solar Assets and other matters addressed in the Servicing Agreement, and reference is hereby made to the Servicing Agreements for a detailed statement of said covenants and obligations of the Manager thereunder. The Borrower shall cause the Manager (to the extent an Affiliate of the Borrower) and each Relevant Party that is party to a Servicing Agreement to (i) perform and observe all of the material terms, covenants and conditions of each Servicing Agreement and (ii) promptly notify the Administrative Agent and each Lender of any notice to Borrower, a Managing Member or SAP of any material default under any Servicing Agreement.

(C) The Facility Administration Agreement, duly executed counterparts of which have been delivered to the Administrative Agent, sets forth the covenants and obligations of the Facility Administrator with respect to the Collateral and other matters addressed in the Facility Administration Agreement, and reference is hereby made to the Facility Administration Agreement for a detailed statement of said covenants and obligations of the Facility Administrator thereunder. The Borrower agrees that the Administrative Agent, in its name or (to the extent required by law) in the name of the Borrower, may (but is not, unless so directed and indemnified by the Majority Lenders, required to) enforce all rights of the Borrower under the Facility Administration Agreement for and on behalf of the Lenders whether or not an Event of Default has occurred and is continuing.

(D) Promptly following a request from the Administrative Agent (acting at the direction of the Majority Lenders) to do so, the Borrower shall take all such lawful action as the Administrative Agent may request to compel or secure the performance and observance by the Facility Administrator of each of its obligations to the Borrower and with respect to the Collateral under or in connection with the Facility Administration Agreement in accordance with the terms thereof, and in effecting such request shall exercise any and all rights, remedies, powers and privileges lawfully available to the Borrower under or in connection with the Facility Administration Agreement to the extent and in the manner directed by the Administrative Agent, including the transmission of notices of default on the part of the Facility Administrator thereunder and the institution of legal or administrative actions or proceedings to compel or secure performance by the Facility Administrator of each of its obligations under the Facility Administration Agreement.

(E) The Borrower shall not waive any default by the Facility Administrator under the Facility Administration Agreement without the written consent of the Administrative Agent and the Majority Lenders, and, upon the occurrence and during the continuation of an Event of Default, the Majority Class B Lenders.

(F) The Administrative Agent does not assume any duty or obligation of the Borrower under the Facility Administration Agreement and the rights given to the Administrative Agent thereunder are subject to the provisions of Article VII.

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(G) The Borrower has not and will not provide any payment instructions to any of the Managing Members, SAP or a Financing Fund that are inconsistent with the Facility Administration Agreement or this Agreement.

(H) With respect to the Facility Administrator's obligations under Section 3.3 of the Facility Administration Agreement, the Administrative Agent shall not have any responsibility to the Borrower, the Facility Administrator or any party hereunder to make any inquiry or investigation as to, and shall have no obligation in respect of, the terms of any engagement of an independent accountant by the Facility Administrator; *provided* that the Administrative Agent shall be authorized, upon receipt of written direction from Facility Administrator directing the Administrative Agent, to execute any acknowledgment or other agreement with the independent accountant required for the Administrative Agent to receive any of the reports or instructions provided for herein, which acknowledgment or agreement may include, among other things, (i) acknowledgement that the Facility Administrator has agreed that the procedures to be performed by the independent accountant are sufficient for the Borrower's purposes, (ii) acknowledgment that the Administrative Agent has agreed that the procedures to be performed by an independent accountant are sufficient for the Administrative Agent's purposes and that the Administrative Agent's purposes is limited solely to receipt of the report, (iii) releases by the Administrative Agent (on behalf of itself and the Lenders) of claims against the independent accountant and acknowledgement of other limitations of liability in favor of the independent accountant, and (iv) restrictions or prohibitions on the disclosure of information or documents provided to it by such firm of independent accountants (including to the Lenders). Notwithstanding the foregoing, in no event shall the Administrative Agent be required to execute any agreement in respect of the independent accountant that the Administrative Agent determines adversely affects it in its individual capacity or which is in a form that is not reasonably acceptable to the Administrative Agent.

Section 8.2. Accounts.

(A) *Establishment*. The Borrower has established and shall maintain or cause to be maintained:

(i) for the benefit of the Secured Parties, in the name of the Borrower, at the Paying Agent, a segregated non-interest bearing trust account (such account, as more fully described on Schedule II attached hereto, the "*Collection Account*"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Borrower and the Secured Parties;

(ii) for the benefit of the Secured Parties, in the name of the Borrower, at the Paying Agent, a segregated non-interest bearing trust account (such account, as more fully described on Schedule II attached hereto, being the "*Supplemental Reserve Account*"), bearing a designation clearly indicating that the funds deposited therein as described below are held for the benefit of the Borrower and the Secured Parties;

(iii) for the benefit of the Secured Parties, in the name of the Borrower, at the Paying Agent, a segregated non-interest bearing trust account (such account, as more fully described on Schedule II attached hereto, being the "*Liquidity Reserve Account*"), bearing a designation clearly

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indicating that the funds deposited therein as described below are held for the benefit of the Borrower and the Secured Parties;

(iv) for the benefit of the Secured Parties, in the name of the Borrower, at the Paying Agent, a segregated non-interest bearing trust account (such account, as more fully described on Schedule II attached hereto, being the "*SAP Revenue Account*"), bearing a designation clearly indicating that the funds deposited therein as described below are held for the benefit of the Borrower and the Secured Parties; and

(v) for the benefit of the Secured Parties, in the name of the Borrower, at the Paying Agent, a segregated non-interest bearing trust account (such account, as more fully described on Schedule II attached hereto, being the "*Takeout Transaction Account*", and together with the Collection Account, the Supplemental Reserve Account, the Liquidity Reserve Account, the SAP Revenue Account and the Takeout Transaction Account, each a "*Paying Agent Account*" and collectively the "*Paying Agent Accounts*"), bearing a designation clearly indicating that the funds deposited therein as described below are held for the benefit of the Borrower and the Secured Parties.

(B) *[Reserved]*.

(C) *Deposits and Withdrawals from the Liquidity Reserve Account*. Deposits into, and withdrawals from, the Liquidity Reserve Account shall, subject to Section 2.7(D), be made in the following manner:

(i) On the Closing Date, the Borrower shall deliver to the Paying Agent for deposit into the Liquidity Reserve Account, an amount equal to the Liquidity Reserve Account Required Balance as of such date;

(ii) From the proceeds of Advances hereunder, the Borrower shall deliver to the Paying Agent for deposit into the Liquidity Reserve Account amounts necessary to maintain on deposit therein an amount equal to or in excess of the Liquidity Reserve Account Required Balance as of the date of each such Advance, and on each Payment Date, the Facility Administrator shall direct the Paying Agent, based on the Facility Administrator Report, to deposit into the Liquidity Reserve Account from available Collections (as set forth and in the order of priority established pursuant to Section 2.7(B)), funds in the amount required under Section 2.7(B), and the Borrower may, at its option, deposit additional funds into the Liquidity Reserve Account;

(iii) If on any Payment Date (without giving effect to any withdrawal from the Liquidity Reserve Account) available funds on deposit in the Collection Account would be insufficient to make the payments due and payable on such Payment Date pursuant to Section 2.7(B)(i) through (iii)(a), (vii) and (ix), the Facility Administrator shall direct the Paying Agent, based on the Facility Administrator Report delivered pursuant to Section 3.1 of the Facility Administration Agreement, to withdraw from the Liquidity Reserve Account an amount equal to the lesser of such insufficiency and the amount on deposit in the Liquidity Reserve Account and deposit such amount into the

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Collection Account and apply such amount to payments set forth in Section 2.7(B)(i) through (iii)(a), (vii) and (ix);

(iv) Upon the occurrence of an Event of Default, the Administrative Agent (or the Facility Administrator with the written consent of the Administrative Agent) shall cause the Paying Agent, by providing written direction to the Paying Agent, to withdraw all amounts on deposit in the Liquidity Reserve Account and deposit such amounts into the Collection Account for distribution in accordance with Section 2.7(B);

(v) On the earliest to occur of (a) the Maturity Date, (b) an Amortization Event (other than an Event of Default) and (c) the date on which the outstanding balance of the Advances is reduced to zero, the Administrative Agent shall cause the Paying Agent, by providing written direction to the Paying Agent, in the case of subclauses (a) and (b), and the Facility Administrator or the Borrower shall cause the Paying Agent, by providing written direction to the Paying Agent, in the case of subclause (c), to withdraw all amounts on deposit in the Liquidity Reserve Account and deposit such amounts into the Collection Account to be paid in accordance with Section 2.7(B);

(vi) Unless an Event of Default or an Amortization Event has occurred and is continuing, on any Payment Date, if, as set forth on the Facility Administrator Report, amounts on deposit in the Liquidity Reserve Account are greater than the Liquidity Reserve Account Required Balance (after giving effect to all other distributions and disbursements on such Payment Date), the Facility Administrator shall direct the Paying Agent, based on the Facility Administrator Report, to withdraw funds in excess of the Liquidity Reserve Account Required Balance from the Liquidity Reserve Account and disburse such amounts into the Borrower's Account; and

(vii) On any Payment Date, if, as set forth on the Facility Administrator Report, the amount of funds in the Liquidity Reserve Account and in the Collection Account is equal to or greater than the aggregate outstanding balance of Advances (whether or not then due and payable) and all other amounts due and payable hereunder, then the Facility Administrator shall direct the Paying Agent, based on the Facility Administrator Report, to withdraw all funds from the Liquidity Reserve Account and deposit such amounts into the Collection Account to pay all such amounts and the aggregate outstanding balance of all Advances (whether or not then due and payable).

Notwithstanding anything in this Section 8.2(C) to the contrary, in lieu of or in substitution for moneys otherwise required to be deposited to the Liquidity Reserve Account, the Borrower (or the Facility Administrator on behalf of the Borrower) may deliver or cause to be delivered to the Paying Agent a Letter of Credit; *provided* that any deposit into the Liquidity Reserve Account required to be made by the Borrower (or the Facility Administrator on behalf of the Borrower) after the replacement of amounts on deposit in the Liquidity Reserve Account with a Letter of Credit shall be made by the Borrower (or the Facility Administrator on behalf of the Borrower) by way of cash deposits to the Liquidity Reserve Account as provided in Section 2.7(B) or pursuant to the Borrower's (or the Facility Administrator's on behalf of the Borrower) causing an increase in the Letter of Credit or the delivery to the Paying Agent of an additional Letter of Credit.

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If at any time a Letter of Credit is held by the Paying Agent as an asset of the Liquidity Reserve Account, and if any withdrawals from the Liquidity Reserve Account will be required under this Section 8.2(C) or otherwise, the Administrative Agent (or the Borrower with the written consent of the Administrative Agent) shall, no later than three (3) Business Days prior to the applicable Payment Date or payment date, direct the Paying Agent in writing to draw on the Letter of Credit, which direction shall provide the required draw amount. The Administrative Agent (or the Borrower with the written consent of the Administrative Agent) shall direct the Paying Agent to submit the drawing documents to the applicable Eligible Letter of Credit Bank no later than 5:00 P.M. (New York City time) on the second (2nd) Business Day after the Paying Agent receives such direction. Upon the receipt of the proceeds of any such drawing, the Paying Agent shall deposit such proceeds into the Liquidity Reserve Account. Any (A) references in the Transaction Documents to amounts on deposit in the Liquidity Reserve Account or amounts in or credited to the Liquidity Reserve Account shall include or be deemed to include the aggregate available amount of the Letters of Credit delivered to the Paying Agent pursuant to this Section 8.2(C), and (B) Letter of Credit delivered by the Borrower (or the Facility Administrator on behalf of the Borrower) to the Paying Agent pursuant to this Section 8.2(C) shall be held as an asset of the Liquidity Reserve Account and valued for purposes of determining the amount on deposit in the Liquidity Reserve Account at the amount as of any date then available to be drawn on such Letter of Credit.

If at any time a Letter of Credit is held by the Paying Agent as an asset of the Liquidity Reserve Account, then: (i) if the Letter of Credit is scheduled to expire by its terms and ten (10) days prior to the scheduled expiration date such Letter of Credit has not been extended or replaced, then the Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent shall on such tenth (10th) day prior to the scheduled expiration date notify the Paying Agent in writing of such failure to extend or replace the Letter of Credit, and the Paying Agent shall, submit the drawing documents delivered to it by the Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent to the Eligible Letter of Credit Bank no later than 5:00 P.M. (New York City time) on the second (2nd) Business Day prior to the scheduled expiration date and draw the full amount of such Letter of Credit and deposit the proceeds of such drawing into the Liquidity Reserve Account, and (ii) if the Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent notifies the Paying Agent in writing that the financial institution issuing the Letter of Credit ceases to be an Eligible Letter of Credit Bank or a Responsible Officer of the Paying Agent otherwise receives written notice that the financial institution issuing the Letter of Credit ceases to be an Eligible Letter of Credit Bank, then the Paying Agent shall, no later than the second (2nd) Business Day after receipt of any such written notice by a Responsible Officer of the Paying Agent submit the drawing documents delivered to it by the Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent to draw the full amount of such Letter of Credit and deposit the proceeds of such drawing into the Liquidity Reserve Account.

If at any time a Letter of Credit is held by the Paying Agent as an asset of the Liquidity Reserve Account, the stated amount of the Letter of Credit may be reduced from time to time, to the extent of any reduction in the dollar amount of the Liquidity Reserve Account Required Balance. Each month upon receipt by the Paying Agent of the Facility Administrator Report if such Facility Administrator Report shows a reduction in the Liquidity Reserve Account Required Balance, then the Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent shall, prior to the related Payment

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Date, direct the Paying Agent to send the Eligible Letter of Credit Bank a letter in the form provided in the Letter of Credit to reduce the stated amount of the Letter of Credit. The Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent shall ensure that the letter submitted shall provide for the reduction to be effective as of the close of business on the related Payment Date. The reduction shall be in the amount shown on the Facility Administrator Report as the Liquidity Reserve Account "reductions" and the remaining stated amount of the Letter of Credit shall be equal to the Liquidity Reserve Account Required Balance "ending required amount" as shown on the Facility Administrator Report. Any drawing on the Letter of Credit may be reimbursed by the Borrower only from amounts remitted to the Borrower pursuant to clauses (xiii) or (xiv) of Section 2.7(B).

Notwithstanding the foregoing or any other provision to the contrary in this Agreement or any other Transaction Document, in no event shall the Paying Agent be required to report, track, calculate or monitor the value, available amount or any other information regarding any Letter of Credit for any party hereto or beneficiary of or under the Liquidity Reserve Account, except as expressly required pursuant to this Section 8.2(C).

(D) *Deposits and Withdrawals from the Supplemental Reserve Account.* Deposits into, and withdrawals from, the Supplemental Reserve Account shall, subject to Section 2.7(D), be made in the following manner:

(i) On each Payment Date, to the extent of Distributable Collections and in accordance with and subject to the priority of payments set forth in Section 2.7(B), the Facility Administrator shall direct the Paying Agent, based on the Facility Administrator Report, to deposit into the Supplemental Reserve Account an amount equal to the Supplemental Reserve Account Deposit until the amount on deposit equals the Supplemental Reserve Account Required Balance.

(ii) On each Payment Date, the Facility Administrator shall direct the Paying Agent, based on the Facility Administrator Report, to deposit into the Supplemental Reserve Account from available Collections (as set forth and in the order of priority established pursuant to Section 2.7(B)), funds in the amount required under Section 2.7(B), if any, and the Borrower may, at its option, deposit additional funds into the Supplemental Reserve Account;

(iii) The Paying Agent shall release funds from the Supplemental Reserve Account to pay the following amounts upon direction from the Facility Administrator set forth in an Officer's Certificate (no more than once per calendar month) in the following order of priority:

(a) the costs (inclusive of labor costs) of replacement of any Inverter that no longer has the benefit of a Manufacturer Warranty and for which (1) the Manager is not obligated under the related Management Agreement to cover the replacement costs of such Inverter (or if so obligated, has failed to pay such costs) and the related Financing Fund has insufficient funds to pay replacement costs for such Inverter or (2) the Facility Administrator in its role as Manager has paid under the related Management Agreement;

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(b) the amount of any deductible in connection with each claim paid by the Tax Loss Insurer under the related Tax Loss Insurance Policy plus the amount of the difference, if any, between (1) the amount of a Tax Loss Indemnity and (2) the sum of the amount of proceeds of a Tax Loss Insurance Policy received by a Financing Fund, as loss payee under such Tax Loss Insurance Policy with respect to the Tax Loss Indemnity and the amount of any deductible in connection therewith; and

(c) each Purchase Option Price when due and payable under the terms of a Financing Fund LLCA upon exercise by the related Managing Member of the related Purchase Option.

(iv) Unless an Event of Default or an Amortization Event has occurred and is continuing, on any Payment Date, if, as set forth on the Facility Administrator Report, amounts on deposit in the Supplemental Reserve Account are greater than the Supplemental Reserve Account Required Balance (after giving effect to all other distributions and disbursements and all releases and withdrawals on such Payment Date), the Facility Administrator shall direct the Paying Agent, based on the Facility Administrator Report, to withdraw funds in excess of the Supplemental Reserve Account Required Balance from the Supplemental Reserve Account and disburse such amounts into the Borrower's Account;

(v) If on any Payment Date (after giving effect to any withdrawals from the Liquidity Reserve Account) available funds on deposit in the Collection Account would be insufficient to pay the interest payments or other amounts due and payable pursuant to Section 2.7(B)(i) through (iii)(a), (vii) and (ix) on such Payment Date, the Facility Administrator shall direct the Paying Agent, based on the Facility Administrator Report, to withdraw from the Supplemental Reserve Account an amount equal to the lesser of such insufficiency and the amount on deposit in the Supplemental Reserve Account and deposit such amount into the Collection Account and apply such amount to payments set forth in Section 2.7(B)(i) through (iii)(a), (vii) and (ix); and

(vi) If on any Payment Date, the Borrower has provided notice to the Administrative Agent that (1) a Managing Member has irrevocably provided notice to the related Tax Equity Investor that it will not exercise the related Purchase Option or (2) the period in which such Purchase Option may be exercised under the related Financing Fund LLCA has expired and cannot be extended, the Borrower may direct the Paying Agent, to withdraw from the Supplemental Reserve Account any amounts on deposit therein in respect of clause (ii)(a) of the definition of "Supplemental Reserve Account Required Balance" and deposit such amounts into the Collection Account for application in accordance with Section 2.7; and

(vii) On the date on which the Aggregate Outstanding Advances are reduced to zero, the Administrative Agent shall cause the Paying Agent, pursuant to a written direction, to withdraw all amounts on deposit in the Supplemental Reserve Account and deposit such amounts into the Collection Account to be paid in accordance with Section 2.7(B).

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Notwithstanding anything in this Section 8.2(D) to the contrary, in lieu of or in substitution for moneys otherwise required to be deposited to the Supplemental Reserve Account, the Borrower (or the Facility Administrator on behalf of the Borrower) may deliver or cause to be delivered to the Paying Agent a Letter of Credit; *provided* that any deposit into the Supplemental Reserve Account required to be made by the Borrower (or the Facility Administrator on behalf of the Borrower) after the replacement of amounts on deposit in the Supplemental Reserve Account with a Letter of Credit shall be made by the Borrower (or the Facility Administrator on behalf of the Borrower) by way of cash deposits to the Supplemental Reserve Account as provided in Section 2.7(B) or pursuant to the Borrower's (or the Facility Administrator's on behalf of the Borrower) causing an increase in the Letter of Credit or the delivery to the Paying Agent of an additional Letter of Credit.

If at any time a Letter of Credit is held by the Paying Agent as an asset of the Supplemental Reserve Account, and if any withdrawals from the Supplemental Reserve Account will be required under this Section 8.2(D) or otherwise, the Administrative Agent (or the Borrower with the written consent of the Administrative Agent) shall, no later than three (3) Business Days prior to the applicable Payment Date or payment date, direct the Paying Agent in writing to draw on the Letter of Credit, which direction shall provide the required draw amount. The Administrative Agent (or the Borrower with the written consent of the Administrative Agent) shall direct the Paying Agent to submit the drawing documents to the applicable Eligible Letter of Credit Bank no later than 5:00 P.M. (New York City time) on the second (2nd) Business Day after the Paying Agent receives such direction. Upon the receipt of the proceeds of any such drawing, the Paying Agent shall deposit such proceeds into the Supplemental Reserve Account. Any (A) references in the Transaction Documents to amounts on deposit in the Supplemental Reserve Account or amounts in or credited to the Supplemental Reserve Account shall include or be deemed to include the aggregate available amount of the Letters of Credit delivered to the Paying Agent pursuant to this Section 8.2(D), and (B) Letter of Credit delivered by the Borrower (or the Facility Administrator on behalf of the Borrower) to the Paying Agent pursuant to this Section 8.2(D) shall be held as an asset of the Supplemental Reserve Account and valued for purposes of determining the amount on deposit in the Supplemental Reserve Account at the amount as of any date then available to be drawn on such Letter of Credit.

If at any time a Letter of Credit is held by the Paying Agent as an asset of the Supplemental Reserve Account, then: (i) if the Letter of Credit is scheduled to expire by its terms and ten (10) days prior to the scheduled expiration date such Letter of Credit has not been extended or replaced, then the Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent shall on such tenth (10th) day prior to the scheduled expiration date notify the Paying Agent in writing of such failure to extend or replace the Letter of Credit, and the Paying Agent shall, submit the drawing documents delivered to it by the Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent to the Eligible Letter of Credit Bank no later than 5:00 P.M. (New York City time) on the second (2nd) Business Day prior to the scheduled expiration date and draw the full amount of such Letter of Credit and deposit the proceeds of such drawing into the Supplemental Reserve Account, and (ii) if the Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent notifies the Paying Agent in writing that the financial institution issuing the Letter of Credit ceases to be an Eligible Letter of Credit Bank or a Responsible Officer of the Paying Agent otherwise receives written notice that the financial institution issuing the Letter of Credit ceases to be an Eligible Letter of Credit Bank, then the Paying Agent shall, no

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later than the second (2nd) Business Day after receipt of any such written notice by a Responsible Officer of the Paying Agent submit the drawing documents delivered to it by the Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent to draw the full amount of such Letter of Credit and deposit the proceeds of such drawing into the Supplemental Reserve Account.

If at any time a Letter of Credit is held by the Paying Agent as an asset of the Supplemental Reserve Account, the stated amount of the Letter of Credit may be reduced from time to time, to the extent of any reduction in the dollar amount of the Supplemental Reserve Account Required Balance. Each month upon receipt by the Paying Agent of the Facility Administrator Report if such Facility Administrator Report shows a reduction in the Supplemental Reserve Account Required Balance, then the Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent shall, prior to the related Payment Date, direct the Paying Agent to send the Eligible Letter of Credit Bank a letter in the form provided in the Letter of Credit to reduce the stated amount of the Letter of Credit. The Borrower (or the Facility Administrator on behalf of the Borrower) or the Administrative Agent shall ensure that the letter submitted shall provide for the reduction to be effective as of the close of business on the related Payment Date. The reduction shall be in the amount shown on the Facility Administrator Report as the Supplemental Reserve Account "reductions" and the remaining stated amount of the Letter of Credit shall be equal to the Supplemental Reserve Account Required Balance "ending required amount" as shown on the Facility Administrator Report. Any drawing on the Letter of Credit may be reimbursed by the Borrower only from amounts remitted to the Borrower pursuant to clauses (xiii) or (xiv) of Section 2.7(B).

Notwithstanding the foregoing or any other provision to the contrary in this Agreement or any other Transaction Document, in no event shall the Paying Agent be required to report, track, calculate or monitor the value, available amount or any other information regarding any Letter of Credit for any party hereto or beneficiary of or under the Supplemental Reserve Account, except as expressly required pursuant to this Section 8.2(D).

(E) *Deposits and Withdrawals from the SAP Revenue Account*. Deposits into the SAP Revenue Account shall be made consistent with Section 5.1(R). The Paying Agent shall withdraw all amounts on deposit in the SAP Revenue Account in excess of $55,000 on the first Business Day of each calendar month and remit such amounts to the Collection Account. The Manager shall be permitted to withdraw up to $55,000 in the aggregate during each calendar month from the SAP Revenue Account to pay Operational Amounts in accordance with the related SAP Financing Documents. On the date on which the Aggregate Outstanding Advances are reduced to zero, the Administrative Agent shall cause the Paying Agent, pursuant to a written direction, to withdraw all amounts on deposit in the SAP Revenue and deposit such amounts into the Collection Account to be paid in accordance with Section 2.7(B).

(F) *Paying Agent Account Control*. (i) Each Paying Agent Account shall be established and at all times maintained with the Paying Agent which shall act as a "securities intermediary" (as defined in Section 8-102 of the UCC) and a "bank" (as defined in Section 9-102 of the UCC) hereunder (in such capacities, the "Securities Intermediary") with respect to each Paying Agent Account. The Paying Agent hereby confirms that, as of the Closing Date, the account numbers of each of the Paying Agent Accounts are as described on Schedule II attached hereto.

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(ii) Each Paying Agent Account shall be a "securities account" as defined in Section 8-501 of the UCC and shall be maintained by the Paying Agent as a securities intermediary for and in the name of the Borrower, subject to the lien of the Administrative Agent, for the benefit of the Secured Parties. The Paying Agent shall treat the Administrative Agent as the "entitlement holder" (within the meaning of Section 8-102(a)(7) of the UCC) in respect of all "financial assets" (within the meaning of Section 8-102(a)(9) of the UCC) credited to the Paying Agent Accounts.

(iii) The Paying Agent hereby confirms and agrees that:

(a) the Paying Agent shall not change the name or account number of any Paying Agent Account without the prior written consent of the Administrative Agent and the Borrower;

(b) all securities or other property underlying any financial assets (as hereinafter defined) credited to a Paying Agent Account shall be registered in the name of the Paying Agent, indorsed to the Paying Agent or indorsed in blank or credited to another securities account maintained in the name of the Paying Agent, and in no case will any financial asset credited to a Paying Agent Account be registered in the name of the Borrower or any other Person, payable to the Borrower or specially indorsed to the Borrower or any other Person, except to the extent the foregoing have been specially indorsed to the Administrative Agent, for the benefit of the Secured Parties, or in blank;

(c) all property transferred or delivered to the Paying Agent pursuant to this Agreement will be credited to the appropriate Borrower Account in accordance with the terms of this Agreement;

(d) each Paying Agent Account is an account to which financial assets are or may be credited, and the Paying Agent shall, subject to the terms of this Agreement, treat each of the Borrower and the Facility Administrator as entitled to exercise the rights that comprise any financial asset credited to each such Paying Agent Account; and

(e) notwithstanding the intent of the parties hereto, to the extent that any Paying Agent Account shall be determined to constitute a "deposit account" within the meaning of Section 9-102(a)(29) of the UCC, such Paying Agent Account shall be subject to the exclusive control of the Administrative Agent, for the benefit of the Secured Parties, and the Paying Agent will comply with instructions originated by the Administrative Agent directing disposition of the funds in such Paying Agent Account, without further consent by the Borrower or the Facility Administrator; provided that, notwithstanding the foregoing, the Administrative Agent hereby authorizes the Paying Agent to honor withdrawal, payment, transfer or other instructions directing disposition of the funds in the Collection Account received from the Borrower or the Facility Administrator, on its behalf, pursuant to Section 2.7 or this Section 8.2.

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(iv) The Paying Agent hereby agrees that each item of property (including, without limitation, any investment property, financial asset, security, instrument or cash) credited to any Paying Agent Account shall be treated as a "financial asset" within the meaning of Section 8-102(a)(9) of the UCC.

(v) If at any time the Paying Agent shall receive an "entitlement order" (as defined in Section 8-102(a)(8) of the UCC) (an "*Entitlement Order*") from the Administrative Agent (i.e., an order directing a transfer or redemption of any financial asset in any Paying Agent Account), or any "instruction" (within the meaning of Section 9-104 of the UCC), originated by the Administrative Agent, the Paying Agent shall comply with such Entitlement Order or instruction without further consent by the Borrower, the Facility Administrator or any other Person. Neither the Facility Administrator nor the Borrower shall make any withdrawals from any Paying Agent Account, except pursuant to Section 2.7 or this Section 8.2.

(vi) In the event that the Paying Agent has or subsequently obtains by agreement, by operation of law or otherwise a security interest in any Paying Agent Account or any financial assets, funds, cash or other property credited thereto or any security entitlement with respect thereto, the Paying Agent hereby agrees that such security interest shall be subordinate to the security interest of the Administrative Agent, for the benefit of the Secured Parties. Notwithstanding the preceding sentence, the financial assets, funds, cash or other property credited to any Paying Agent Account will not be subject to deduction, set-off, banker's lien, or any other right in favor of any Person other than the Administrative Agent, for the benefit of the Secured Parties (except that the Paying Agent may set-off (i) all amounts due to the Paying Agent in its capacity as securities intermediary in respect of customary fees and expenses for the routine maintenance and operation of the Paying Agent Accounts, and (ii) the face amount of any checks that have been credited to the Paying Agent Accounts but are subsequently returned unpaid because of uncollected or insufficient funds).

(vii) Regardless of any provision in any other agreement, for purposes of the UCC, New York shall be deemed to be the "bank's jurisdiction" (within the meaning of Section 9-304 of the UCC) and the "security intermediary's jurisdiction" (within the meaning of Section 8-110 of the UCC).

(viii) If, at any time, the Paying Agent resigns, is removed hereunder or ceases to meet the eligibility requirements of an Eligible Institution, the Facility Administrator, for the benefit of the Administrative Agent and the Lenders, shall within thirty (30) days establish a new Collection Account, Supplemental Reserve Account, Liquidity Reserve Account, the SAP Revenue Account, and Takeout Transaction Account meeting the conditions specified above with an Eligible Institution reasonably acceptable to the Administrative Agent and transfer any cash and/or any investments held therein or with respect thereto to such new Collection Account, Supplemental Reserve Account, Liquidity Reserve Account, SAP Revenue Account, or Takeout Transaction Account, as applicable. From the date such new Collection Account, Supplemental Reserve Account, Liquidity Reserve Account, SAP Revenue Account, or Takeout Transaction Account is established, it shall be the

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"Collection Account," "Supplemental Reserve Account," "Liquidity Reserve Account," "SAP Revenue Account," or "Takeout Transaction Account" hereunder, as applicable.

(G) *Permitted Investments*. Prior to an Event of Default, the Facility Administrator (and after an Event of Default, the Administrative Agent) may direct each banking institution at which the Collection Account, the Liquidity Reserve Account, Supplemental Reserve Account, SAP Revenue Account, or Takeout Transaction Account shall be established, in writing, to invest the funds held in such accounts in one or more Permitted Investments. Absent such written direction, such funds shall remain uninvested. All investments of funds on deposit in the Collection Account, the Liquidity Reserve Account, Supplemental Reserve Account, SAP Revenue Account, or Takeout Transaction Account shall be uninvested so that such funds will be available on the Business Day immediately preceding the date on which the funds are to be disbursed from such account, unless otherwise expressly set forth herein. All interest derived from such Permitted Investments shall be deemed to be "investment proceeds" and shall be deposited into such account to be distributed in accordance with the requirements hereof. The taxpayer identification number associated with the Collection Account, the Liquidity Reserve Account, Supplemental Reserve Account, SAP Revenue Account, and Takeout Transaction Account shall be that of the Borrower, and the Borrower shall report for federal, state and local income tax purposes the income, if any, earned on funds in such accounts.

Section 8.3. Adjustments. If the Facility Administrator makes a mistake with respect to the amount of any Collection or payment and deposits, pays or causes to be deposited or paid, an amount that is less than or more than the actual amount thereof, the Facility Administrator shall appropriately adjust the amounts subsequently deposited into the applicable account or paid out to reflect such mistake for the date of such adjustment. Any Eligible Solar Asset in respect of which a dishonored check is received shall be deemed not to have been paid.

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Article IX

The Paying Agent

Section 9.1. Appointment. The appointment of Wells Fargo Bank, National Association is hereby confirmed by the other parties hereto (other than the Verification Agent) as Paying Agent, and accepts such appointment subject to the terms of this Agreement.

Section 9.2. Representations and Warranties. The Paying Agent represents to the other parties hereto as follows:

(A) *Organization; Corporate Powers.* The Paying Agent is duly incorporated and validly existing under the laws of the jurisdiction of its incorporation and has all requisite power and authority to conduct its business, to own its property and to execute, deliver and perform all of its obligations under this Agreement, and no license, permit, consent or approval, is required to be obtained, effective or given by the Paying Agent to enable it to perform its obligations hereunder.

(B) *Authority*. The execution, delivery and performance by the Paying Agent of this Agreement have been duly authorized by all necessary action on the part of the Paying Agent.

(C) *Enforcement.* This Agreement constitutes the legal, valid and binding obligation of the Paying Agent, enforceable against the Paying Agent in accordance with its terms except as such enforcement may be limited by bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and general principles of equity, regardless of whether such enforcement is sought at equity or at law.

(D) *No Conflict*. The Paying Agent is not in violation of any law, rule, or regulation governing the banking or trust powers of the Paying Agent applicable to it or any indenture, lease, loan or other agreement to which the Paying Agent is a party or by which it or its assets may be bound or affected, except for such laws, rules or regulations or indentures, leases, loans or other agreements the violation of which would not have a material adverse effect on the Paying Agent's abilities to perform its obligations in accordance with the terms of this Agreement.

Section 9.3. Limitation of Liability of the Paying Agent. Notwithstanding anything contained herein to the contrary, this Agreement has been executed by Wells Fargo Bank, National Association, not in its individual capacity, but solely as the Paying Agent, and in no event shall Wells Fargo Bank, National Association have any liability for the representations, warranties, covenants, agreements or other obligations of the other parties hereto or in any of the certificates, notices or agreements delivered pursuant hereto, as to all of which recourse shall be had solely to the assets of the party responsible therefor.

Section 9.4. Certain Matters Affecting the Paying Agent. Notwithstanding anything herein to the contrary:

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(A) The Paying Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement. The Paying Agent shall not have any duties or responsibilities except those expressly set forth in this Agreement.

(B) The Paying Agent shall not be subject to any fiduciary or other implied duties, obligations or covenants regardless of whether an Event of Default has occurred and is continuing.

(C) The Paying Agent shall not be liable for any action taken or any error of judgment made in good faith by an officer or officers of the Paying Agent, unless it shall be conclusively determined by the final judgment of a court of competent jurisdiction not subject to appeal or review that the Paying Agent was grossly negligent or acted with willful misconduct in ascertaining the pertinent facts.

(D) The Paying Agent shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with any direction given or certificate or other document delivered to the Paying Agent under this Agreement or any other Transaction Document.

(E) None of the provisions of this Agreement or any other Transaction Document shall require the Paying Agent to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it.

(F) The Paying Agent may conclusively rely and shall be fully protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties, and shall be under no obligation to inquire as to the adequacy, content, accuracy or sufficiency of any such information or be under any obligation to make any calculation (or re-calculation), certification, or verification in respect of any such information and shall not be liable for any loss that may be occasioned thereby. The Paying Agent may also, but shall not be required to, rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper person, and shall not incur any liability for relying thereon.

(G) Whenever in the administration of the provisions of this Agreement or any other Transaction Document the Paying Agent shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action to be taken hereunder, such matter may, in the absence of gross negligence, willful misconduct or bad faith on the part of the Paying Agent, be deemed to be conclusively proved and established by a certificate delivered to the Paying Agent hereunder, and such certificate, in the absence of gross negligence, willful misconduct or bad faith on the part of the Paying Agent, shall be full warrant to the Paying Agent for any action taken, suffered or omitted by it under the provisions of this Agreement or any other Transaction Document.

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(H) The Paying Agent, at the expense of the Borrower, may consult with counsel, and the advice or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken or omitted by it hereunder in good faith and in accordance with such advice or opinion of counsel; provided however that such costs of counsel are reasonable and documented. Before the Paying Agent acts or refrains from acting hereunder, it may require and shall be entitled to receive an Officer's Certificate and/or an opinion of counsel, the costs of which (including the Paying Agent's reasonable and documented attorney's fees and expenses) shall be paid by the party requesting that the Paying Agent act or refrain from acting. The Paying Agent shall not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or opinion of counsel.

(I) The Paying Agent shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, entitlement order, approval or other paper or document.

(J) Except as provided expressly in Section 8.2(G) hereof, the Paying Agent shall have no obligation to invest and reinvest any cash held in any of the accounts hereunder in the absence of a timely and specific written investment direction pursuant to the terms of this Agreement. In no event shall the Paying Agent be liable for the selection of investments or for investment losses incurred thereon. The Paying Agent shall have no liability in respect of losses incurred as a result of the liquidation of any investment prior to its stated maturity or the failure of another party to timely provide a written investment direction pursuant to the terms of this Agreement. Investments in any Permitted Investments are not obligations or recommendations of, or endorsed or guaranteed by, the Paying Agent or its Affiliates. The Paying Agent and its Affiliates may provide various services for Permitted Investments and may be paid fees for such services. Each party hereto understands and agrees that proceeds of the sale of investments of the funds in any account maintained with the Paying Agent will be deposited by the Paying Agent into the applicable accounts on the Business Day on which the Paying Agent receives appropriate instructions hereunder, if such instructions received by the Paying Agent prior to the deadline for same day sale of such investments. If the Paying Agent receives such instructions after the applicable deadline for the sale of such investments, such proceeds will be deposited by the Paying Agent into the applicable account on the next succeeding Business Day. The parties hereto agree that notifications after the completion of purchases and sales of investments shall not be provided by the Paying Agent hereunder, and the Paying Agent shall make available, upon request and in lieu of notifications, periodic account statements that reflect such investment activity. No statement shall be made available if no investment activity has occurred during such period.

(K) The Paying Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, affiliates, custodians or nominees appointed with due care, and shall not be responsible for any action or omission on the part of any agent, attorney, custodian or nominee so appointed.

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(L) Any corporation or entity into which the Paying Agent may be merged or converted or with which it may be consolidated, or any corporation or entity resulting from any merger, conversion or consolidation to which the Paying Agent shall be a party, or any corporation or entity succeeding to the business of the Paying Agent shall be the successor of the Paying Agent hereunder without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto except where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding.

(M) In no event shall the Paying Agent be liable for punitive, special, indirect or consequential loss or damage of any kind whatsoever (including lost profits), even if the Paying Agent has been advised of such loss or damage and regardless of the form of action.

(N) In no event shall the Paying Agent be liable for any failure or delay in the performance of its obligations under this Agreement or any related documents because of circumstances beyond the Paying Agent's control, including a failure, termination, or suspension of a clearing house, securities depositary, settlement system or central payment system in any applicable part of the world or acts of God, flood, war (whether declared or undeclared), civil or military disturbances or hostilities, nuclear or natural catastrophes, political unrest, explosion, severe weather or accident, earthquake, terrorism, fire, riot, labor disturbances, strikes or work stoppages for any reason, embargo, government action, including any laws, ordinances, regulations or the like (whether domestic, federal, state, county or municipal or foreign) which delay, restrict or prohibit the providing of the services contemplated by this Agreement or any other Transaction Document or any related documents, or the unavailability of communications or computer facilities, the failure of equipment or interruption of communications or computer facilities, or the unavailability of the Federal Reserve Bank wire or telex or other wire or communication facility, or any other causes beyond the Paying Agent's control whether or not of the same class or kind as specified above.

(O) Knowledge of the Paying Agent shall not be attributed or imputed to any affiliate, line of business, or other division of Wells Fargo Bank, National Association (and vice versa).

(P) The right of the Paying Agent to perform any permissive or discretionary act enumerated in this Agreement or any other Transaction Document shall not be construed as a duty.

(Q) Absent gross negligence, bad faith or willful misconduct (in each case as conclusively determined by a court of competent jurisdiction pursuant to a final order or verdict not subject to appeal) on the part of, Wells Fargo Bank, National Association in acting in each of its capacities under this Agreement and the related Transaction Documents shall not constitute impermissible self-dealing or a conflict of interest, and the parties hereto hereby waive any conflict of interest presented by such service. Wells Fargo Bank, National Association may act as agent for, provide banking, custodial, collateral agency, verification and other services to, and generally engage in any kind of business, with others to the same extent as if Wells Fargo Bank, National Association, were not a party hereto. Nothing in this Agreement or any other Transaction Document shall in any way be deemed to restrict the right of Wells Fargo Bank, National Association to perform such services for

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any other person or entity, and the performance of such services for others will not, in and of itself, be deemed to violate or give rise to any duty or obligation to any party hereto not specifically undertaken by Wells Fargo Bank, National Association hereunder or under any other Transaction Document.

(R) The Paying Agent shall not be responsible for preparing or filing any reports or returns relating to federal, state or local income taxes with respect to this Agreement or any other Transaction Document other than for the Paying Agent's compensation.

(S) The Paying Agent shall not be deemed to have notice or knowledge of, or be required to act based on, any event or information (including any Event of Default, Amortization Event or any other default and including the sending of any notice) unless a Responsible Officer of the Paying Agent has actual knowledge or shall have received written notice thereof. In the absence of such actual knowledge or receipt of such notice, the Paying Agent may conclusively assume that none of such events have occurred and the Paying Agent shall not have any obligation or duty to determine whether any Event of Default, Amortization Event or any other default has occurred. The delivery or availability of reports or other documents to the Paying Agent (including publicly available reports or documents) shall not constitute actual or constructive knowledge or notice of information contained in or determinable from those reports or documents, except for such information provided to be delivered under this Agreement to the Paying Agent; and knowledge or information acquired by any Responsible Officer of the Paying Agent in any of its respective capacities hereunder or under any other document related to this transaction, provided that the foregoing shall not relieve the Person acting as Paying Agent, as applicable, from its obligations to perform or responsibility for the manner of performance of its duties in a separate capacity under the Transaction Documents.

(T) Except as otherwise provided in this Article IX:

(i) except as expressly required pursuant to the terms of this Agreement, the Paying Agent shall not be required to make any initial or periodic examination of any documents or records for the purpose of establishing the presence or absence of defects, the compliance by the Borrower or any other Person with its representations and warranties or for any other purpose except as expressly required pursuant to the terms of this Agreement;

(ii) whether or not therein expressly so provided, every provision of this Agreement relating to the conduct or affecting the liability of or affording protection to the Paying Agent shall be subject to the provisions of this Article IX;

(iii) the Paying Agent shall not have any liability with respect to the acts or omissions of any other Person, and may assume compliance by each of the other parties to the Transaction Documents with their obligations thereunder unless a Responsible Officer of the Paying Agent is notified of any such noncompliance in writing;

(iv) under no circumstances shall the Paying Agent be personally liable for any representation, warranty, covenant, obligation or indebtedness of any other party to the Transaction

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Documents (other than Wells Fargo Bank, National Association in any of its capacities under the Transaction Documents);

(v) the Paying Agent shall not be held responsible or liable for or in respect of, and makes no representation or warranty with respect to (A) any recording, filing or depositing of this Agreement or any agreement referred to herein or any financing statement, continuation statement or amendments to a financing statement or continuation statement evidencing a security interest, or to see to the maintenance of any such recording or filing or depositing or to any re-recording, refiling or redepositing of any thereof, or (B) the existence, genuineness, value or protection of any collateral, for the legality, enforceability, effectiveness or sufficiency of the Transaction Documents or for the monitoring, creation, maintenance, enforceability, existence, status, validity, priority or perfection of any security interest, lien or collateral or the performance of any collateral; and

(vi) the Paying Agent shall not be required to take any action hereunder if it shall have reasonably determined, or shall have been advised by its counsel, that such action is likely to result in liability on the part of the Paying Agent or is contrary to the terms hereof or any other Transaction Document to which it is a party or is not in accordance with applicable laws.

(U) It is expressly understood and agreed by the parties hereto that the Paying Agent (i) has not provided nor will it provide in the future, any advice, counsel or opinion regarding the tax, financial, investment, securities law or insurance implications and consequences of the consummation, funding and ongoing administration of this Agreement and the matters contemplated herein, including, but not limited to, income, gift and estate tax issues, and the initial and ongoing selection and monitoring of financing arrangements, (ii) has not made any investigation as to the accuracy of any representations, warranties or other obligations of any other party to this Agreement or the other Transaction Documents or any other document or instrument and shall not have any liability in connection therewith and (iii) has not prepared or verified, or shall be responsible or liable for, any information, disclosure or other statement in any disclosure or offering document delivered in connection with this Agreement or the other Transaction Documents.

(V) The recitals contained herein shall not be taken as the statements of the Paying Agent, and the Paying Agent does not assume any responsibility for their correctness. The Paying Agent does not make any representation regarding the validity, sufficiency or enforceability of this Agreement or the other Transaction Documents or as to the perfection or priority of any security interest therein, except as expressly set forth in Section 9.2(C).

(W) In the event that (i) the Paying Agent is unsure as to the application or interpretation of any provision of this Agreement or any other Transaction Document, (ii) this Agreement is silent or is incomplete as to the course of action that the Paying Agent is required or permitted to take with respect to a particular set of facts, or (iii) more than one methodology can be used to make any determination or calculation to be performed by the Paying Agent hereunder, then the Paying Agent may give written notice to the Administrative Agent (with a copy to each Lender) requesting written instruction and, to the extent that the Paying Agent acts or refrains from acting in good faith in

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accordance with any such written instruction, the Paying Agent shall not be personally liable to any Person. If the Paying Agent shall not have received such written instruction within ten (10) calendar days of delivery of notice to the Administrative Agent (or within such shorter period of time as may reasonably be specified in such notice or as may be necessary under the circumstances) it may, but shall be under no duty to, take or refrain from taking any action, and shall have no liability to any Person for such action or inaction.

(X) The Paying Agent shall be under no obligation to exercise any of the rights or powers vested in it by this Agreement or any other Transaction Document or to institute, conduct or defend any litigation hereunder or thereunder or in relation hereto or thereto at the request, order or direction of any of any Person, unless such Person with the requisite authority shall have offered to the Paying Agent security or indemnity satisfactory to the Paying Agent against the costs, expenses and liabilities (including the reasonable and documented fees and expenses of the Paying Agent's counsel and agents) which may be incurred therein or thereby.

(Y) The Paying Agent shall have no duty (i) to maintain or monitor any insurance or (ii) to see to the payment or discharge of any tax, assessment, or other governmental charge or any lien or encumbrance of any kind owing with respect to, assessed or levied against, any part of the Collateral.

(Z) Notwithstanding anything to the contrary in this Agreement, the Paying Agent shall not be required to take any action that is not in accordance with applicable law.

(AA) The rights, benefits, protections, immunities and indemnities afforded the Paying Agent hereunder shall extend to the Paying Agent (in any of its capacities) under any other Transaction Document or related agreement as though set forth therein in their entirety *mutatis mutandis*.

Section 9.5. Indemnification. The Borrower and the Facility Administrator (for so long as the Facility Administrator is an Affiliate of the Borrower) agree, jointly and severally, to reimburse and indemnify, defend and hold harmless the Paying Agent, in its individual and representative capacities, and its officers, directors, agents and employees (collectively, the "*Paying Agent Indemnified Parties*") against any and all fees, costs, damages, losses, suits, claims, judgments, liabilities, obligations, penalties, actions, expenses (including the reasonable and documented fees and expenses of counsel and court costs) or disbursements of any kind and nature whatsoever, regardless of the merit, which may be imposed on, incurred by or demanded, claimed or asserted against any of them in any way directly or indirectly relating to or arising out of or in connection with this Agreement or any other Transaction Document or any other document delivered in connection herewith or therewith or the transactions contemplated hereby or thereby, or the enforcement of any of the terms hereof or thereof or of any such other documents, including in connection with any enforcement (including any action, claim or suit brought) by any Paying Agent Indemnified Party of its rights hereunder or thereunder (including rights to indemnification), *provided,* that none of the Borrower or the Facility Administrator shall be liable for any of the foregoing to the extent arising from the gross negligence, willful misconduct or bad faith of the Paying Agent, as determined by the

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final judgment of a court of competent jurisdiction, no longer subject to appeal or review. The provisions of this Section 9.5 shall survive the discharge, termination or assignment of this Agreement or any related agreement or the earlier of the resignation or removal of the Paying Agent. This Section 9.5 shall not apply with respect to Taxes other than any Taxes that represent losses, liabilities, claims and damages arising from any non-Tax Proceeding. The Paying Agent Indemnified Parties' reasonable and documented expenses are intended as expenses of administration.

Section 9.6. Successor Paying Agent. The Paying Agent may resign at any time by giving at least thirty (30) days' prior written notice thereof to the other parties hereto; *provided,* that no such resignation shall become effective until a successor Paying Agent that is satisfactory to the Administrative Agent and, to the extent no Event of Default or Amortization Event has occurred and is continuing, the Borrower, has been appointed hereunder. The Paying Agent may be removed at any time for cause by at least thirty (30) days' prior written notice received by the Paying Agent from the Administrative Agent. Upon any such resignation or removal, the Administrative Agent shall have the right to appoint a successor Paying Agent that is satisfactory to the Borrower (unless an Event of Default or Amortization Event has occurred and is continuing). If no successor Paying Agent shall have been so appointed and shall have accepted such appointment within thirty (30) days after the exiting Paying Agent's giving notice of resignation or receipt of notice of removal, then the exiting Paying Agent may, at the sole expense (including all fees, costs and expenses (including attorneys' reasonable and documented fees and expenses) incurred in connection with such petition) of the Borrower, petition a court of competent jurisdiction to appoint a successor Paying Agent. Upon the acceptance of any appointment as the Paying Agent hereunder by a successor Paying Agent, such successor Paying Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the exiting Paying Agent, and the exiting Paying Agent shall be discharged from its duties and obligations hereunder. After any exiting Paying Agent's resignation hereunder, the provisions of this Article IX shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as the Paying Agent hereunder. If the Paying Agent consolidates with, merges or converts into, or transfers or sells all or substantially all its corporate trust business or assets to, another Person, the resulting, surviving or transferee Person without any further act shall be the successor Paying Agent.

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Article X

Miscellaneous

Section 10.1. Survival. All representations and warranties made by the Borrower and the Facility Administrator herein and all indemnification obligations of the Borrower and the Facility Administrator hereunder shall survive, and shall continue in full force and effect, after the making and the repayment of the Advances hereunder and the termination of this Agreement.

Section 10.2. Amendments, Etc. (A) No amendment to or waiver of any provision of this Agreement, nor consent to any departure therefrom by the parties hereto, shall in any event be effective unless the same shall be in writing and signed by the Administrative Agent, on behalf of the Lenders and each Funding Agent, and the Borrower and consented to by the Majority Lenders; *provided*, that no such amendment or waiver shall (i) amend, modify or waive any provision of Sections 7.14 through 7.22 hereof without the written consent of all Funding Agents or (ii) affect the rights or duties of the Paying Agent, Verification Agent or Facility Administrator under this Agreement without the written consent of such Paying Agent, Verification Agent or Facility Administrator, respectively; *provided*, *however*, that no Class A Fundamental Amendment shall in any event be effective unless the same shall be in writing and signed by each of the Borrower, the Administrative Agent and the each Class A Lender; and *provided further*, that no Fundamental Amendment shall in any event be effective unless the same shall be in writing and signed by each of the Borrower, the Administrative Agent and each Lender; *provided*, that consent to any such Fundamental Amendment shall not be unreasonably withheld by any Class B Lender. The Borrower agrees to provide notice to each party hereto of any amendments to or waivers of any provision of this Agreement; *provided* that the Borrower shall provide the Conduit Lender with prompt written notice of any amendment to any provision of this Agreement, prior to such amendment becoming effective.

(B) Notwithstanding the foregoing or any other provision of this Agreement or any other Transaction Document to the contrary, the Administrative Agent, on behalf of the Lenders and each Funding Agent, and the Borrower may enter into an amendment hereto for the purpose of subdividing the Advances into separate tranches or reallocating the outstanding principal balance of the Advances among the Class A Advances and the Class B Advances; *provided*, no such amendment may be executed without the consent of all Lenders affected thereby; *provided further*, that such amendment shall be at the expense of the Lender or Lenders requesting such amendment and that none of the Borrower, Paying Agent or the Administrative Agent need enter into such amendment and no Lender need consent to such amendment if it would have a Material Adverse Effect on the payments, economics or obligations of any such party. Subject to the preceding sentence, each of the Borrower and the Facility Administrator agree to cooperate in effecting any amendment pursuant to this Section 10.2(B).

(C) Notwithstanding anything to the contrary set forth in this Section 10.2, the consent of the Administrative Agent shall not be required for any amendment made in accordance with Sections 5.1(A)(ix) and (x).

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Section 10.3. Notices, Etc.. All notices and other communications provided for hereunder shall be in writing and mailed or delivered by courier or facsimile: (A) if to the Borrower, to the Borrower, at its address at 20 Greenway Plaza, Suite 475, Houston, TX 77046. Attention: Chief Financial Officer and Treasurer, Facsimile: (281) 985-9907, email address: treasury@sunnova.com; notices@sunnova.com; (B) if to the Facility Administrator, at its address at 20 Greenway Plaza, Suite 475, Houston, TX 77046, Attention: Chief Financial Officer and Treasurer, Facsimile: (281) 985-9907, email address: treasury@sunnova.com; notices@sunnova.com; (C) if to the Administrative Agent, the CS Funding Agent or the CS Non-Conduit Lender, at its address at Credit Suisse AG, New York Branch, 11 Madison Avenue, 4th Floor, New York, NY 10010; Conduit and Warehouse Financing (212) 538-2007; email address: list.afconduitreports@creditsuisse.com; abcp.monitoring@creditsuisse.com; (D) if to the CS Conduit Lender, at its address at Alpine Securitization Ltd. c/o Credit Suisse AG, New York Branch 11 Madison Avenue, 4th Floor New York, NY 10010, Attention: Securitized Products Finance, E-mail: abcp.monitoring@credit-suisse.com; (E) if to the Class B-I Lender or the Class B-II Lender, at its address at LibreMax Opportunistic Value Master Fund, LP, c/o LibreMax Capital, LLC, 600 Lexington Ave, 7th Floor, New York, NY 10022, Attention: Frank Bruttomesso, Email: fbruttomesso@libremax.com, Telephone: 212-612-1565; (F) if to the Paying Agent, at its address at 600 S. 4th Street, MAC N9300-061, Minneapolis, Minnesota 55479, Attention: Corporate Trust Services – Asset-Backed Administration, E-mail: ctsabsservicer@wellsfargo.com; and (G) in the case of any party, at such address or other address as shall be designated by such party in a written notice to each of the other parties hereto. Notwithstanding the foregoing, each Facility Administrator Report described in Section 5.1(B) and the Borrowing Base Certificate described in Section 2.4 may be delivered by electronic mail; *provided,* that such electronic mail is sent by a Responsible Officer and each such Facility Administrator Report or the Borrowing Base Certificate is accompanied by an electronic reproduction of the signature of a Responsible Officer of the Borrower. All such notices and communications shall be effective, upon receipt, *provided,* that notice by facsimile or email shall be effective upon electronic or telephonic confirmation of receipt from the recipient.

Section 10.4. No Waiver; Remedies. No failure on the part of the Administrative Agent or any Lender to exercise, and no delay in exercising, any right hereunder or under the Loan Notes shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

Section 10.5. Indemnification. The Borrower agrees to indemnify the Administrative Agent, the Paying Agent, the Successor Facility Administrator, the Verification Agent, each Lender, and their respective Related Parties (collectively, the "*Indemnitees*") from and hold each of them harmless against any and all losses, liabilities, claims, damages or expenses (including court costs and fees and expenses of counsel and of enforcing the Borrower's indemnification obligations hereunder) to which such Indemnitee may become subject arising out of, resulting from or in connection with any claim, litigation, investigation or proceeding (each, a "*Proceeding*" (including any Proceedings under environmental laws)) relating to the Transaction Documents or any other agreement, document, instrument or transaction related thereto, the use of proceeds thereof and the transactions contemplated hereby, regardless of whether any Indemnitee is a party thereto and whether or not such Proceedings are brought by the Borrower, its equity holders, affiliates, creditors or any other third party, and to reimburse each Indemnitee upon written demand therefor (together

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with reasonable back-up documentation supporting such reimbursement request) for any reasonable and documented legal or other out-of-pocket expenses incurred in connection with investigating or defending any of the foregoing of one law firm to all such Indemnitees, taken as a whole, and, in the case of a conflict of interest, of one additional counsel to the affected Indemnitee taken as a whole (and, if reasonably necessary, of one local counsel and/or one regulatory counsel in any material relevant jurisdiction); *provided,* that the foregoing indemnity and reimbursement obligation will not, as to any Indemnitee, apply to (A) losses, claims, damages, liabilities or related expenses (i) to the extent they are found in a final non-appealable judgment of a court of competent jurisdiction to arise from the willful misconduct, bad faith or gross negligence of, or with respect to Indemnitees other than the Paying Agent or the Verification Agent, material breach of the Transaction Documents by, such Indemnitee or any of its affiliates or controlling persons or any of the officers, directors, employees, advisors or agents of any of the foregoing or (ii) arising out of any claim, litigation, investigation or proceeding that does not involve an act or omission of the Borrower or any of their Affiliates and that is brought by such Indemnitee against another Indemnitee (other than an Indemnitee acting in its capacity as Paying Agent, agent, arranger or any other similar role in connection with the Transaction Documents) or (B) any settlement entered into by such Indemnitee without the Borrower's written consent (such consent not to be unreasonably withheld or delayed). This Section 10.5 shall not apply with respect to Taxes other than any Taxes that represent losses, liabilities, claims and damages arising from any non-Tax Proceeding. The provisions of this Section 10.5 shall survive the discharge, termination or assignment of this Agreement or any related agreement or the earlier of the resignation or removal of the Paying Agent or the Verification Agent. Notwithstanding anything to the contrary in this Section 10.5, the provisions of this Section shall be applied without prejudice to, and the provisions shall not have the effect of diminishing, the rights of the Paying Agent and any Paying Agent Indemnified Parties under Section 9.5 of this Agreement or any other provision of any Transaction Document providing for the indemnification of any such Persons.

Section 10.6. Costs, Expenses and Taxes. The Borrower agrees to pay all reasonable and documented costs and expenses in connection with the preparation, execution, delivery, filing, recording, administration, modification, amendment or waiver of this Agreement, the Loan Notes and the other documents to be delivered hereunder, including the reasonable fees and out-of-pocket expenses of counsel for the Administrative Agent, any Lender and the Paying Agent with respect thereto and with respect to advising the Administrative Agent, such Lender and the Paying Agent as to their respective rights and responsibilities under this Agreement and the other Transaction Documents. The Borrower further agrees to pay on demand all costs and expenses, if any (including reasonable and documented counsel fees and expenses) (A) in connection with the enforcement (whether through negotiations, legal proceedings or otherwise) of this Agreement, the Loan Notes and the other documents to be delivered hereunder and (B) incurred by the Administrative Agent, any Lender or the Paying Agent in connection with the transactions described herein and in the other Transaction Documents, or any potential Takeout Transaction, including in any case reasonable and documented counsel fees and expenses in connection with the enforcement of rights under this Section 10.6. Without limiting the foregoing, the Borrower acknowledges and agrees that the Administrative Agent or its counsel may at any time after an Event of Default shall have occurred and be continuing, engage professional consultants selected by the Administrative Agent to conduct additional due diligence with respect to the transactions contemplated hereby, including (A) review and independently assess the existing methodology employed by the Borrower in allocating Collections with

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respect to the Collateral, assess the reasonableness of the methodology for the equitable allocation of those Collections and make any recommendations to amend the methodology, if appropriate, (B) review the financial forecasts submitted by the Borrower to the Administrative Agent and assess the reasonableness and feasibility of those forecasts and make any recommendations based on that review, if appropriate, and (C) verify the asset base of the Borrower and the Borrower's valuation of their assets, as well as certain matters related thereto. The reasonable and documented fees and expenses of such professional consultants, in accordance with the provisions of this Section 10.6, shall be at the sole cost and expense of the Borrower. In addition, the Borrower shall pay any and all Other Taxes and agrees to save the Administrative Agent, the Paying Agent and each Lender harmless from and against any and all liabilities with respect to or resulting from any delay in paying or omission to pay such Other Taxes. Notwithstanding anything to the contrary set forth in this Section 10.6, the Borrower shall not be required to pay the costs or expenses of the Lenders following an Event of Default if such costs or expenses are related to disputes among the Lenders.

Section 10.7. Right of Set-off; Ratable Payments; Relations Among Lenders. (A) Upon the occurrence and during the continuance of any Event of Default, and subject to the prior payment of Obligations owed to the Paying Agent, each of the Administrative Agent and the Lenders are hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held by and other indebtedness incurred pursuant to this Agreement at any time owing to the Administrative Agent or such Lender to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement and the Loan Notes, whether or not the Administrative Agent or such Lenders shall have made any demand under this Agreement or the Loan Notes and although such obligations may be unmatured. The Administrative Agent and each Lender agrees promptly to notify the Borrower after any such set-off and application; *provided* that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Administrative Agent and the Lenders under this Section 10.7(A) are in addition to other rights and remedies (including other rights of set-off) which the Administrative Agent and the Lenders may have.

(B) If any Lender, whether by setoff or otherwise, has payment made to it upon its Advances in a greater proportion than that received by any other Lender, such other Lender agrees, promptly upon demand, to purchase a portion of the Advances held by the Lenders so that after such purchase each Lender will hold its ratable share of Advances. If any Lender, whether in connection with setoff or amounts which might be subject to setoff or otherwise, receives collateral or other protection for its Obligations or such amounts which may be subject to setoff, such Lender agrees, promptly upon written demand, to take such action necessary such that all Lenders share in the benefits of such collateral ratably in proportion to the obligations owing to them. In case any such payment is disturbed by legal process, or otherwise, appropriate further adjustments shall be made.

(C) Except with respect to the exercise of set-off rights of any Lender in accordance with Section 10.7(A), the proceeds of which are applied in accordance with this Agreement, each Lender agrees that it will not take any action, nor institute any actions or proceedings, against the Borrower or any other obligor hereunder or with respect to any Collateral or Transaction Document, without the prior written

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consent of the other Lenders or, as may be provided in this Agreement or the other Transaction Documents, at the direction of the Administrative Agent.

(D) The Lenders are not partners or co-venturers, and no Lender shall be liable for the acts or omissions of, or (except as otherwise set forth herein in case of the Administrative Agent) authorized to act for, any other Lender.

Section 10.8. Binding Effect; Assignment. (a) This Agreement shall be binding upon and inure to the benefit of the Borrower, the Paying Agent, the Verification Agent, the Facility Administrator and the Administrative Agent and each Lender, and their respective successors and assigns, except that the Borrower shall not have the right assign to its rights hereunder or any interest herein without the prior written consent of the Administrative Agent and the Lenders, and any assignment by Borrower in violation of this Section 10.8 shall be null and void. Any Lender may at any time, without the consent of the Borrower or the Administrative Agent, assign all or any portion of its rights and obligations under this Agreement and any Loan Note to a Federal Reserve Bank and each Conduit Lender may assign its rights and obligations under this Agreement to a Program Support Provider; *provided,* that no such assignment or pledge shall release the transferor Lender from its obligations hereunder. Each Lender may assign to one or more banks or other entities all or any part or portion of, or may grant participations to one or more banks or other entities in all or any part or portion of its rights and obligations hereunder (including, without limitation, its Commitment, its Loan Notes or its Advances); *provided* that during the Availability Period, no Lender may transfer or assign any portion of its rights and obligations under this Agreement or any Loan Note to a Disqualified Lender; *provided further* that each such assignment (A) shall be substantially in the form of Exhibit F hereto or any other form reasonably acceptable to the Administrative Agent and (B) shall either be made (i) to a Permitted Assignee or (ii) to a Person that is acceptable to the Administrative Agent in its reasonable discretion (such consent not to be unreasonably withheld or delayed) unless an Event of Default or Amortization Event shall have occurred and be continuing.

(b) If any assignment or participation is made to a Disqualified Lender in violation of this Section 10.8, the Borrower may upon notice to the applicable Disqualified Lender and the Administrative Agent, (A) purchase or prepay the Advances held by such Disqualified Lender by paying the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Lender paid to acquire such Advances, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder and/or (B) require such Disqualified Lender to assign, without recourse (in accordance with and subject to the restrictions contained in this Section 10.8), all of its interest, rights and obligations under this Agreement to one or more banks or other entities at the lesser of (x) the principal amount thereof and (y) the amount that such Disqualified Lender paid to acquire such interests, rights and obligations, in each case plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder.

Disqualified Lenders (A) will not, absent an Event of Default or consent from the Borrower (x) have the right to receive financial reports that are not publicly available, Facility Administrator Reports or other reports or confidential information provided to Lenders by the Borrower or the Administrative Agent (other than Tax reporting information with respect to the Advances), (y) attend or participate in meetings

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with the Borrower attended by the Lenders and the Administrative Agent, or (z) access any electronic site maintained by the Borrower or Administrative Agent to provide Lenders with confidential information or confidential communications from counsel to or financial advisors of the Administrative Agent and (B) (x) for purposes of any consent to any amendment, waiver or modification of, or any action under, and for the purpose of any direction to the Administrative Agent or any Lender to undertake any action (or refrain from taking any action) under this Agreement or any other Transaction Document, each Disqualified Lender will be deemed to have consented in the same proportion as the Lenders that are not Disqualified Lenders consented to such matter, and (y) for purposes of voting on any plan of reorganization or plan of liquidation, each Disqualified Lender party hereto hereby agrees (1) not to vote on such plan, (2) if such Disqualified Lender does vote on such plan notwithstanding the restriction in the foregoing clause (1), such vote will be deemed not to be in good faith and shall be "designated" pursuant to Section 1126(e) of the Bankruptcy Code (or any similar provision in any other debtor relief laws), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such plan in accordance with Section 1126(c) of the Bankruptcy Code (or any similar provision in any other debtor relief laws) and (3) not to contest any request by any party for a determination by a bankruptcy court (or other applicable court of competent jurisdiction) effectuating the foregoing clause (2).

(c) Upon, and to the extent of, any assignment (unless otherwise stated therein) made by any Lender hereunder, the assignee or purchaser of such assignment shall be a Lender hereunder for all purposes of this Agreement and shall have all the rights, benefits and obligations (including the obligation to provide documentation pursuant to Section 2.17(G)) of a Lender hereunder. Each Funding Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at one of its offices a register (the "*Register*") for the recordation of the names and addresses of the Lenders in its Lender Group, the outstanding principal amounts (and accrued interest) of the Advances owing to each Lender in its Lender Group pursuant to the terms hereof from time to time and any assignment of such outstanding Advances. The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower, the Paying Agent and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Any Lender may, without the consent of the Borrower, sell participation interests in its Advances and obligations hereunder (each such recipient of a participation a "*Participant*"); *provided* that after giving effect to the sale of such participation, such Lender's obligations hereunder and rights to consent to any waiver hereunder or amendment hereof shall remain unchanged, such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, all amounts payable to such Lender hereunder and all rights to consent to any waiver hereunder or amendment hereof shall be determined as if such Lender had not sold such participation interest, and the Borrower and the Administrative Agent and the other parties hereto shall continue to deal solely and directly with such Lender and not be obligated to deal with such participant. The Participant shall have no right to affect such Lender's vote or action with respect to any matter requiring such Lender's vote or action under this Agreement. Each Lender that sells a participation shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each Participant and the

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outstanding principal amounts (and accrued interest) of each Participant's interest in the Advances or other obligations under the Transaction Documents (the "*Participant Register*"); *provided* that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Transaction Document) to any Person except to the extent that such disclosure is necessary to establish that such commitment, loan, or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent shall have no responsibility for maintaining a Participant Register. Each recipient of a participation shall, to the fullest extent permitted by law, have the same rights, benefits and obligations (including the obligation to provide documentation pursuant to Section 2.17(G)), hereunder with respect to the rights and benefits so participated as it would have if it were a Lender hereunder, except that no Participant shall be entitled to receive any greater payment under Sections 2.11 or 2.17 than its participating Lender would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation.

(e) Notwithstanding any other provision of this Agreement to the contrary, (i) a Lender may pledge as collateral, or grant a security interest in, all or any portion of its rights in, to and under this Agreement to a security trustee in connection with the funding by such Lender of Advances without the consent of the Borrower; *provided* that no such pledge or grant shall release such Lender from its obligations under this Agreement and (ii) a Conduit Lender may at any time, without any requirement to obtain the consent of the Administrative Agent or the Borrower, pledge or grant a security interest in all or any portion of its rights (including, without limitation, rights to payment of capital and yield) under this Agreement to a collateral agent or trustee for its commercial paper program.

Section 10.9. Governing Law. This Agreement shall, in accordance with Section 5-1401 of the General Obligations Law of the State of New York, be governed by, and construed in accordance with, the laws of the State of New York, without regard to conflicts of law principles thereof that would call for the application of the laws of any other jurisdiction.

Section 10.10. Jurisdiction. Any legal action or proceeding with respect to this Agreement may be brought in the courts of the State of New York (New York County) or of the United States for the Southern District of New York, and by execution and delivery of this agreement, each of the parties hereto consents, for itself and in respect of its property, to the exclusive jurisdiction of those courts. Each of the parties hereto irrevocably waives any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, or any legal process with respect to itself or any of its property, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Agreement or any document related hereto. Each of the parties hereto waives personal service of any summons, complaint or other process, which may be made by any other means permitted by New York law.

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Section 10.11. Waiver of Jury Trial. All parties hereunder hereby knowingly, voluntarily and intentionally waive any rights they may have to a trial by jury in respect of any litigation based hereon, or arising out of, under, or in connection with, this Agreement, or any course of conduct, course of dealing, statements (whether oral or written) or actions of the parties in connection herewith or therewith. All parties acknowledge and agree that they have received full and significant consideration for this provision and that this provision is a material inducement for all parties to enter into this Agreement.

Section 10.12. Section Headings. All section headings are inserted for convenience of reference only and shall not affect any construction or interpretation of this Agreement.

Section 10.13. Tax Characterization. The parties hereto intend for the transactions effected hereunder to constitute a loan for U.S. federal income tax purposes.

Section 10.14. Execution. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or by e-mail in portable document format (.pdf) shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 10.15. Limitations on Liability

. None of the members, managers, general or limited partners, officers, employees, agents, shareholders, directors, Affiliates or holders of limited liability company interests of or in the Borrower shall be under any liability to the Administrative Agent or the Lenders, respectively, any of their successors or assigns, or any other Person for any action taken or for refraining from the taking of any action in such capacities or otherwise pursuant to this Agreement or for any obligation or covenant under this Agreement, it being understood that this Agreement and the obligations created hereunder shall be, to the fullest extent permitted under applicable law, with respect to the Borrower, solely the limited liability company obligations of the Borrower. The Borrower and any member, manager, partner, officer, employee, agent, shareholder, director, Affiliate or holder of a limited liability company interest of or in the Borrower may rely in good faith on any document of any kind prima facie properly executed and submitted by any Person (other than the Borrower) respecting any matters arising hereunder.

Section 10.16. Confidentiality. (A) Except as otherwise provided herein, the Fee Letters (including such information set forth in any engagement letter, term sheet or proposal prior to the Closing Date that contains fees similar in nature to those in the Fee Letters) (collectively, "*Confidential Information*") are confidential. Each of the Borrower, the Facility Administrator, the Paying Agent and the Verification Agent agrees:

(i) to keep all Confidential Information confidential and to disclose Confidential Information only to those Affiliates, officers, employees, agents, accountants, equity holders, legal counsel and other representatives of the Borrower or its Affiliates (collectively, "*Representatives*") who have a need to know such Confidential Information for the purpose of assisting in the negotiation, completion and administration of this Facility;

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(ii) to use the Confidential Information only in connection with the Facility and not for any other purpose; and

(iii) to maintain and keep in force procedures reasonably designed to cause its Representatives to comply with these provisions and to be responsible for any failure of any Representative to follow those procedures. The provisions of this section 10.16(A) shall not apply to Confidential Information that (a) has been approved for release by written authorization of the appropriate party, or (b) is or hereafter becomes (through a source other than the Borrower, the Facility Administrator, the Paying Agent, the Verification Agent or their respective Affiliates or Representatives) generally available to the public and shall not prohibit the disclosure of Confidential Information to the extent required by applicable Law or by any Governmental Authority or to the extent necessary in connection with the enforcement of any Transaction Document.

The Borrower and the Facility Administrator agree not to provide copies of the Transaction Documents to any prospective investor in, or prospective lender to, the Borrower and the Facility Administrator without the prior written consent of the Administrative Agent, which shall not be unreasonably withheld, delayed or conditioned. For the avoidance of doubt, Borrower and the Facility Administrator or any other affiliate of Parent may provide copies of the Transaction Documents to any potential investor or equity holder in Parent or its affiliates, *provided* that each such Person shall have been instructed to keep the same confidential in accordance with this Section 10.16.

(B) Each Lender, each Funding Agent, and the Administrative Agent agrees to maintain the confidentiality of all nonpublic information with respect to the parties herein or any other matters furnished or delivered to it pursuant to or in connection with this Agreement or any other Transaction Document; *provided,* that such information may be disclosed (i) to such party's Affiliates or such party's or its Affiliates' officers, directors, employees, agents, accountants, legal counsel and other representatives (collectively "*Lender Representatives*"), in each case, who have a need to know such information for the purpose of assisting in the negotiation, completion and administration of the Facility and on a confidential basis, (ii) to any permitted assignee of or participant in, or any prospective assignee of or participant in, the Facility or any of its rights or obligations under this Agreement, in each case on a confidential basis, (iii) to any financing source, dealer, hedge counterparty or other similar party in connection with financing or risk management activities related to the Facility, (iv) to any Commercial Paper rating agency (including by means of a password protected internet website maintained in connection with Rule 17g-5), (v) to the extent required by applicable Law or by any Governmental Authority, and (vi) to the extent necessary in connection with the enforcement of any Transaction Document.

The provisions of this Section 10.16(B) shall not apply to information that (i) is or hereafter becomes (through a source other than the applicable Lender, Funding Agent or the Administrative Agent or any Lender Representative associated with such party) generally available to the public, (ii) was rightfully known to the applicable Lender, applicable Funding Agent or the Administrative Agent or any Lender Representative or was rightfully in their possession prior to the date of its disclosure pursuant to this Agreement, (iii) becomes available to the applicable Lender, applicable Funding Agent or the Administrative Agent or any Lender Representative from a third party unless to their knowledge such third

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party disclosed such information in breach of an obligation of confidentiality to the applicable Lender, applicable Funding Agent or the Administrative Agent or any Lender Representative, (iv) has been approved for release by written authorization of the parties whose information is proposed to be disclosed, or (v) has been independently developed or acquired by any Lender, any Funding Agent or the Administrative Agent or any Lender Representative without violating this Agreement. The provisions of this Section 10.16 shall not prohibit any Lender, any Funding Agent or the Administrative Agent from filing with or making available to any judicial, governmental or regulatory agency or providing to any Person with standing any information or other documents with respect to the Facility as may be required by applicable Law or requested by such judicial, governmental or regulatory agency.

Section 10.17. Limited Recourse. All amounts payable by the Borrower on or in respect of the Obligations shall constitute limited recourse obligations of the Borrower secured by, and payable solely from and to the extent of, the Collateral; *provided* that (A) the foregoing shall not limit in any manner the ability of the Administrative Agent or any other Lender to seek specific performance of any Obligation (other than the payment of a monetary obligation in excess of the amount payable solely from the Collateral), (B) the provisions of this Section 10.17 shall not limit the right of any Person to name the Borrower as party defendant in any action, suit or in the exercise of any other remedy under this Agreement or the other Transaction Documents and (C) when any portion of the Collateral is transferred in a transfer permitted under and in accordance with this Agreement, the security interest in and Lien on such Collateral shall automatically be released, and the Lenders under this Agreement will no longer have any security interest in, lien on, or claim against such Collateral. No recourse shall be sought or had for the obligations of the Borrower against any Affiliate, director, officer, shareholder, manager or agent of the Borrower other than as specified in the Transaction Documents.

Section 10.18. Customer Identification - USA Patriot Act Notice. The Administrative Agent and each Lender hereby notifies the Borrower and the Facility Administrator that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56, signed into law October 26, 2001) (the "*Patriot Act*"), and the Administrative Agent's and each Lender's policies and practices, the Administrative Agent and the Lenders are required to obtain, verify and record certain information and documentation that identifies the Borrower and the Facility Administrator, which information includes the name and address of the Borrower and such other information that will allow the Administrative Agent or such Lender to identify the Borrower in accordance with the Patriot Act.

Section 10.19. Paying Agent Compliance with Applicable Anti-Terrorism and Anti-Money Laundering Regulations. In order to comply with laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including, but not limited to those relating to funding of terrorist activities and money laundering, the Paying Agent is required to obtain, verify and record certain information relating to individuals and entities which maintain a business relationship with the Paying Agent. Accordingly, each of the parties agrees to provide to the Paying Agent upon its request from time to time such identifying information and documentation as may be available for such party in order to enable the Paying Agent to comply with such laws, rules, regulations and executive orders in effect from time to time applicable to banking institutions, including, but not limited to those relating to funding of terrorist activities and money laundering.

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Section 10.20. Non-Petition. Each party hereto hereby covenants and agrees that it will not institute against or join any other Person in instituting against the Conduit Lender any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other similar proceeding under the laws of the United States or of any state of the United States or of any other jurisdiction prior to the date which is one year and one day after the payment in full of all outstanding indebtedness of the Conduit Lender. The agreements set forth in this Section 10.20 and the parties' respective obligations under this Section 10.20 shall survive the termination of this Agreement.

Section 10.21. No Recourse. (A) Notwithstanding anything to the contrary contained in this Agreement, the parties hereto hereby acknowledge and agree that all transactions with a Conduit Lender hereunder shall be without recourse of any kind to such Conduit Lender. A Conduit Lender shall have no liability or obligation hereunder unless and until such Conduit Lender has received such amounts pursuant to this Agreement. In addition, the parties hereto hereby agree that (i) a Conduit Lender shall have no obligation to pay the parties hereto any amounts constituting fees, reimbursement for expenses or indemnities (collectively, "*Expense Claims*") and such Expense Claims shall not constitute a claim (as defined in Section 101 of Title 11 of the Bankruptcy Code or similar laws of another jurisdiction) against such Conduit Lender, unless or until such Conduit Lender has received amounts sufficient to pay such Expense Claims pursuant to this Agreement and such amounts are not required to pay the outstanding indebtedness of such Conduit Lender and (ii) no recourse shall be sought or had for the obligations of a Conduit Lender hereunder against any Affiliate, director, officer, shareholders, manager or agent of such Conduit Lender.

(B) The agreements set forth in this Section 10.21 and the parties' respective obligations under this Section 10.21 shall survive the termination of this Agreement.

Section 10.22. [Reserved].

Section 10.23. Additional Paying Agent Provisions. The parties hereto acknowledge that the Paying Agent shall not be required to act as a "commodity pool operator" as defined in the Commodity Exchange Act, as amended, or be required to undertake regulatory filings related to this Agreement in connection therewith.

Section 10.24. Acknowledgement Regarding Any Supported QFCs. To the extent that the Transaction Documents provide support, through a guarantee or otherwise, for Hedge Agreements or any other agreement or instrument that is a QFC (such support, "QFC Credit Support" and each such QFC a "Supported QFC"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "U.S. Special Resolution Regimes") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Transaction Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

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In the event a Covered Entity that is party to a Supported QFC (each, a "*Covered Party*") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Transaction Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Transaction Documents were governed by the laws of the United States or a state of the United States.

[Signature Pages Follow]

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In Witness Whereof, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

Sunnova TEP Holdings, LLC, as Borrower

By:_____

Name:

Title:

Sunnova TE Management, LLC, as Facility Administrator

By:_____

Name:

Title:

Credit Suisse AG, New York Branch,

as Administrative Agent and as a Funding Agent

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By:_____

Name:

Title:

By:_____

Name:

Title:

Credit Suisse AG, Cayman Islands Branch,

as a Lender

By:_____

Name:

Title:

By:_____

Name:

Title:

[*Signature Page to Sunnova TEP IV Warehouse Credit Agreement*]

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Alpine Securitization LTD., as a Conduit Lender

By: Credit Suisse AG, New York Branch, as attorney-in-fact

By:_____

Name:

Title:

By:_____

Name:

Title:

[*Signature Page to Sunnova TEP IV Warehouse Credit Agreement*]

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LibreMax Opportunistic Value Master Fund, LP, as a Funding Agent and as a Lender

By: LibreMax GP, LLC, its general partner

By: LibreMax Parent GP, LLC, its managing member

By:_____

Name:

Title:

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Wells Fargo Bank, National Association,

not in its individual capacity but solely as Paying Agent

By:_____

Name:

Title:

[*Signature Page to Sunnova TEP IV Warehouse Credit Agreement*]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

U.S. Bank National Association,

as Verification Agent

By:_____

Name:

Title:

[*Signature Page to Sunnova TEP IV Warehouse Credit Agreement*]

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Exhibit A

Defined Terms

"*1940 Act*" shall mean the Investment Company Act of 1940, as amended.

"*A-1 Verification Agent Certification*" shall have the meaning set forth in Section 4(a) of the Verification Agent Agreement.

"*A-2 Verification Agent Certification*" shall have the meaning set forth in Section 4(b) of the Verification Agent Agreement.

"*Accession Agreement*" shall mean (i) a Security Agreement Supplement in the form of Exhibit B to the Security Agreement, (ii) a Pledge Agreement Joinder in the form of Exhibit A to the Pledge Agreement, (iii) a Joinder Agreement in the form of Exhibit C to the Verification Agent Agreement, (iv) Guaranty Supplement in the form of Exhibit A to the Subsidiary Guaranty and (v) an Subsidiary Supplement in the form of Exhibit A to the Parent Guaranty.

"*Additional Interest Distribution Amount*" shall mean, individually or collectively as the context may require, the Class A Additional Interest Distribution Amount and the Class B Additional Interest Distribution Amount. For the avoidance of doubt, the Additional Interest Distribution Amount shall not constitute "Confidential Information."

"*Additional Solar Assets*" shall mean each Eligible Solar Asset that is acquired by a Financing Fund or SAP after the Closing Date and during the Availability Period.

"*Adjusted LIBOR Rate*" shall mean a rate per annum equal to the rate (rounded upwards, if necessary, to the next higher 1/100 of 1%) obtained by dividing (i) LIBOR by (ii) a percentage equal to 100% minus the reserve percentage (rounded upward to the next 1/100th of 1%) in effect on such day and applicable to the Non-Conduit Lender for which this rate is calculated under regulations issued from time to time by the Board of Governors of the Federal Reserve System for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) with respect to Eurocurrency funding (currently referred to as "eurocurrency liabilities"). The Adjusted LIBOR Rate shall be adjusted automatically as of the effective date of any change in such reserve percentage.

"*Administrative Agent*" shall have the meaning set forth in the introductory paragraph hereof.

"*Administrative Agent's Account*" shall mean the Administrative Agent's bank account designated by the Administrative Agent from time to time by written notice to the Borrower.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

"*Advance*" shall mean, individually or collectively, as the context may require, a Class A Advance and/or a Class B Advance.

"*Affected Party*" shall have the meaning set forth in Section 2.12(B).

"*Affiliate*" shall mean, with respect to any Person, any other Person that (i) directly or indirectly controls, is controlled by, or is under direct or indirect common control with such Person, or, (ii) is an officer or director of such Person, and in the case of any Lender that is an investment fund, the investment advisor thereof and any investment fund having the same investment advisor. A Person shall be deemed to be "controlled by" another Person if such other Person possesses, directly or indirectly, power to (a) vote 50% or more of the securities (on a fully diluted basis) having ordinary voting power for the election of directors or managing partners of such other Person, or (b) direct or cause the direction of the management and policies of such other Person whether by contract or otherwise.

"*Affiliated Entity*" shall mean any of the Parent, the Facility Administrator (if the Facility Administrator is an Affiliate of the Borrower), the Seller, and any of their respective direct or indirect Subsidiaries and/or Affiliates, whether now existing or hereafter created, organized or acquired.

"*Aggregate Commitment*" shall mean, on any date of determination, the sum of the Commitments then in effect. The Aggregate Commitment as of October 28, 2020 shall be equal to $460,714,286.

"*Aggregate Discounted Solar Asset Balance*" shall mean, on any date of determination, the sum of the Discounted Solar Asset Balances for the Managing Member Interests, the SAP Solar Assets and any Hedged SREC Solar Assets. Any Managing Member Interests, SAP Solar Assets or Hedged SREC Solar Assets that would otherwise be duplicated in computing this sum shall only be counted once. For the avoidance of doubt, the Aggregate Discounted Solar Asset Balance shall not include any amounts attributable to Service Incentives, Excess SREC Proceeds or SREC Direct Sale Proceeds or, prior to the completion of satisfactory due diligence and approval by the Administrative Agent (such approval to be made in its sole discretion), New Jersey TRECs or MA SMART Revenue.

"*Aggregate Outstanding Advances*" shall mean, as of any date of determination, the sum of (i) the aggregate principal balance of all Class A Advances outstanding *plus* (ii) the aggregate principal balance of all Class B Advances outstanding.

"*Agreement*" shall have the meaning set forth in the introductory paragraph hereof.

"*A.M. Best*" shall mean A. M. Best Company, Inc. and any successor rating agency.

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"*Amortization Event*" shall mean the occurrence of the any of the following events:

(i) a Facility Administrator Termination Event;

(ii) the Solar Asset Payment Level is less than 88.0%;

(iii) the Managing Member Distributions Payment Level is less than 88.0%;

(iv) the Default Level is greater than 0.75%;

(v) the Default Level is greater than 0.40% for two consecutive Collection Periods;

(vi) an Event of Default (whether or not cured by a Tax Equity Investor);

(vii) a Tax Loss Insurance Policy ceases to be of full force and effect or ceases to meet the requirements of the related Tax Equity Facility;

(viii) if Sunnova Management is the Facility Administrator and the sum of (a) the net cash provided by operating activities of Sunnova Management, as reported in any set of quarterly financial statements delivered pursuant to Section 5(q)(ii) of the Parent Guaranty *plus* (b) unrestricted cash on hand held by Sunnova Management as of the date of such financial statements, shall be negative (for purposes of this clause (viii), the term "net cash" and "operating activities" shall have the meanings attributable to such terms under GAAP); *provided,* that if (x) on or prior to the date that is fifteen (15) Business Days after the date on which it is determined that such amount is negative, the Parent Guarantor's equity holders, any of their Affiliates and any other Person makes an equity investment to Sunnova Management in cash in an amount not less than such shortfall, and such cash, if so designated by Sunnova Management, be included as unrestricted cash, and (y) any such action described in subclause (x) is communicated to the Administrative Agent in writing, then no Amortization Event shall be deemed to have occurred or be continuing;

(ix) Parent breaches any of the Financial Covenants and such breach has not been cured in accordance with Section 5(r) of the Parent Guaranty;

(x) the amounts on deposit in the Liquidity Reserve Account are at any time less than the Liquidity Reserve Account Required Balance and such deficit is not cured by the earlier of the next Payment Date or the next Funding Date;

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(xi) the amounts on deposit in the Supplemental Reserve Account are at any time less than the Supplemental Reserve Account Required Balance and such deficit is not cured by the earlier of the next Payment Date or the next Funding Date; or

(xii) the occurrence of a default under a Sunnova Credit Facility;

provided, that clause (v) shall not apply during the 30-day period following a Takeout Transaction if the threshold set forth in clause (v) would not have been breached but for the occurrence of such Takeout Transaction.

"*Amortization Period*" shall mean the period commencing at the end of the Availability Period.

"*Ancillary PV System Components*" shall mean main panel upgrades, generators, critter guards, snow guards, electric vehicle chargers, roofing and landscaping materials, automatic transfer switches and load controllers.

"*Ancillary Solar Service Agreements*" shall mean in respect of each Eligible Solar Asset, all agreements and documents ancillary to the Solar Service Agreement associated with such Eligible Solar Asset, which are entered into with a Host Customer in connection therewith, including any Customer Warranty Agreement.

"*Applicable Law*" shall mean all applicable laws of any Governmental Authority, including, without limitation, laws relating to consumer leasing and protection and any ordinances, judgments, decrees, injunctions, writs and orders or like actions of any Governmental Authority and rules and regulations of any federal, regional, state, county, municipal or other Governmental Authority.

"*Approved Installer*" shall mean an installer approved by the Parent to design, procure and install PV Systems on the properties of Host Customers and listed on the Parent's list of approved installers as of the time of installation of an applicable PV System.

"*Approved U.S. Territory*" shall initially mean Puerto Rico, Guam and the Northern Mariana Islands and shall mean any other territory of the United States which the Administrative Agent has, in its sole discretion, approved as an Approved U.S. Territory, by providing a written notice to the Borrower regarding the same.

"*Approved Vendor*" shall mean a manufacturer of Solar Photovoltaic Panels, Inverters or Energy Storage Systems for PV Systems that was approved by the Parent and listed on the Parent's list of approved vendors as of the time of installation of an applicable PV System.

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"*Assignor*" shall mean each of Parent, Intermediate Holdco, Sunnova Inventory Holdings, Sunnova Inventory Pledgor and TEP Inventory, as assignors of Solar Assets and/or Solar Asset Owner Membership Interests pursuant to the Contribution Agreement.

"*Availability Period*" shall mean the period from the Closing Date until the earlier to occur of (i) the Commitment Termination Date, and (ii) an Amortization Event.

"*Bank Base Rate*" shall mean, with respect to any Lender for any day, a rate per annum equal to the Base Rate with respect to such Lender on such date.

"*Bankruptcy Code*" shall mean the U.S. Bankruptcy Code, 11 U.S.C. § 101, et seq., as amended.

"*Base Rate*" shall mean, with respect to any Lender for any day, a rate per annum equal to the greater of (i) the prime rate of interest announced publicly by a Funding Agent with respect to its Lender Group (or the Affiliate of such Lender or Funding Agent, as applicable, that announces such rate) as in effect at its principal office from time to time, changing when and as said prime rate changes (such rate not necessarily being the lowest or best rate charged by such Person) or, if such Lender, Funding Agent or Affiliate thereof does not publicly announce the prime rate of interest, as quoted in The Wall Street Journal on such day and (ii) the sum of (a) 0.50% and (b) the rate equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average of the quotations for such day for such transactions received by such Funding Agent with respect to such Lender Group from three Federal funds brokers of recognized standing selected by it.

"*Base Case Model*" shall mean a computer model agreed to by a Managing Member and the related Tax Equity Investor showing the expected economic results from ownership of the PV Systems owned by the related Financing Fund and the assumptions to be used in calculating when the such Tax Equity Investor has reached its target internal rate of return, which is attached as an exhibit to the related Financing Fund LLCA.

"*Base Reference Banks*" shall mean the principal London offices of Standard Chartered Bank, Lloyds TSB Bank, Royal Bank of Scotland, Deutsche Bank and the investment banking division of Barclays Bank PLC or such other banks as may be appointed by the Administrative Agent with the approval of the Borrower.

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"*Basel III*" shall mean Basel III: A global regulatory framework for more resilient banks and banking systems prepared by the Basel Committee on Banking Supervision, and all national implementations thereof.

"*Beneficial Ownership Certification*" means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation, which certification shall be substantially similar in form and substance to the form of Certification Regarding Beneficial Owners of Legal Entity Customers published jointly, in May 2018, by the Loan Syndications and Trading Association and Securities Industry and Financial Markets Association.

"*Beneficial Ownership Regulation*" means 31 C.F.R. § 1010.230.

"*BHC Act Affiliate*" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"*Bidder*" shall have the meaning set forth in Section 6.4.

"*Borrower*" shall have the meaning set forth in the introductory paragraph hereof.

"*Borrower's Account*" shall mean (i) the bank account of the Borrower, described on Schedule II attached hereto, for the benefit of the Borrower or (ii) such other account as may be designated by the Borrower from time to time by at least ten (10) Business Days' prior written notice to the Administrative Agent and the Lenders, so long as such other account is acceptable to the Administrative Agent in its sole and absolute discretion.

"*Borrowing Base*" shall mean, as of any date of determination, the product of (x)(a) the Aggregate Discounted Solar Asset Balance minus (b) the Excess Concentration Amount *times* (y)(1) with respect to Solar Assets not owned by TEP IV-G and included in clause (x), (a) if such Solar Assets are not Puerto Rico Solar Assets or Substantial Stage Solar Assets, 87.500%, (b) if such Solar Assets are Puerto Rico Solar Assets that are not Substantial Stage Solar Assets, 75.000%, and (c) if such Solar Assets are Substantial Stage Solar Assets, 70.000% and (2) with respect to Solar Assets owned by TEP IV-G and included in clause (x), (a) if such Solar Assets are not Puerto Rico Solar Assets or Substantial Stage Solar Assets, 65.000%, (b) if such Solar Assets are Puerto Rico Solar Assets that are not Substantial Stage Solar Assets, 55.714%, and (c) if such Solar Assets are Substantial Stage Solar Assets, 52.000%.

"*Borrowing Base Certificate*" shall mean the certificate in the form of Exhibit B-1 attached hereto.

"*Borrowing Base Deficiency*" shall have the meaning set forth in Section 2.9.

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"*Breakage Costs*" shall mean, with respect to a failure by the Borrower, for any reason resulting from Borrower's failure (but excluding any failures to borrow resulting from a Lender default under this Agreement), to borrow any proposed Advance on the date specified in the applicable Notice of Borrowing (including without limitation, as a result of the Borrower's failure to satisfy any conditions precedent to such borrowing) after providing such Notice of Borrowing, the resulting loss, cost, expense or liability incurred by reason of the liquidation or reemployment of deposits, actually sustained by the Administrative Agent, any Lender or any Funding Agent; *provided, however,* that the Administrative Agent, such Lender or such Funding Agent shall use commercially reasonable efforts to minimize such loss or expense and shall have delivered to the Borrower a certificate as to the amount of such loss or expense, which certificate shall be conclusive in the absence of manifest error. For the avoidance of doubt, if a Lender does not make an advance and the Borrower has met all conditions precedent required under Article III or Lender has breached this Agreement, then any Breakage Costs shall be borne by Lender.

"*Business Day*" shall mean any day other than Saturday, Sunday and any other day on which commercial banks in New York, New York, Minnesota or California are authorized or required by law to close.

"*Buyout Class B Lender*" shall have the meaning set forth in Section 6.3 hereof.

"*Calculation Date*" shall mean with respect to a Payment Date, the close of business on the last day of the related Collection Period.

"*Call Date*" shall mean, with respect to a Purchase Option, the earliest date on which such Purchase Option may be exercised.

"*Capital Stock*" shall mean, with respect to any Person, any and all shares, interests, participations or other equivalents, including membership interests (however designated, whether voting or non-voting) of equity of such Person, including, if such Person is a partnership, partnership interests (whether general or limited) or any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, such partnership, but in no event will Capital Stock include any debt securities convertible or exchangeable into equity unless and until actually converted or exchanged.

"*Carrying Cost*" shall mean, as of any date of determination, the sum of (i) the weighted average Swap Rate as of such date of determination, (ii) the weighted average Class A Usage Fee Rate and Class B Usage Fee Rate as of such date of determination, (iii) the Step-Up Rate and (iv) 0.10%.

"*Change in Law*" shall mean (i) the adoption or taking effect of any Law after the date of this Agreement, (ii) any change in Law or in the administration, interpretation, application or

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implementation thereof by any Governmental Authority after the date of this Agreement, (iii) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority after the date of this Agreement or (iv) compliance by any Affected Party, by any lending office of such Affected Party or by such Affected Party's holding company, if any, with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement; *provided,* that notwithstanding anything herein to the contrary, (a) the Dodd-Frank Act, (b) Basel III and (c) all requests, rules, guidelines and directives under either of the Dodd-Frank Act or Basel III or issued in connection therewith shall be deemed to be a "Change in Law", regardless of the date implemented, enacted, adopted or issued.

"*Change of Control*" shall mean, the occurrence of one or more of the following events:

(i) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of SEI or Parent to any Person or group of related Persons for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended (a "*Group*"), other than, in each case, any such sale, lease, exchange or transfer to a Person or Group that is, prior to such, lease, exchange or transfer, an Affiliate of SEI and is controlled (as that term is used in the definition of Affiliate) by SEI;

(ii) the approval by the holders of Capital Stock of SEI, Parent, Intermediate Holdco, Sunnova Inventory Pledgor, TEP Inventory, the Seller, TEP Resources, the Borrower or any Subsidiary of the Borrower of any plan or proposal for the liquidation or dissolution of such Person;

(iii) any Person or Group shall become the owner, directly or indirectly, beneficially or of record, of shares representing more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Capital Stock of SEI, other than any Person that is a Permitted Investor or Group that is controlled by a Permitted Investor *provided* that any transfers or issuances of equity of SEI on or after the Closing Date to, among or between a Permitted Investor or any Affiliate thereof, shall not constitute a "Change of Control" for purposes of this clause (iii);

(iv) SEI shall cease to directly own all of the Capital Stock in Parent;

(v) Parent shall cease to directly own all of the Capital Stock in Intermediate Holdco;

(vi) Intermediate Holdco shall cease to directly own all of the Capital Stock in Sunnova Inventory Pledgor;

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(vii) Sunnova Inventory Pledgor shall cease to directly own all of the Capital Stock in TEP Inventory;

(viii) TEP Inventory shall cease to directly own all of the Capital Stock in Seller;

(ix) Seller shall cease to directly own all of the Capital Stock in TEP Resources;

(x) TEP Resources shall cease to directly own all of the Capital Stock in the Borrower; or

(xi) the Borrower shall cease to own all of the Capital Stock in a Managing Member or SAP other than in connection with a Takeout Transaction pursuant to which 100% of the outstanding Capital Stock of such Managing Member or SAP is sold.

"*Class A Additional Interest Distribution Amount*" shall mean, with respect to the Class A Advances on any date of determination, an amount equal to the sum of (i) the product of (a) the daily average outstanding principal balance of all Class A Advances during the related period (including any related Interest Accrual Period), (b) the actual number of days in such period (including any related Interest Accrual Period), divided by 360, 365 or 366, as applicable, and (c) the Step-Up Rate and (ii) any unpaid Class A Additional Interest Distribution Amounts from prior Payment Dates plus, to the extent permitted by law, interest thereon at the Step-Up Rate for the related Interest Accrual Period. For the avoidance of doubt, the Class A Additional Interest Distribution Amount shall not constitute "Confidential Information."

"*Class A Advance*" shall have the meaning set forth in Section 2.2.

"*Class A Aggregate Commitment*" shall mean, on any date of determination, the sum of the Class A Commitments then in effect. The Class A Aggregate Commitment as of May 14, 2020 shall be equal to $[***]. For the avoidance of doubt, any Class A Advance approved or funded pursuant to Section 2.18 herein shall be deemed to increase the Commitment of the Non-Conduit Lender approving such Class A Advance.

"*Class A Borrowing Base*" shall mean, as of any date of determination, the product of (i) the Borrowing Base as of such date and (ii) (a) if the Borrowing Base is attributable to Solar Assets owned by TEP IV-G, [***] and (b) if the Borrowing Base is attributable to Solar Assets not owned by TEP IV-G, [***].

"*Class A Borrowing Base Deficiency*" shall have the meaning set forth in Section 2.9.

"*Class A Commitment*" shall mean the obligation of a Non-Conduit Lender to fund a Class A Advance on the Closing Date, as set forth on Exhibit E attached hereto.

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"*Class A Fundamental Amendment*" shall mean any amendment, modification, waiver or supplement of or to this Agreement or any other Transaction Document that would (a) reduce the amount, timing or priority of any payment of principal, interest, fees or other amounts due to the Class A Lenders, or modify or alter any provision relating to pro rata treatment of the Class A Advances, in each case, including amending or modifying any of the definitions related to such terms; (b) amend or modify the definition of the terms "Class A Borrowing Base", "Class A Borrowing Base Deficiency", "Class A Commitment", "Class A Fundamental Amendment," "Class A Maximum Facility Amount", "Class A Unused Portion of the Commitments" or, in each case, any defined terms within such definitions; or (c) change the provisions of this Agreement relating to the application of collections on, or the proceeds of the sale of, all or any portion of the Collateral to reduce payment of the Class A Advances.

"*Class A Funding Agent*" shall mean a Person appointed as a Class A Funding Agent for a Class A Lender Group pursuant to Section 7.12.

"*Class A Indemnified Liabilities*" shall have the meaning set forth in Section 6.3 hereof.

"*Class A Interest Distribution Amount*" shall mean, with respect to the Class A Advances on any date of determination, an amount equal to the sum of (i) the product of (a) the daily average outstanding principal balance of all Class A Advances during the related period (including any related Interest Accrual Period), (b) the actual number of days in such period (including any related Interest Accrual Period), divided by 360, 365 or 366, as applicable, and (c) the Class A Usage Fee Rate and (ii) any unpaid Class A Interest Distribution Amounts from prior Payment Dates *plus*, to the extent permitted by law, interest thereon at the Class A Usage Fee Rate for the related Interest Accrual Period. For the avoidance of doubt, the Class A Interest Distribution Amount shall not constitute "Confidential Information."

"*Class A Lender*" shall mean a Lender that has funded a Class A Advance.

"*Class A Lender Group*" shall mean with respect to any Class A Advances, any group consisting of related Conduit Lenders, Non-Conduit Lenders and Funding Agents.

"*Class A Lender Group Percentage*" shall mean, for any Class A Lender Group, the percentage equivalent of a fraction (expressed out to five decimal places), the numerator of which is, with respect to each Class A Lender Group, the Class A Commitment of all Non-Conduit Lenders in such Class A Lender Group, and the denominator of which is the Class A Aggregate Commitment.

"*Class A Loan Note*" shall mean each Class A Loan Note of the Borrower in the form of Exhibit D-1 attached hereto, payable to a Class A Funding Agent for the benefit of the Class A Lenders in such Class A Funding Agent's Class A Lender Group, in the aggregate face amount

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of up to such Class A Lender Group's portion of the Class A Maximum Facility Amount, evidencing the aggregate indebtedness of the Borrower to the Class A Lenders in such Funding Agent's Class A Lender Group, as the same be amended, restated, supplemented or otherwise modified from time to time.

"*Class A Maximum Facility Amount*" shall mean $[***].

"*Class A Unused Portion of the Commitments*" shall mean, with respect to the Class A Lenders on any day, the excess of (x) the Class A Aggregate Commitment as of such day as of 5:00 P.M. (New York City time) on such day, over (y) the sum of the aggregate outstanding principal balance of the Class A Advances as of 5:00 P.M. (New York City time) on such day.

"*Class A Usage Fee Rate*" shall mean the greater of (x) zero and (y) sum of (i) the Cost of Funds and (ii) the Class A Usage Fee Margin.

"*Class A Usage Fee Margin*" shall have the meaning set forth in the Fee Letter referred to in clause (i) of the definition thereof.

"*Class B Additional Interest Distribution Amount*" shall mean, with respect to the Class B Advances on any date of determination, an amount equal to the sum of (i) the product of (a) the daily average outstanding principal balance of all Class B Advances during the related period (including any related Interest Accrual Period), (b) the actual number of days in such period (including any related Interest Accrual Period), divided by 360, 365 or 366, as applicable, and (c) the Step-Up Rate and (ii) any unpaid Class B Additional Interest Distribution Amounts from prior Payment Dates plus, to the extent permitted by law, interest thereon at the Step-Up Rate for the related Interest Accrual Period. For the avoidance of doubt, the Class B Additional Interest Distribution Amount shall not constitute "Confidential Information."

"*Class B Advance*" shall mean, individually or collectively as the context may require, the Class B-I Advances and the Class B-II Advances.

"*Class B Aggregate Borrowing Base*" shall mean, as of any date of determination, the product of (i) the Borrowing Base as of such date and (ii) (a) if the Borrowing Base is attributable to Solar Assets owned by TEP IV-G, [***] and (b) if the Borrowing Base is attributable to Solar Assets not owned by TEP IV-G, [***].

"*Class B Aggregate Borrowing Base Deficiency*" shall have the meaning set forth in Section 2.9.

"*Class B Aggregate Commitment*" shall mean, on any date of determination, the sum of the Class B-I Commitments and the Class B-II Commitments then in effect.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

"*Class B Buyout Amount*" shall have the meaning set forth in Section 6.3 hereof.

"*Class B Buyout Notice*" shall have the meaning set forth in Section 6.3 hereof.

"*Class B Buyout Option*" shall have the meaning set forth in Section 6.3 hereof.

"*Class B Buyout Option Exercise Date*" shall have the meaning set forth in Section 6.3 hereof.

"*Class B Collateral Exercise Deadline*" shall have the meaning set forth in Section 6.4.

"*Class B Collateral Exercise Notice*" shall have the meaning set forth in Section 6.4.

"*Class B Collateral Purchase Amount*" shall have the meaning set forth in Section 6.4.

"*Class B Collateral Purchase Date*" shall have the meaning set forth in Section 6.4.

"*Class B Collateral Purchase Right*" shall have the meaning set forth in Section 6.4.

"*Class B Commitment*" shall mean, individually or collectively as the context may require, the Class B-I Commitments and the Class B-II Commitments.

"*Class B Funding Agent*" shall mean, individually or collectively as the context may require, the Class B-I Funding Agents and the Class B-II Funding Agents.

"*Class B Interest Distribution Amount*" shall mean, with respect to the Class B Advances on any date of determination, an amount equal to the sum of (i) the product of (a) the daily average outstanding principal balance of all Class B Advances during the related period (including any related Interest Accrual Period), (b) the actual number of days in such period (including any related Interest Accrual Period), divided by 360, 365 or 366, as applicable, and (c) the Class B Usage Fee Rate and (ii) any unpaid Class B Interest Distribution Amounts from prior Payment Dates *plus*, to the extent permitted by law, interest thereon at the Class B Usage Fee Rate for the related Interest Accrual Period. For the avoidance of doubt, the Class B Interest Distribution Amount shall not constitute "Confidential Information."

"*Class B Lender*" shall mean, individually or collectively as the context may require, the Class B-I Lenders and the Class B-II Lenders.

"*Class B Lender Group*" shall mean, individually or collectively as the context may require, the Class B-I Lender Group and the Class B-II Lender Group.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

"*Class B Lender Group Percentage*" shall mean, for any Class B Lender Group, the percentage equivalent of a fraction (expressed out to five decimal places), the numerator of which is, with respect to each Class B Lender Group, the outstanding principal balance of the Class B Advances made by the Non-Conduit Lenders in such Class B Lender Group, and the denominator of which is the outstanding principal balance of all Class B Advances.

"*Class B Loan Note*" shall mean each Class B Loan Note of the Borrower in the form of Exhibit D-2 attached hereto, payable to a Class B Funding Agent for the benefit of the Class B Lenders in such Class B Funding Agent's Class B Lender Group, in the aggregate face amount of up to such Class B Lender Group's portion of the Class B Maximum Facility Amount, evidencing the aggregate indebtedness of the Borrower to the Class B Lenders in such Class B Funding Agent's Class B Lender Group, as the same be amended, restated, supplemented or otherwise modified from time to time.

"*Class B Maximum Facility Amount*" shall mean the sum of the Class B-I Maximum Facility Amount and the Class B-II Maximum Facility Amount.

"*Class B Purchase Rights*" shall have the meaning set forth in Section 6.3 hereof.

"*Class B Purchase Right Termination Date*" shall have the meaning set forth in Section 6.3 hereof.

"*Class B Unused Portion of the Commitments*" shall mean, with respect to the Class B Lenders on any day, the excess of (x) the Class B Aggregate Commitment as of such day as of 5:00 P.M. (New York City time) on such day, over (y) the sum of the aggregate outstanding principal balance of the Class B Advances as of 5:00 P.M. (New York City time) on such day.

"*Class B Usage Fee Margin*" shall have the meaning set forth in the Fee Letter referred to in clause (i) of the definition thereof.

"*Class B Usage Fee Rate*" shall mean the sum of (i) the Cost of Funds and (ii) the Class B Usage Fee Margin.

"*Class B-I Advance*" shall have the meaning set forth in Section 2.2.

"*Class B-I Aggregate Commitment*" shall mean, on any date of determination, the sum of the Class B-I Commitments then in effect. The Class B-I Aggregate Commitment as of October 28, 2020 shall be equal to $[***]. For the avoidance of doubt, any Class B-I Advance approved or funded pursuant to Section 2.18 herein shall be deemed to increase the Commitment of the Non-Conduit Lender approving such Class B-I Advance.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

"*Class B-I Borrowing Base*" shall mean, as of any date of determination, the lesser of (i) the Class B Aggregate Borrowing Base as of such date (ii) the Class B-I Aggregate Commitment as of such date.

"*Class B-I Borrowing Base Deficiency*" shall have the meaning set forth in Section 2.9.

"*Class B-I Commitment*" shall mean the obligation of a Non-Conduit Lender to fund a Class B-I Advance on the Closing Date, as set forth on Exhibit E attached hereto.

"*Class B-I Funding Agent*" shall mean a Person appointed as a Class B-I Funding Agent for a Class B-I Lender Group pursuant to Section 7.12.

"*Class B-I Lender*" shall mean a Lender that has funded a Class B-I Advance.

"*Class B-I Lender Group*" shall mean with respect to any Class B-I Advances, any group consisting of related Conduit Lenders, Non-Conduit Lenders and Funding Agents.

"*Class B-I Lender Group Percentage*" shall mean, for any Class B-I Lender Group, the percentage equivalent of a fraction (expressed out to five decimal places), the numerator of which is, with respect to each Class B-I Lender Group, the Class B-I Commitment of all Non-Conduit Lenders in such Class B-I Lender Group, and the denominator of which is the Class B-I Aggregate Commitment.

"*Class B-I Maximum Facility Amount*" shall mean $[***].

"*Class B-II Advance*" shall have the meaning set forth in Section 2.2.

"*Class B-II Aggregate Commitment*" shall mean, on any date of determination, the sum of the Class B-II Commitments then in effect. The Class B-II Aggregate Commitment as of October 28, 2020 shall be equal to $[***]. For the avoidance of doubt, any Class B-II Advance approved or funded pursuant to Section 2.18 herein shall be deemed to increase the Commitment of the Non-Conduit Lender approving such Class B-II Advance.

"*Class B-II Borrowing Base*" shall mean, as of any date of determination, the lesser of (i) the excess, if any, of (a) the Class B Aggregate Borrowing Base as of such date over (b) the Class B-I Aggregate Commitment as of such date, and (ii) the Class B-II Aggregate Commitment as of such date.

"*Class B-II Borrowing Base Deficiency*" shall have the meaning set forth in Section 2.9.

"*Class B-II Commitment*" shall mean the obligation of a Non-Conduit Lender to fund a Class B-II Advance on the Closing Date, as set forth on Exhibit E attached hereto.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

"*Class B-II Funding Agent*" shall mean a Person appointed as a Class B-II Funding Agent for a Class B-II Lender Group pursuant to Section 7.12.

"*Class B-II Lender*" shall mean a Lender that has funded a Class B-II Advance.

"*Class B-II Lender Group*" shall mean with respect to any Class B-II Advances, any group consisting of related Conduit Lenders, Non-Conduit Lenders and Funding Agents.

"*Class B-II Lender Group Percentage*" shall mean, for any Class B-II Lender Group, the percentage equivalent of a fraction (expressed out to five decimal places), the numerator of which is, with respect to each Class B-II Lender Group, the Class B-II Commitment of all Non-Conduit Lenders in such Class B-I Lender Group, and the denominator of which is the Class B-II Aggregate Commitment.

"*Class B-II Maximum Facility Amount*" shall mean $[***].

"*Closing Date*" shall mean September 6, 2019.

"*Closing Date Verification Agent Certification*" shall have the meaning set forth in Section 4(c) of the Verification Agent Agreement.

"*Collateral*" shall mean the Pledged Collateral (as defined in the Pledge Agreement) and have the meaning set forth in the Security Agreement, as applicable.

"*Collateral Sale Notice*" shall have the meaning set forth in Section 6.4.

"*Collection Account*" shall have the meaning set forth in Section 8.2(A)(i).

"*Collection Period*" shall mean, with respect to a Payment Date, the three calendar months preceding the month in which such Payment Date occurs; *provided* that with respect to the first Payment Date, the Collection Period will be the period from and including the Closing Date to the end of the calendar quarter preceding such Payment Date.

"*Collections*" shall mean (without duplication) all distributions and payments received in respect of the SAP Solar Assets, Solar Asset Owner Member Interests, the Hedged SREC Solar Assets and other cash proceeds thereof, except for Service Incentives, Excess SREC Proceeds, and SREC Direct Sale Proceeds. Without limiting the foregoing, "Collections" shall include any amounts payable to the Borrower with respect to the Eligible Solar Assets (i) under any Hedge Agreement entered into in connection with this Agreement or (ii) in connection with the disposition of any Collateral.

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"*Commercial Paper*" shall mean commercial paper, money market notes and other promissory notes and senior indebtedness issued by or on behalf of a Conduit Lender.

"*Commitment*" shall mean, individually or collectively, as the context may require, the Class A Commitments and the Class B Commitments, as applicable.

"*Commitment Termination Date*" shall mean the earliest to occur of (i) the Scheduled Commitment Termination Date and (ii) the date of any voluntary termination of the facility by the Borrower.

"*Conduit Lender*" shall mean the CS Conduit Lender and each financial institution identified as such that may become a party hereto.

"*Confidential Information*" shall have the meaning set forth in Section 10.16(A).

"*Connection Income Taxes*" shall mean Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"*Contribution Agreement*" shall mean, collectively, (a) that certain Contribution Agreement, dated as of the Closing Date, by and among the Assignors and the Seller, related to TEP IV-A, (b) each Contribution and Assignment Agreement, by and among Parent, TEP Inventory and the Seller, related to TEP IV-A, (c) that certain Transfer Agreement, dated as of December 31, 2019, by and among Parent, TEP Inventory and the Seller, related to TEP IV-B, (d) that certain TEP IV-C Contribution Agreement, dated as of February 28, 2020, by and among the Assignors and the Seller, related to TEP IV-C, (e) that certain Contribution and Assignment Agreement, dated as of February 28, 2020, by and among Parent, TEP Inventory and the Seller, related to TEP IV-C, (f) that certain Transfer Agreement, dated as of May 14, 2020, by and among Parent, TEP Inventory and the Seller, related to TEP IV-D, (g) that certain TEP IV-E Contribution Agreement, dated as of September 24, 2020 by and among the Assignors and the Seller, related to TEP IV-E, (h) that certain Contribution and Assignment Agreement, dated as of September 24, 2020, by and among Parent, TEP Inventory and the Seller, related to TEP IV-E, (i) that certain Transfer Agreement, dated as of July 24, 2020, by and among Parent, TEP Inventory and the Seller, related to TEP IV-F, (j) that certain Transfer Agreement, dated as of November 9, 2020, by and among Parent, TEP Inventory and the Seller, related to TEP IV-G and (k) any other contribution agreement, contribution and assignment agreement, transfer agreement or similar agreement by which Solar Assets are contributed, transferred or assigned by the Parent and/or its direct and indirect subsidiaries to a Financing Fund from time to time.

"*Conveyed Property*" shall have the meaning set forth in the Sale and Contribution Agreement.

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"*Corporate Trust Office*" shall mean, with respect to the Paying Agent, the corporate trust office thereof at which at any particular time its corporate trust business with respect to the Transaction Documents is conducted, which office at the date of the execution of this instrument is located at 600 S. 4th Street, MAC N9300-061, Minneapolis, Minnesota 55479, Attention: Corporate Trust Services – Asset-Backed Administration, or at such other address as such party may designate from time to time by notice to the other parties to this Agreement.

"*Cost of Funds*" shall mean, (i) with respect to the Class A Advances for any Interest Accrual Period, interest accrued on such Class A Advances during such Interest Accrual Period at the Adjusted LIBOR Rate for such Interest Accrual Period or, if the Adjusted LIBOR Rate is not available, the Base Rate and (ii) with respect to the Class B Advances for any Interest Accrual Period, interest accrued on such Class B Advances during such Interest Accrual Period at the Adjusted LIBOR Rate for such Interest Accrual Period or, if the Adjusted LIBOR Rate is not available, the Base Rate.

"*Covered Entity*" means any of the following: (i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"*Covered Party*" shall have the meaning set forth in Section 10.24 hereof.

"*Credit Card Receivable*" shall mean Host Customer Payments that are made via credit card.

"*CS Conduit Lender*" shall mean Alpine Securitization Ltd.

"*CS Lender Group*" shall mean a group consisting of the CS Conduit Lender, the CS Non-Conduit Lender and CSNY, as a Funding Agent for such Lenders.

"*CS Non-Conduit Lender*" shall mean Credit Suisse AG, Cayman Islands Branch.

"*CSNY*" shall have the meaning set forth in the introductory paragraph hereof.

"*Customer Collection Policy*" shall mean the initial Manager's internal collection policy as described in each Management Agreement; *provided* that from and after the appointment of a Successor Manager pursuant to such Management Agreement, the "Customer Collection Policy" shall mean the collection policy of such Successor Manager for servicing assets comparable to the Borrower Solar Assets (as defined in such Management Agreement).

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"*Customer Warranty Agreement*" shall mean any separate warranty agreement provided by Parent to a Host Customer (which may be an exhibit to a Solar Service Agreement) in connection with the performance and installation of the related PV System (which may include a Performance Guaranty).

"*Cut-off Date*" shall mean, (i) for each Solar Asset acquired on the Closing Date, the date that is three (3) Business Days prior to the Closing Date, and (ii) for any Additional Solar Asset, the date specified as such in the related Schedule of Solar Assets.

"*Default Level*" shall mean, for any Collection Period, the quotient (expressed as a percentage) of (i) the excess (if any) of (a) the sum of the Discounted Solar Asset Balances of all Eligible Solar Assets that became Defaulted Solar Assets during such Collection Period and that did not repay all past due portions of a contractual payment due under the related Solar Service Agreement by the end of such Collection Period, over (b) (x) for the purposes of clause (v) of the definition of Amortization Event, the sum of the Discounted Solar Asset Balances of all Eligible Solar Assets that became Defaulted Solar Assets during the three immediately preceding Collection Periods and that repaid all past due portions of a contractual payment due under the related Solar Service Agreement during the Collection Period in which the "Default Level" is being calculated, or (y) otherwise, zero, divided by (ii) the Aggregate Discounted Solar Asset Balance on the first day of such Collection Period. For the avoidance of doubt, the receipt of any Liquidated Damages Amounts by the Borrower shall not constitute payments of past due amounts pursuant to clause (i).

"*Default Right*" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"*Defaulted Solar Asset*" shall mean a Solar Asset for which the related Host Customer is more than 120 days past due on any portion of a contractual payment due under the related Solar Service Agreement; *provided, however*, once such amounts are paid in full by the Host Customer such Solar Asset shall no longer be a "Defaulted Solar Asset". For the avoidance of doubt, any past due amounts owed by an original Host Customer after reassignment to or execution of a replacement Solar Service Agreement with a new Host Customer shall not cause the Solar Asset to be deemed to be a Defaulted Solar Asset.

"*Defective Solar Asset*" shall mean a Solar Asset with respect to which it is determined by the Administrative Agent (acting at the written direction of the Majority Lenders, such direction not to be unreasonably withheld, condition or delayed) or the Facility Administrator, at any time, that the Borrower breached as of the Transfer Date for such Solar Asset the representation in Section 4.1(U), unless such breach has been waived, in writing, by the Administrative Agent, acting at the direction of the Majority Lenders.

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"*Delayed Amount*" shall have the meaning set forth in Section 2.4(E).

"*Delayed Funding Date*" shall have the meaning set forth in Section 2.4(E).

"*Delayed Funding Lender*" shall have the meaning set forth in Section 2.4(E).

"*Delayed Funding Notice*" shall have the meaning set forth in Section 2.4(E).

"*Delayed Funding Reimbursement Amount*" shall have the meaning set forth in Section 2.4(G).

"*Delinquent Solar Asset*" shall mean a Solar Asset for which the related Host Customer is more than 90 days past due on any portion of a contractual payment due under the related Solar Service Agreement; *provided, however*, once such amounts are paid in full by the Host Customer such Solar Asset shall no longer be a "Delinquent Solar Asset".

"*Discount Rate*" shall mean, as of any date of determination, the greater of (i) 6.00% per annum and (ii) the Carrying Cost, in each case, determined as of such date of determination.

"*Discounted Solar Asset Balance*" shall mean, as of any date of determination (x)(i) with respect to the Managing Member Interests or the SAP Solar Assets (other than a Substantial Stage Solar Asset), the present value of the remaining and unpaid stream of Net Cash Flow on or after such date of determination, based upon discounting such Net Cash Flow to such date of determination at an annual rate equal to the Discount Rate, (ii) with respect to a Hedged SREC Solar Asset, the present value of the remaining and unpaid stream of Scheduled Hedged SREC Payments for such Hedged SREC Solar Asset on or after such date of determination, based upon discounting such Scheduled Hedged SREC Payments to such date of determination at an annual rate equal to the Discount Rate, and (iii) with respect to a Substantial Stage Solar Asset, the amount actually disbursed to channel partners for services rendered in respect of such Substantial Stage Solar Asset; *provided, however*, that in the case of either (i) or (ii), any Transferable Solar Asset will be deemed to have a Discounted Solar Asset Balance equal to [***], and (y) for purposes of determining the Default Level respect to a Host Customer Solar Asset, the present value of the remaining and unpaid stream of Net Scheduled Payments for such Host Customer Solar Asset for the period beginning on such date of determination and ending on the date of the last Net Scheduled Payment for such Host Customer Solar Asset shall be based upon discounting such Net Scheduled Payments to such date of determination at an annual rate equal to the Discount Rate.

"*Disqualified Entity*" shall have the meaning set forth in the Tax Equity Financing Documents.

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"*Disqualified Lender*" shall mean any financial institution or other Persons identified in writing, prior to the Closing Date, by the Borrower to the Administrative Agent and any known Affiliate thereof clearly identifiable on the basis of its name (in each case, other than any Affiliate that is primarily engaged in, or that advises funds or other investment vehicles that are engaged in, making, purchasing, holding or otherwise investing in commercial loans, bonds and similar extensions of credit or securities in the ordinary course and with respect to which such financial institution or other Person does not, directly or indirectly, possess the power to direct or cause the direction of the investment policies of such entity); provided that in no event shall a Lender designated under this Agreement as of the Closing Date be designated as a Disqualified Lender. The Borrower may from time to time update the list of Disqualified Lenders provided to the Administrative Agent prior to the Closing Date to (x) include identified Affiliates of financial institutions or other Persons identified pursuant to the preceding sentence; provided that such updates shall not apply retroactively to disqualify parties that have previously acquired an assignment or participation interest in the Commitment or (y) remove one or more Persons as Disqualified Lenders (in which case such removed Person or Persons shall no longer constitute Disqualified Lenders).

"*Distributable Collections*" shall have the meaning set forth in Section 2.7(B).

"*Dodd-Frank Act*" shall mean the Dodd-Frank Wall Street Reform and Consumer Protection Act.

"*Dollar,*" "*Dollars,*" "*U.S. Dollars*" and the symbol "*$*" shall mean the lawful currency of the United States.

"*East Region*" shall mean the states of New York, New Jersey, Massachusetts, Connecticut, Pennsylvania, Rhode Island, Maryland, Florida, and South Carolina and any other territory of the United States consented to in writing by the Administrative Agent.

"*East Region Substantial Stage Date Solar Asset Reserve Amount*" shall mean, as of any date of determination, the product of (i) 9/3 *times* (ii) the sum of the Class A Interest Distribution Amount, the Class B Interest Distribution Amount, the Class A Additional Interest Distribution Amount and the Class B Additional Interest Distribution Amount, if any, due and payable on the immediately succeeding Payment Date *times* (iii) the ratio of (x) the aggregate principal balance of all Advances related to Substantial Stage Solar Assets the Host Customer of which is located in the East Region as of such date *divided by* (y) the Aggregate Outstanding Advances as of such date; *provided, however*, that solely for the purpose of determining the East Region Substantial Stage Date Solar Asset Reserve Amount as of the Closing Date, the East Region Substantial Stage Date Solar Asset Reserve Amount shall be an amount reasonably calculated by the Administrative Agent and provided to the Borrower prior to the Closing Date.

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"*Effective Advance Rate*" shall mean, as of any date of determination, the ratio of the Aggregate Outstanding Advances to the Aggregate Discounted Solar Asset Balance.

"*Eligible Facility Administrator*" shall mean Sunnova Management or any other operating entity which, at the time of its appointment as Facility Administrator, (i) is legally qualified and has the capacity to service the Solar Assets or provide administrative services to the Borrower, and (ii) prior to such appointment, is approved in writing by the Administrative Agent as having demonstrated the ability to professionally and competently service the Collateral and/or a portfolio of assets of a nature similar to the Eligible Solar Assets in accordance with high standards of skill and care.

"*Eligible Hedged SREC Counterparty*" shall mean (i) any Person rated, or guaranteed (such guaranty to be acceptable to the Administrative Agent in its sole discretion) by an entity rated, investment grade by any of Moody's, Standard & Poor's, Fitch, Inc., DBRS, Inc. or Kroll Bond Rating Agency, Inc. and (ii) such other Persons that are agreed to in writing by the Administrative Agent to be Eligible Hedged SREC Counterparties.

"*Eligible Institution*" shall mean a commercial bank or trust company having capital and surplus of not less than $[***] in the case of U.S. banks and $[***] (or the U.S. dollar equivalent as of the date of determination) in the case of foreign banks; *provided* that a commercial bank which does not satisfy the requirements set forth above shall nonetheless be deemed to be an Eligible Institution for purposes of holding any deposit account or any other account so long as such commercial bank is a federally or state chartered depository institution subject to regulations regarding fiduciary funds on deposit substantially similar to 12 C.F.R. § 9.10(b) and such account is maintained as a segregated trust account with the corporate trust department of such bank.

"*Eligible Letter of Credit Bank*" means a financial institution (a) organized in the United States, (b) having total assets in excess of $[***] and with a long term rating of at least "A-" by S&P or "A3" by Moody's and a short term rating of at least "A-1" by S&P or "P-1" by Moody's, and (c) approved by the Administrative Agent acting on the instructions of the Majority Lenders (such approval not to be unreasonably delayed withheld or delayed).

"*Eligible Solar Asset*" shall mean, on any date of determination, a Solar Asset:

(i) which meets all of the criteria specified in Schedule I;

(ii) for which the legal title to the Host Customer Payments, PBI Payments and Energy Storage System Incentives related thereto is vested solely in a Financing Fund or SAP, and the Hedged SREC Payments related thereto is vested solely in the Borrower; and

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(iii) was acquired by a Financing Fund or SAP pursuant to the related SAP NTP Financing Documents, Tax Equity Financing Documents or the SAP Contribution Agreement, as applicable, and has not been sold or encumbered by the related Financing Fund or SAP except as permitted hereunder (with respect to Permitted Liens and Permitted Equity Liens) and under the applicable SAP Financing Documents, SAP NTP Financing Documents or Tax Equity Financing Documents.

"*Energy Storage System*" shall mean an energy storage system to be used in connection with a PV System, including all equipment related thereto (including any battery management system, wiring, conduits and any replacement or additional parts included from time to time).

"*Energy Storage System Incentives*" shall mean payments paid by a state or local Governmental Authority, based in whole or in part on the size of an Energy Storage System, made as an inducement to the owner thereof.

"*ERISA*" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder. Section references to ERISA are to ERISA, as in effect at the Closing Date and any subsequent provisions of ERISA, amendatory thereof, supplemental thereto or substituted therefor.

"*ERISA Affiliate*" shall mean each Person (as defined in Section 3(9) of ERISA), which together with the Borrower, would be deemed to be a "single employer" within the meaning of Section 414(b), (c), (m) or (o) of the Internal Revenue Code or Section 4001(a)(14) or 4001(b)(1) of ERISA.

"*ERISA Event*" shall mean (i) that a Reportable Event has occurred with respect to any Single-Employer Plan; (ii) the institution of any steps by the Borrower or any ERISA Affiliate, the Pension Benefit Guaranty Corporation or any other Person to terminate any Single-Employer Plan or the occurrence of any event or condition described in Section 4042 of ERISA that constitutes grounds for the termination of, or the appointment of a trustee to administer, a Single-Employer Plan; (iii) the institution of any steps by the Borrower or any ERISA Affiliate to withdraw from any Multi-Employer Plan or Multiple Employer Plan or written notification of the Borrower or any ERISA Affiliate concerning the imposition of withdrawal liability; (iv) a non-exempt "prohibited transaction" within the meaning of Section 406 of ERISA or Section 4975 of the Internal Revenue Code in connection with any Plan; (v) the cessation of operations at a facility of the Borrower or any ERISA Affiliate in the circumstances described in Section 4062(e) of ERISA; (vi) with respect to a Single-Employer Plan, a failure to satisfy the minimum funding standard under Section 412 of the Internal Revenue Code or Section 302 of ERISA, whether or not waived; (vii) the conditions for imposition of a lien under Section 303(k) of ERISA shall have been met with respect to a Single-Employer Plan; (viii) a determination that a Single-Employer Plan is or is expected to be in "at-risk" status (within the meaning of Section

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430(i)(4) of the Internal Revenue Code or Section 303(i)(4) of ERISA); (ix) the insolvency of or commencement of reorganization proceeding with respect to a Multi-Employer Plan or written notification that a Multi-Employer Plan is in "endangered" or "critical" status (within the meaning of Section 432 of the Internal Revenue Code or Section 305 of ERISA); or (x) the taking of any action by, or the threatening of the taking of any action by, the Internal Revenue Service, the Department of Labor or the Pension Benefit Guaranty Corporation with respect to any of the foregoing.

"*Estimated Class B Buyout Amount*" shall have the meaning set forth in Section 6.3 hereof.

"*Event of Default*" shall mean any of the Events of Default described in Section 6.1.

"*Event of Loss*" shall mean the occurrence of an event with respect to a PV System if such PV System is damaged or destroyed by fire, theft or other casualty and such PV System has become inoperable because of such event.

"*Excess Concentration Amount*" shall mean the dollar amount specified as such on Schedule III of a Borrowing Base Certificate; *provided*, that commencing on the effective date of a Qualifying Takeout Transaction and ending ninety (90) days thereafter, lines 34, 37 and 40 thereof shall not be included in the calculation of the Excess Concentration Amount.

"*Excess SRECs*" means any SREC of a particular jurisdiction and vintage generated in excess of the amount of SRECs of such jurisdiction and such vintage required to satisfy the aggregate annual SREC delivery requirements of such jurisdiction and such vintage under all Hedged SREC Agreements.

"*Excess SREC Proceeds*" means all cash proceeds actually received by the Borrower from the sale of Excess SRECs.

"*Excluded Taxes*" shall mean any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (i) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (a) imposed as a result of such Recipient being organized under the Laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (b) that are Other Connection Taxes, (ii) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan pursuant to a Law in effect on the date on which (a) such Lender acquires such interest in the Loan or (b) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.17, amounts with respect to such Taxes were payable either to such

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Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (iii) Taxes attributable to such Recipient's failure to comply with Section 2.17(G) and (iv) any U.S. federal withholding Taxes imposed under FATCA.

"*Expected Amortization Profile*" shall mean the expected amortization schedule of any outstanding Advance or any Advance that has been requested pursuant to Section 2.4, as the context may require, as of the applicable date of determination as determined by the Administrative Agent using its proprietary model and in consultation with the Borrower.

"*Expense Claim*" shall have the meaning set forth in Section 10.21.

"*Facility*" shall mean this Agreement together with all other Transaction Documents.

"*Facility Administration Agreement*" shall mean the Facility Administration Agreement, dated as of the Closing Date, by and among the Borrower, the Facility Administrator and the Administrative Agent, as amended, restated, modified and/or supplemented from time to time in accordance with its terms.

"*Facility Administrator*" shall have the meaning set forth in the introductory paragraph hereof.

"*Facility Administrator Fee*" shall have the meaning set forth in Section 2.1(b) of the Facility Administration Agreement.

"*Facility Administrator Report*" shall have the meaning set forth in the Facility Administration Agreement.

"*Facility Administrator Termination Event*" shall have the meaning set forth in Section 7.1 of the Facility Administration Agreement.

"*Facility Maturity Date*" shall mean November 21, 2022, unless otherwise extended pursuant to and in accordance with Section 2.16.

"*FATCA*" shall mean Sections 1471 through 1474 of the Internal Revenue Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code, and any intergovernmental agreements between the United States and another country which modify the provisions of the foregoing.

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"*FATCA Withholding Tax*" means any withholding or deduction required pursuant to FATCA.

"*Fee Letters*" shall mean (i) that certain fee letter agreement, dated as of the Closing Date, entered into by and among the Administrative Agent and the Borrower, as the same be amended, restated, supplemented or otherwise modified from time to time, and (ii) any other fee letter between the Borrower and any other Lender or other Person, as the same be amended, restated, supplemented or otherwise modified from time to time.

"*Final Auction*" shall have the meaning set forth in Section 6.4.

"*Final Stage Solar Asset*" shall mean a Solar Asset for which the related PV System is fully installed but has not received Permission to Operate.

"*Final Stage Solar Asset Reserve Amount*" shall mean, as of any date of determination, the product of (i) 5/3 *times* (ii) the sum of the Class A Interest Distribution Amount, the Class B Interest Distribution Amount, the Class A Additional Interest Distribution Amount and the Class B Additional Interest Distribution Amount, if any, due and payable on the immediately succeeding Payment Date *times* (iii) the ratio of (x) the aggregate principal balance of all Advances related to Final Stage Solar Assets as of such date *divided by* (y) the Aggregate Outstanding Advances as of such date; *provided, however,* that solely for the purpose of determining the Final Stage Solar Asset Reserve Amount as of the Closing Date, the Final Stage Solar Asset Reserve Amount shall be an amount reasonably calculated by the Administrative Agent and provided to the Borrower prior to the Closing Date.

"*Financial Covenants*" shall have the meaning set forth in the Parent Guaranty.

"*Financing Fund*" shall mean, collectively, each entity set forth under the heading "Financing Funds" on Schedule VIII hereto.

"*Financing Fund Contributions*" shall mean any capital contributions from Parent or its Affiliates to Borrower or a Managing Member for contribution to a Financing Fund.

"*Financing Fund LLCA*" shall mean, collectively, each document set forth under the heading "Financing Fund LLCAs" on Schedule VIII hereto.

"*First Payment Date Reserve Amount*" shall mean, as of any date of determination, the product of (i) 1/3 times (ii) the sum of the Class A Interest Distribution Amount, the Class B Interest Distribution Amount, the Class A Additional Interest Distribution Amount and the Class B Additional Interest Distribution Amount, if any, due and payable on the immediately succeeding Payment Date times (iii) the ratio of (x) the aggregate principal balance of all

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Advances related to Solar Assets which have received Permission to Operate but have not yet made a payment under the related Solar Service Agreement as of such date divided by (y) the Aggregate Outstanding Advances as of such date.

"*Fundamental Amendment*" shall mean any amendment, modification, waiver or supplement of or to this Agreement or any other Transaction Document that would (a) extend the Facility Maturity Date or the Scheduled Commitment Termination Date; (b) (i) change the date fixed for the payment or extend the time for payment of principal of or interest on any Advance or any fee or other amount due hereunder or (ii) add new fees or increase fees payable by the Borrower hereunder or any other Transaction Document; (c) reduce the amount, timing or priority of any payment of principal, interest, fees or other amounts due to the Class B Lenders, or modify or alter any provision relating to pro rata treatment of the Class B Advances, in each case, including amending or modifying any of the definitions related to such terms; (d) modify the rate at which interest accrues or is payable on any Class A Advances or Class B Advances, in each case, amending or modifying any of the definitions related to such terms; (e) release any material portion of the Collateral, except in connection with dispositions permitted hereunder or under any other Transaction Document; (f) amend, modify, waive or supplement any provision of Sections 2.8, 2.9, 3.3, 5.1(A), 5.1(U), 5.2(A), 5.2(B), or 6.1 through 6.4, or the definition of the terms "Aggregate Discounted Solar Asset Balance", "Amortization Event", "Amortization Period", "Availability Period", "Borrowing Base Deficiency", "Change of Control", "Class A Borrowing Base", "Class A Borrowing Base Deficiency", "Class B Aggregate Borrowing Base Deficiency", "Class B Aggregate Commitment", "Class B Aggregate Borrowing Base", "Class B Commitment", "Class B Maximum Facility Amount", "Class B Unused Portion of the Commitments", "Class B-I Borrowing Base", "Class B-I Borrowing Base Deficiency", Class B-II Borrowing Base", "Class B-II Borrowing Base Deficiency", "Collections", "Commitment Termination Date", "Effective Advance Rate", "Eligible Solar Asset", "Excess Concentration Amount", "Event of Default", "Facility Maturity Date", "Fundamental Amendment", "Hedge Requirement", "Hedge Trigger Event", "Liquidity Reserve Account Required Balance", "Maturity Date", "Maximum Facility Amount", "Supplemental Reserve Account Deposit", "Takeout Transaction", or, in each case, any defined terms within such definitions; (h) release any party to any Transaction Document from material obligations under any Transaction Document; (i) change the provisions of this Agreement relating to the application of collections on, or the proceeds of the sale of, all or any portion of the Collateral; (j) impair the right to institute suit for enforcement of the provisions of this Agreement; (k) reduce the percentage of Majority Lenders the consent of which is necessary to (1) approve any amendment to this Agreement or (2) direct the sale or liquidation of the Collateral; (l) permit the creation of any lien or security interest; (m) change the currency required for payments of Obligations owing to any Lender under this Agreement; or (n) waive, limit, reduce or impair any condition precedent required to be satisfied for the making of an Advance.

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"*Funding Agent*" shall mean, individually or collectively as the context may require, each Class A Funding Agent and each Class B Funding Agent, as applicable.

"*Funding Date*" shall mean any Business Day on which an Advance is made at the request of the Borrower in accordance with provisions of this Agreement and, with respect to any Class B-II Advance, subject to Section 2.4(H) .

"*GAAP*" shall mean generally accepted accounting principles as are in effect from time to time and applied on a consistent basis (except for changes in application in which the Borrower's independent certified public accountants and the Administrative Agent reasonably agree) both as to classification of items and amounts.

"*Governmental Authority*" shall mean the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"*Hedge Agreement*" shall mean, collectively, (i) the ISDA Master Agreement, the related Schedule to the ISDA Master Agreement, and the related Confirmation or (ii) a long form confirmation, in each case in form and substance reasonably acceptable to the Administrative Agent.

"*Hedge Counterparty*" shall mean the initial counterparty under a Hedge Agreement, and any Qualifying Hedge Counterparty to such Hedge Agreement thereafter.

"*Hedge Requirements*" shall mean the requirements of the Borrower (i) within two (2) Business Days of the Closing Date and on each Funding Date to enter into forward-starting interest rate swap agreements with a forward start date no later than the Facility Maturity Date to an aggregate DV01 exposure of within +/- 5.0% of the then present value of such forward-starting interest rate swap agreement according to the aggregate Expected Amortization Profile of the Aggregate Outstanding Advances and, to the extent the expected notional balance of the Aggregate Outstanding Advances is equal to or greater than $5,000,000, with an amortizing notional balance schedule which, after giving effect to such interest rate swap agreement, will cause not greater than 125.0% and not less than 75.0% of the aggregate Expected Amortization Profile of the Aggregate Outstanding Advances to be subject to a fixed interest rate, with each such interest rate swap agreement being entered into at the market fixed versus LIBOR swap rate as at the date of the execution thereof and (ii) upon the election of the Borrower or no later than five (5) Business Days following the occurrence of a Hedge Trigger Event and each Funding Date thereafter enter into one or more interest rate swap or cap agreements with a Hedge

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Counterparty, under which the Borrower will expect to, at all times until the Facility Maturity Date, receive on or about each Payment Date, an amount required to maintain a fixed interest rate or interest rate protection at then current market interest rates on not greater than 110.0% and not less than 90.0% of the expected notional balance of the Aggregate Outstanding Advances through the Facility Maturity Date (determined after giving effect to Advances and payments made on the applicable Funding Date) (it being understood that an interest rate swap agreement entered into under clause (i) of this definition of "Hedge Requirements" (to the extent the effective date thereof is earlier than the Facility Maturity Date) may be taken into account in determining whether the Borrower satisfies the requirements of this clause (ii)); *provided,* that, notwithstanding anything to the contrary contained in this Agreement, the Borrower shall be permitted to enter into other types of derivative agreements in order to satisfy the Hedge Requirements subject to the prior written approval of the Administrative Agent in its sole discretion.

"*Hedge Trigger Event*" shall mean the occurrence of either of the following (i) LIBOR for any Interest Accrual Period is greater than or equal to 2.75% or (ii) the end of the Availability Period.

"*Hedged SREC*" shall mean any SREC that is subject to a Hedged SREC Agreement.

"*Hedged SREC Agreement*" shall mean, with respect to a PV System, the agreement evidencing all conditions to the payment of Hedged SREC Payments by the Eligible Hedged SREC Counterparty to the Borrower and the rate and timing of such Hedged SREC Payments.

"*Hedged SREC Credit Support Obligations*" shall mean that Indebtedness constituting credit support for Hedged SRECs in favor of Eligible Hedged SREC Counterparties in the form of guarantees, letters of credit and similar reimbursement and credit support obligations.

"*Hedged SREC Payments*" shall mean, with respect to a PV System and the related Hedged SREC Agreement, all payments due by the related Eligible Hedged SREC Counterparty to the Borrower under or in respect of such Hedged SREC Agreement.

"*Hedged SREC Solar Asset*" shall mean (i) a Hedged SREC Agreement and all rights and remedies of the Borrower thereunder, including all Hedged SREC Payments due on and after the related Cut-Off Date and any related security therefor, (ii) the related Hedged SRECs subject to such Hedged SREC Agreement, and (iii) all documentation in the Solar Asset File and other documents held by the Verification Agent related to such Hedged SREC Agreement and related Hedged SRECs.

"*Host Customer*" shall mean the customer under a Solar Service Agreement.

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"*Host Customer Payments*" shall mean with respect to a PV System and a Solar Service Agreement, all payments due from the related Host Customer under or in respect of such Solar Service Agreement, including any amounts payable by such Host Customer that are attributable to sales, use or property taxes.

"*Host Customer Security Deposit*" shall mean any security deposit that a Host Customer must provide in accordance with such Host Customer's Solar Service Agreement or the Facility Administrator's credit and collections policy.

"*Host Customer Solar Asset*" shall mean (i) a PV System installed on a residential property, (ii) all related real property rights, Permits and Manufacturer Warranties (in each case, to the extent transferable), (iii) all rights and remedies of the lessor/seller under the related Solar Service Agreement, including all Host Customer Payments on and after the related Cut-Off Date and any related security therefor (other than Host Customer Security Deposits) and all Energy Storage System Incentives, (iv) all related PBI Solar Assets on and after the related Cut-Off Date, and (v) all documentation in the Solar Asset File and other documents held by the Verification Agent related to such PV System, the Solar Service Agreement and PBI Documents, if any.

"*Indebtedness*" shall mean as to any Person at any time, any and all indebtedness, obligations or liabilities (whether matured or unmatured, liquidated or unliquidated, direct or indirect, absolute or contingent, or joint or several) of such Person for or in respect of: (i) borrowed money; (ii) obligations of such Person evidenced by bonds, debentures, notes or other similar instruments; (iii) amounts raised under or liabilities in respect of any note purchase or acceptance credit facility; (iv) reimbursement obligations under any letter of credit, currency swap agreement, interest rate swap, cap, collar or floor agreement or other interest rate management device (other than in connection with this Agreement); (v) obligations of such Person to pay the deferred purchase price of property or services; (vi) obligations of such Person as lessee under leases which have been or should be in accordance with GAAP recorded as capital leases; (vii) any other transaction (including without limitation forward sale or purchase agreements, capitalized leases and conditional sales agreements) having the commercial effect of a borrowing of money entered into by such Person to finance its operations or capital requirements, and whether structured as a borrowing, sale and leaseback or a sale of assets for accounting purposes; (viii) any guaranty or endorsement of, or responsibility for, any Indebtedness of the types described in this definition; (ix) liabilities secured by any Lien on property owned or acquired, whether or not such a liability shall have been assumed (other than any Permitted Liens or Permitted Equity Liens); or (x) unvested pension obligations.

"*Indemnified Taxes*" shall mean (i) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under any Transaction Document and (ii) to the extent not otherwise described in clause (i), Other Taxes.

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"*Indemnitee Agent Party*" shall have the meaning set forth in Section 7.6 hereof.

"*Indemnitee Funding Agent Party*" shall have the meaning set forth in Section 7.17 hereof.

"*Indemnitees*" shall have the meaning set forth in Section 10.5.

"*Independent Accountant*" shall have the meaning set forth in the Facility Administration Agreement.

"*Independent Director*" shall have the meaning set forth in Section 5.1(M).

"*Initial Solar Asset*" shall mean each Solar Asset listed on the Schedule of Solar Assets as of the Closing Date.

"*Insolvency Event*" shall mean, with respect to any Person:

(i) the commencement of: (a) a voluntary case by such Person under the Bankruptcy Code or (b) the seeking of relief by such Person under other debtor relief Laws in any jurisdiction outside of the United States;

(ii) the commencement of an involuntary case against such Person under the Bankruptcy Code (or other debtor relief Laws) and the petition is not controverted or dismissed within sixty (60) days after commencement of the case;

(iii) a custodian (as defined in the Bankruptcy Code) (or equal term under any other debtor relief Law) is appointed for, or takes charge of, all or substantially all of the property of such Person;

(iv) such Person commences (including by way of applying for or consenting to the appointment of, or the taking of possession by, a rehabilitator, receiver, custodian, trustee, conservator or liquidator (or any equal term under any other debtor relief Laws) (collectively, a "conservator") of such Person or all or any substantial portion of its property) any other proceeding under any reorganization, arrangement, adjustment of debt, relief of debtors, dissolution, insolvency, liquidation, rehabilitation, conservatorship or similar law of any jurisdiction whether now or hereafter in effect relating to such Person;

(v) such Person is adjudicated by a court of competent jurisdiction to be insolvent or bankrupt;

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(vi) any order of relief or other order approving any such case or proceeding referred to in clauses (i) or (ii) above is entered;

(vii) such Person suffers any appointment of any conservator or the like for it or any substantial part of its property that continues undischarged or unstayed for a period of sixty (60) days; or

(viii) such Person makes a compromise, arrangement or assignment for the benefit of creditors or generally does not pay its debts as such debts become due.

"*Intended Collateral Sale Date*" shall have the meaning set forth in Section 6.4.

"*Interconnection Agreement*" shall mean, with respect to a PV System, a contractual obligation between a utility and a Host Customer that allows the Host Customer to interconnect such PV System to the utility electrical grid.

"*Interest Accrual Period*" shall mean for each Payment Date, the period from and including the immediately preceding Payment Date to but excluding such Payment Date except that the Interest Accrual Period for the initial Payment Date shall be the actual number of days from and including the Closing Date to, but excluding, the initial Payment Date; *provided, however*, that with respect to any application of Distributable Collections pursuant to Section 2.7(B) on a Business Day other than a Payment Date, the "Interest Accrual Period" shall mean the period from and including the immediately preceding Payment Date to but excluding such Business Day.

"*Interest Distribution Amount*" shall mean, individually or collectively as the context may require, the Class A Interest Distribution Amount, the Class B Interest Distribution Amount and the Additional Interest Distribution Amount, if any. For the avoidance of doubt, the Interest Distribution Amount shall not constitute "Confidential Information."

"*Intermediate Holdco*" shall mean Sunnova Intermediate Holdings, LLC, a Delaware limited liability company.

"*Internal Revenue Code*" shall mean the Internal Revenue Code of 1986, as the same may be amended or supplemented from time to time, or any successor statute, and the rules and regulations thereunder, as the same are from time to time in effect.

"*Inverter*" shall mean, with respect to a PV System, the necessary device required to convert the variable direct electrical current (DC) output from a Solar Photovoltaic Panel into a utility frequency alternating electrical current (AC) that can be used by a Host Customer's home

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or property, or that can be fed back into a utility electrical grid pursuant to an Interconnection Agreement.

"*Invested Capital Payment Amount*" shall have the meaning set forth in the Fee Letter referred to in clause (i) of the definition thereof.

"*Invested Capital Payment Date*" shall have the meaning set forth in the Fee Letter referred to in clause (i) of the definition thereof.

"*Law*" shall mean any law (including common law), constitution, statute, treaty, regulation, rule, ordinance, order, guideline, judgment, injunction, writ, decree or award of any Governmental Authority.

"*Lease Agreement*" shall mean an agreement between the owner of the PV System and a Host Customer whereby the Host Customer leases a PV System from such owner for fixed or escalating monthly payments.

"*Lender Group*" shall mean, individually or collectively as the context may require, each Class A Lender Group and each Class B Lender Group, as applicable.

"*Lender Group Percentage*" shall mean, individually or collectively as the context may require, each Class A Lender Group Percentage and each Class B Lender Group Percentage, as applicable.

"*Lender Representative*" shall have the meaning set forth in Section 10.16(B)(i).

"*Lenders*" shall have the meaning set forth in the introductory paragraph hereof.

"*Letter of Credit*" means any letter of credit issued by an Eligible Letter of Credit Bank and provided by the Borrower to the Administrative Agent in lieu of or in substitution for moneys otherwise required to be deposited in the Liquidity Reserve Account or the Supplemental Reserve Account, as applicable, which Letter of Credit is to be held as an asset of the Liquidity Reserve Account or the Supplemental Reserve Account, as applicable, and which satisfies each of the following criteria: (i) the related account party of which is not the Borrower, (ii) is issued for the benefit of the Paying Agent, (iii) has a stated expiration date of at least 180 days from the date of determination (taking into account any automatic renewal rights), (iv) is payable in Dollars in immediately available funds to the Paying Agent upon the delivery of a draw certificate duly executed by the Paying Agent stating that (A) such draw is required pursuant to Section 8.2(C) or (D), as applicable, or (B) the issuing bank ceased to be an Eligible Letter of Credit Bank and the Letter of Credit has not been extended or replaced with a Letter of Credit issued by an Eligible Letter of Credit Bank within ten (10) Business Days such issuing bank

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ceasing to be an Eligible Letter of Credit Bank, (v) the funds of any draw request submitted by the Paying Agent in accordance with Sections 8.2(C) and (D) will be made available in cash no later than two (2) Business Days after the Paying Agent submits the applicable drawing documents to the related Eligible Letter of Credit Bank, and (vi) that has been reviewed by the Administrative Agent and otherwise contains terms and conditions that are acceptable to the Administrative Agent. For purposes of determining the amount on deposit in the Liquidity Reserve Account or the Supplemental Reserve Account, as applicable, the Letter of Credit shall be valued at the amount as of any date then available to be drawn under such Letter of Credit.

"*LIBOR*" shall mean (a) an interest rate per annum equal to the rate appearing on the applicable Screen Rate; or (b) (if no Screen Rate is available for U.S. Dollars or the Interest Accrual Period or such Screen Rate ceases to be available), the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Administrative Agent at its request quoted by the Base Reference Banks, in each case at approximately 11:00 A.M., London time, two (2) Business Days prior to the commencement of such Interest Accrual Period for the offering of deposits in U.S. Dollars in the principal amount of the Advances and for a three (3) month period. Notwithstanding the foregoing, if LIBOR as determined herein would be (i) with respect to determining the interest rate applicable to any Class A Advances, less than zero percent (0.00%), such rate shall be deemed to be zero percent (0.00%) and (ii) with respect to determining the interest rate applicable to any Class B Advances, less than one half of one percent (0.50%), such rate shall be deemed to be one half of one percent (0.50%) for purposes of this Agreement. Notwithstanding the foregoing, if at any time while any Advances are outstanding, the applicable London interbank offered rate described in the definition of Screen Rate ceases to exist or be reported on the Screen Rate, the Administrative Agent may select (with notice to the Borrower and any other Lenders) an alternative rate, including any applicable spread adjustments thereto (the "*Alternative Rate*") that in its commercially reasonable judgment is consistent with the successor for the London interbank offered rate, including any applicable spread adjustments thereto, generally being used in the new issue collateralized loan obligation market and all references herein to "LIBOR" will mean such Alternative Rate selected by the Administrative Agent.

"*Lien*" shall mean any mortgage, deed of trust, pledge, lien, security interest, charge or other encumbrance or security arrangement of any nature whatsoever, whether voluntarily or involuntarily given, including any conditional sale or title retention arrangement, and any assignment, deposit arrangement or lease intended as, or having the effect of, security and any filed financing statement or other notice of any of the foregoing (whether or not a lien or other encumbrance is created or exists at the time of the filing).

"*Liquidated Damages Amount*" shall have the meaning set forth in the Sale and Contribution Agreement.

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"*Liquidation Fee*" shall mean for any Interest Accrual Period for which a reduction of the principal balance of the relevant Advance is made for any reason, on any day other than the last day of such Interest Accrual Period, the amount, if any, by which (A) the additional interest (calculated without taking into account any Liquidation Fee or any shortened duration of such Interest Accrual Period) which would have accrued during the portion of such Interest Accrual Period for which the cost of funding had been established prior to such reduction of the principal balance on the portion of the principal balance so reduced, exceeds (B) the income, if any, received by the Conduit Lender or the Non-Conduit Lender which holds such Advance from the investment of the proceeds of such reductions of principal balance for the portion of such Interest Accrual Period for which the cost of funding had been established prior to such reduction of the principal balance. A statement as to the amount of any Liquidation Fee (including the computation of such amount) shall be submitted by the affected Conduit Lender or the Non-Conduit Lender to the Borrower and shall be prima facie evidence of the matters to which it relates for the purpose of any litigation or arbitration proceedings, absent manifest error or fraud. Such statement shall be submitted five (5) Business Days prior to such amount being due.

"*Liquidity Reserve Account*" shall have the meaning set forth in Section 8.2(A)(iii).

"*Liquidity Reserve Account Required Balance*" shall mean on any date of determination, an amount equal to the sum of (i) the product of (a) six, (b) one-twelfth, (c) the Aggregate Outstanding Advances and (d) the weighted average effective per annum rate used to calculate the Class A Interest Distribution Amounts, the Class B Interest Distribution Amounts, the Class A Additional Interest Distribution Amount and the Class B Additional Interest Distribution Amounts, if any, for the immediately preceding Payment Date or, with respect to the initial Payment Date hereunder, 5.58%, (ii) the Final Stage Solar Asset Reserve Amount, (iii) the East Region Substantial Stage Date Solar Asset Reserve Amount, (iv) the Non-East Region Substantial Stage Date Solar Asset Reserve Amount and (v) the First Payment Date Reserve Amount.

"*Loan Note*" shall mean, individually or collectively as the context may require, each Class A Loan Note and each Class B Loan Note, as applicable.

"*MA SMART Revenue*" shall mean any revenue received by any Financing Fund or SAP under the SMART Program and pursuant to the SMART Tariff.

"*Majority Lenders*" shall mean, as of any date of determination, (i) unless and until all Obligations owing to any Class A Lender solely in its capacity as a Class A Lender have been reduced to zero, Class A Lenders having Class A Advances exceeding fifty percent (50%) of all outstanding Class A Advances, and (ii) at any time on and after all Obligations owing to each Class A Lender solely in its capacity as Class A Lender have been reduced to zero, Class B Lenders having Class B Advances exceeding fifty percent (50%) of all outstanding Class B

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Advances; *provided,* that (w) in the event that no Advances are outstanding as of such date, "*Majority Lenders*" shall mean Administrative Agent, (x) so long as CSNY, its Affiliates or any related Conduit Lender with respect to CSNY or its Affiliates (the foregoing collectively referred to herein as the "*Credit Suisse Related Parties*") holds at least twenty-five percent (25%) of Class A Advances or, if no Obligations are owing to any Class A Lender, Class B Advances or, if no Obligations are owing to any Lender, "*Majority Lenders*" shall include such Credit Suisse Related Party holding such Advances hereunder and (y) at any time there are two or less Class A Lenders, the term "*Majority Lenders*" shall mean all Class A Lenders holding at least ten percent (10%) of Class A Advances. For the purposes of determining the number of Lenders in the foregoing proviso, Affiliates of a Lender shall constitute the same Lender.

"*Management Agreement*" shall mean, collectively, each document set forth under the heading "Management Agreements" on Schedule VIII hereto.

"*Manager*" shall mean, collectively, each entity set forth under the heading "Managers" on Schedule VIII hereto.

"*Manager Fee*" shall mean the fees, expenses and other amounts owed to the Manager pursuant to the Management Agreements.

"*Managing Member*" shall mean, collectively, each entity set forth under the heading "Managing Members" on Schedule VIII hereto.

"*Managing Member Distributions*" shall mean all distributions and payments in any form made, or due to be made, to the Managing Members or the Borrower in connection with its ownership interest in the Managing Member Interests, except for Service Incentives and SREC Direct Sale Proceeds.

"*Managing Member Distributions Payment Level*" shall mean, for any Collection Period, the quotient (expressed as a percentage) of (i) the sum of all Managing Member Distributions actually received in the Collection Account during such Collection Period, divided by (ii) the Scheduled Managing Member Distributions during such Collection Period.

"*Managing Member Interests*" shall mean, collectively, the Managing Members' interest in 100% of the interests listed under the heading "Managing Member Interests" on Schedule VIII hereto.

"*Manufacturer's Warranty*" shall mean any warranty given by a manufacturer of a PV System relating to such PV System or any part or component thereof.

"*Margin Stock*" shall have the meaning set forth in Regulation U.

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"*Master Purchase Agreement*" shall mean, collectively, each document set forth under the heading "Master Purchase Agreements" on Schedule VIII hereto.

"*Material Adverse Effect*" shall mean, any event or circumstance having a material adverse effect on any of the following: (i) the business, property, operations or financial condition of the Borrower, the Facility Administrator, the Parent, a Financing Fund, a Managing Member or SAP, (ii) the ability of the Borrower or the Facility Administrator to perform its respective obligations under the Transaction Documents (including the obligation to pay interest that is due and payable), (iii) the validity or enforceability of, or the legal right to collect amounts due under or with respect to, a material portion of the Eligible Solar Assets, or (iv) the priority or enforceability of any liens in favor of the Administrative Agent.

"*Maturity Date*" shall mean the earliest to occur of (i) the Facility Maturity Date, (ii) the occurrence of an Event of Default and declaration of all amounts due in accordance with Section 6.2(B) and (iii) the date of any voluntary termination of the Facility by the Borrower; provided that the Maturity Date may be extended in accordance with Section 2.16.

"*Maximum Facility Amount*" shall mean $600,000,000.

"*Minimum Payoff Amount*" shall mean, with respect to a Takeout Transaction, an amount of proceeds equal to the sum of (i) the product of the aggregate Discounted Solar Asset Balance or the Collateral subject to such Takeout Transaction *times* the Effective Advance Rate then in effect *plus* (ii) any accrued interest with respect to the amount of principal of Advances being prepaid in connection with such Takeout Transaction, *plus* (iii) any fees due and payable to any Lender or the Administrative Agent with respect to such Takeout Transaction *plus* (iii) any other amounts owed by the Borrower and required to be paid pursuant to Section 2.7(B) on the date of such Takeout Transaction; *provided* that if such Takeout Transaction is being undertaken to cure an Event of Default, then the Minimum Payoff Amount shall include such additional proceeds as are necessary to cure such Event of Default, if any.

"*Moody's*" shall mean Moody's Investors Service, Inc., or any successor rating agency.

"*Multi-Employer Plan*" shall mean a multi-employer plan, as defined in Section 4001(a)(3) of ERISA to which the Borrower or any ERISA Affiliate is making or accruing an obligation to make contributions or has within any of the preceding five plan years made or accrued an obligation to make contributions or had liability with respect to.

"*Multiple Employer Plan*" shall mean a Single Employer Plan, to which the Borrower or any ERISA Affiliate, and one or more employers other than the Borrower or an ERISA Affiliate, is making or accruing an obligation to make contributions or, in the event that any such plan has been terminated, to which the Borrower or an ERISA Affiliate made or accrued an obligation to

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make contributions during any of the five plan years preceding the date of termination of such plan.

"*Nationally Recognized Accounting Firm*" shall mean (A) PricewaterhouseCoopers LLP, Ernst & Young LLP, KPMG LLC, Deloitte LLP and any successors to any such firm and (B) any other public accounting firm designated by the Parent and approved by the Administrative Agent, such approval not to be unreasonably withheld or delayed.

"*Net Cash Flow*" shall mean for any Collection Period (i) with respect to the Managing Member Interests (A) the Scheduled Managing Member Distributions minus (B) the sum of (x) the Tax Equity Investor Distribution Reduction Amount for such Collection period and (y) amounts attributable to Solar Assets that were Transferable Solar Assets as of the last day of such Collection Period and (ii) with respect to a SAP Solar Asset (other than a Substantial Stage Solar Asset), an amount equal to (A) the sum of (x) the Scheduled Host Customer Payment for such SAP Solar Asset during such Collection Period, plus (y) the Scheduled PBI Payments for such SAP Solar Asset during such Collection Period minus (B) the Operational Amounts for such Collection Period. For the avoidance of doubt, "Net Cash Flow" shall not include Service Incentives, SREC Direct Sale Proceeds or Excess SREC Proceeds.

"*Net Scheduled Payment*" shall mean, with respect to a Host Customer Solar Asset and PBI Solar Asset and any Collection Period an amount equal to (i) the sum of (A) the Scheduled Host Customer Payment for such Host Customer Solar Asset during such Collection Period, plus (B) the Scheduled PBI Payments for such Host Customer Solar Asset during such Collection Period, minus (ii) the sum of (A) the Manager Fee allocated with respect to such Host Customer Solar Asset during such Collection Period and (B) the Servicing Fee allocated with respect to such Host Customer Solar Asset during such Collection Period.

"*New Jersey TREC*" shall mean transition renewable energy certificates administered by the State of New Jersey in accordance with the State of New Jersey, Board of Public Utilities Docket No. QO19010068, adopted December 6, 2019.

"*Non-Conduit Lender*" shall mean each Lender that is not a Conduit Lender.

"*Non-East Region*" means any state or territory of the United States that is not an East Region state or territory.

"*Non-East Region Substantial Stage Date Solar Asset Reserve Amount*" shall mean, as of any date of determination, the product of (i) 8/3 *times* (ii) the sum of the Class A Interest Distribution Amount, the Class B Interest Distribution Amount, the Class A Additional Interest Distribution Amount and the Class B Additional Interest Distribution Amount, if any, due and payable on the immediately succeeding Payment Date *times* (iii) the ratio of (x) the aggregate

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principal balance of all Advances related to Substantial Stage Solar Assets the Host Customer of which is located in a Non-East Region as of such date *divided by* (y) the Aggregate Outstanding Advances as of such date; *provided, however*, that solely for the purpose of determining the Non-East Region Substantial Stage Date Solar Asset Reserve Amount as of the Closing Date, the Non-East Region Substantial Stage Date Solar Asset Reserve Amount shall be an amount reasonably calculated by the Administrative Agent and provided to the Borrower prior to the Closing Date.

"*Notice of Borrowing*" shall have the meaning set forth in Section 2.4.

"*Obligations*" shall mean and include, with respect to each of the Borrower, SAP, the Managing Members or Parent, respectively, all loans, advances, debts, liabilities, obligations, covenants and duties owing by such Person to the Administrative Agent, the Paying Agent or any Lender of any kind or nature, present or future, arising under this Agreement, the Loan Notes, the Security Agreement, the Pledge Agreement, the Subsidiary Guaranty, any of the other Transaction Documents or any other instruments, documents or agreements executed and/or delivered in connection with any of the foregoing, but, in the case of Parent, solely to the extent Parent is a party thereto, whether or not for the payment of money, whether arising by reason of an extension of credit, the issuance of a letter of credit, a loan, guaranty, indemnification or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now existing or hereafter arising. The term includes the principal amount of all Advances, together with interest, charges, expenses, fees, attorneys' and paralegals' fees and expenses, any other sums chargeable to the Borrower or Parent, as the case may be, under this Agreement or any other Transaction Document pursuant to which it arose but, in the case of Parent, solely to the extent Parent is a party thereto.

"*OFAC*" shall have the meaning set forth in Section 4.1(S).

"*Officer's Certificate*" shall mean a certificate signed by an authorized officer of an entity.

"*Operational Amounts*" shall mean amounts necessary for SAP to pay the Manager for O&M Services and Servicing Services and the back-up servicer for services under the Servicing Agreement listed on Schedule IX hereto, in each case, related to Solar Assets owned by SAP.

"*Other Connection Taxes*" shall mean, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any

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Transaction Document, or sold or assigned an interest in any Solar Asset or Transaction Document).

"*Other Taxes*" shall mean all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Transaction Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment.

"*O&M Services*" shall mean the services required to be performance by the Manager pursuant to the terms of each Management Agreement, including all administrative, operations, maintenance, collection and other management services with respect to the related Solar Assets, maintaining required insurance and collecting sales and use taxes payable by Host Customers under their Solar Service Agreements.

"*Parent*" shall mean Sunnova Energy Corporation, a Delaware corporation.

"*Parent Guaranty*" shall mean the Limited Performance Guaranty, dated as of the Closing Date, by the Parent in favor of the Borrower and the Administrative Agent.

"*Participant*" shall have the meaning set forth in Section 10.8.

"*Participant Register*" shall have the meaning set forth in Section 10.8.

"*Parts*" shall mean components of a PV System.

"*Patriot Act*" shall have the meaning set forth in Section 10.18.

"*Paying Agent*" shall have the meaning set forth in the introductory paragraph hereof.

"*Paying Agent Account*" shall have the meaning set forth in Section 8.2(A)(v).

"*Paying Agent Fee*" shall mean a fee payable by the Borrower to the Paying Agent as set forth in the Paying Agent Fee Letter.

"*Paying Agent Fee Letter*" shall mean that certain letter agreement, dated as of August 22, 2019, between the Borrower and the Paying Agent.

"*Paying Agent Indemnified Parties*" shall have the meaning set forth in Section 9.5.

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"*Payment Date*" shall mean the 30th day of each October, January, April and July or, if such 30th day is not a Business Day, the next succeeding Business Day, commencing October 2019.

"*Payment Facilitation Agreement*" shall mean each modification, waiver or amendment agreement (including a replacement Solar Service Agreement) entered into by the Manager in accordance with a Servicing Agreement relating to a Solar Service Agreement.

"*PBI Documents*" shall mean, with respect to a PV System, (i) all applications, forms and other filings required to be submitted to a PBI Obligor in connection with the performance based incentive program maintained by such PBI Obligor and the procurement of PBI Payments, and (ii) all approvals, agreements and other writings evidencing (a) that all conditions to the payment of PBI Payments by the PBI Obligor have been met, (b) that the PBI Obligor is obligated to pay PBI Payments and (c) the rate and timing of such PBI Payments.

"*PBI Liquidated Damages*" shall mean any liquidated damages due and payable to a PBI Obligor in respect of a Solar Asset.

"*PBI Obligor*" shall mean a utility or Governmental Authority that maintains or administers a renewable energy program designed to incentivize the installation of PV Systems and use of solar generated electricity that has approved and is obligated to make PBI Payments to the owner of the related PV System.

"*PBI Payments*" shall mean, with respect to a PV System and the related PBI Documents, all payments due by the related PBI Obligor under or in respect of such PBI Documents, including New Jersey TRECs and MA SMART Revenue; *provided,* that PBI Payments do not include Rebates, Hedged SRECs, amounts received, if any, in respect of Hedged SRECs or Service Incentives.

"*PBI Solar Assets*" shall mean (i) all rights and remedies of the payee under any PBI Documents related to such PV System, including all PBI Payments on and after the related Transfer Date and (ii) all documentation in the Solar Asset File and other documents held by the Verification Agent related to such than PBI Documents.

"*Performance Guaranty*" shall mean, with respect to a PV System, an agreement in the form of a production warranty between the Host Customer and Parent (or in some cases, between the Host Customer and the owner of the Solar Asset), which the Facility Administrator has agreed to perform on behalf of the Borrower that specifies a minimum level of solar energy production, as measured in kWh, for a specified time period. Such guarantees stipulate the terms and conditions under which the Host Customer could be compensated if their PV System does not meet the electricity production guarantees.

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"*Permission to Operate*" shall mean, with respect to any PV System, receipt of a letter or functional equivalent from the connecting utility authorizing such PV System to be operated.

"*Permits*" shall mean, with respect to any PV System, the applicable permits, franchises, leases, orders, licenses, notices, certifications, approvals, exemptions, qualifications, rights or authorizations from or registration, notice or filing with any Governmental Authority required to operate such PV System.

"*Permitted Assignee*" shall mean (a) a Lender or any of its Affiliates, (b) any Person managed by a Lender or any of its Affiliates, including any investment fund whose investment manager is the same investment manager (or an Affiliate of such investment manager) as a Lender, and (c) any Program Support Provider for any Conduit Lender, an Affiliate of any Program Support Provider, or any commercial paper conduit administered, sponsored or managed by a Lender or to which a Non-Conduit Lender provides liquidity support, an Affiliate of a Lender or an Affiliate of an entity that administers or manages a Lender or with respect to which the related Program Support Provider of such commercial paper conduit is a Lender.

"*Permitted Equity Liens*" shall mean the ownership interest of the related Tax Equity Investor in the related Tax Equity Facility and in each case arising under the related Financing Fund LLCA.

"*Permitted Indebtedness*" shall mean (i) Indebtedness under the Transaction Documents, and (ii) to the extent constituting Indebtedness, reimbursement obligations of the Borrower owed to the Borrower in connection with the payment of expenses incurred in the ordinary course of business in connection with the financing, management, operation or maintenance of the Solar Assets or the Transaction Documents.

"*Permitted Investments*" shall mean any one or more of the following obligations or securities: (i) (a) direct interest bearing obligations of, and interest-bearing obligations guaranteed as to payment of principal and interest by, the United States or any agency or instrumentality of the United States the obligations of which are backed by the full faith and credit of the United States; (b) direct interest-bearing obligations of, and interest-bearing obligations guaranteed as to payment of principal and interest by, the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, but only if, at the time of investment, such obligations are assigned the highest credit rating by S&P; and (c) evidence of ownership of a proportionate interest in specified obligations described in (a) and/or (b) above; (ii) demand, time deposits, money market deposit accounts, certificates of deposit of and federal funds sold by, depository institutions or trust companies incorporated under the laws of the United States of America or any state thereof (or domestic branches of foreign banks), subject to supervision and examination by federal or state banking or depository institution authorities, and having, at the time of a relevant Borrower's investment or contractual commitment to invest

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therein, a short term unsecured debt rating of "A-1" by S&P; (iii) securities bearing interest or sold at a discount issued by any corporation incorporated under the laws of the United States of America or any state thereof which have a rating of no less than "A-1+" by S&P and a maturity of no more than 365 days; (iv) commercial paper (including both non-interest bearing discount obligations and interest-bearing obligations payable on demand or on a specified date not more than one year after the closing date thereof) of any corporation (other than the Parent), incorporated under the laws of the United States of America or any state thereof, that, at the time of the investment or contractual commitment to invest therein, a rating of "A-1" by S&P; (v) money market mutual funds, or any other mutual funds registered under the 1940 Act which invest only in other Permitted Investments, having a rating, at the time of such investment, in the highest rating category by S&P; (vi) money market deposit accounts, demand deposits, time deposits or certificates of deposit of any depository institution or trust company incorporated under the laws of the United States of America or any state thereof and subject to supervision and examination by federal or state banking or depository institution authorities; provided, however, that at the time of the investment or contractual commitment to invest therein, the commercial paper or other short-term unsecured debt obligations (other than such obligations the rating of which is based on the credit of a Person other than such depository institution or trust company) thereof will be rated "A-1+" by S&P, including proprietary money market funds offered or managed by the Paying Agent or an Affiliate thereof; (vii) repurchase agreements with respect to obligations of, or guaranteed as to principal and interest by, the United States of America or any agency or instrumentality thereof when such obligations are backed by the full faith and credit of the United States of America; provided, however, that the unsecured obligations of the party agreeing to repurchase such obligations at the time have a credit rating of no less than the A-1 by S&P; and (viii) any investment agreement (including guaranteed investment certificates, forward delivery agreements, repurchase agreements or similar obligations) with an entity which on the date of acquisition has a credit rating of no less than the A-1 by S&P, in each case denominated in or redeemable in Dollars.

"*Permitted Investor*" shall mean collectively, Energy Capital Partners III, LP, Energy Capital Partners III-A, LP, Energy Capital Partners III-B, LP, Energy Capital Partners III-C, LP and Energy Capital Partners-D, LP, Quantum Strategic Partners, and each of their Permitted Transferees (as defined in the Investors Agreement, dated as of March 29, 2018, by and among the Parent and the other signatories thereto).

"*Permitted Liens*" shall mean (i) any lien for taxes, assessments and governmental charges or levies owed by the applicable asset owner and not yet due and payable or which are being contested in good faith, (ii) Liens in favor of the Administrative Agent (or in favor of the Borrower and created pursuant to the Transaction Documents), (iii) solely in the case of Substantial Stage Solar Assets and Final Stage Solar Assets, workmen's, mechanic's, or similar statutory Liens securing obligations owing to approved channel partners (or subcontractors of

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channel partners) which are not yet due or for which reserves in accordance with GAAP have been established; *provided* that any such Solar Asset shall be classified as a Defective Solar Asset if not resolved within sixty (60) days of such Solar Asset receiving Permission to Operate from the applicable Governmental Authority, (iv) Liens on cash collateral or other liquid assets in favor of Eligible Hedged SREC Counterparties securing Hedged SREC Credit Support Obligations that constitute Permitted Indebtedness, (v) to the extent a PV System constitutes a fixture, any conflicting interest of an encumbrancer or owner of the real property that has or would have priority over the applicable UCC fixture filing (or jurisdictional equivalent) so long as any such lien does not adversely affect the rights of the Borrower of the Administrative Agent and (vi) any rights of customers under Host Customers Agreements.

"*Person*" shall mean any individual, corporation (including a business trust), partnership, limited liability company, joint-stock company, trust, unincorporated organization or association, joint venture, government or political subdivision or agency thereof, or any other entity.

"*Plan*" shall mean an employee pension benefit plan which is covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Internal Revenue Code as to which the Borrower or any Affiliate may have any liability.

"*Pledge Agreement*" shall mean the Pledge Agreement, dated as of the Closing Date, by TEP Resources, the Borrower and the Managing Members in favor of the Administrative Agent, as amended, restated, modified and/or supplemented from time to time in accordance with its terms.

"*Potential Amortization Event*" shall mean any occurrence or event that, with notice, passage of time or both, would constitute an Amortization Event.

"*Potential Default*" shall mean any occurrence or event that, with notice, passage of time or both, would constitute an Event of Default.

"*Power Purchase Agreement*" shall mean an agreement between the owner of the PV System and a Host Customer whereby the Host Customer agrees to purchase electricity produced by such PV System for a fixed fee per kWh.

"*Prepaid Solar Asset*" shall mean a Solar Asset for which the related Host Customer has prepaid all amounts under the related Solar Service Agreement.

"*Projected Purchase Option Price*" shall mean, with respect to a Purchase Option, an amount estimated by the related Managing Member and agreed upon by the Administrative Agent on or before the Scheduled Commitment Termination Date. Should the Availability

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Period expire before the Scheduled Commitment Termination Date, the Administrative Agent may use its reasonable judgment to estimate the Projected Purchase Option Price.

"*Program Support Provider*" shall mean and include any Person now or hereafter extending liquidity or credit or having a commitment to extend liquidity or credit to or for the account of, or to make purchases from, a Conduit Lender (or any related commercial paper issuer that finances such Conduit Lender) in support of commercial paper issued, directly or indirectly, by such Conduit Lender in order to fund Advances made by such Conduit Lender hereunder.

"*Projected SREC Hedge Ratio*" shall mean, with respect to a state and SREC Year, the quotient (expressed as a percentage) of (i) the sum of all SRECs to be delivered for such SREC Year (or portion of an SREC Year remaining) under Hedged SREC Agreements for such state, divided by (ii) SRECs that are available for delivery in such SREC Year (or portion of an SREC Year remaining) in such state, as calculated by the Administrative Agent; *provided*, that PV Systems owned by TEP IV-G will not be included in the calculation of SRECs available for delivery. For the avoidance of doubt, only PV Systems that have been certified for SREC production will be included in the calculation of SRECs available for delivery.

"*Puerto Rico Non-Storage Solar Assets*" means the Solar Assets listed on Schedule XI attached hereto.

"*Puerto Rico Solar Asset*" shall mean a Host Customer Solar Asset for which the related PV System is installed on a residence in Puerto Rico.

"*Purchase Option*" shall mean, collectively, each purchase option set forth under the heading "Purchase Options" on Schedule VIII hereto.

"*Purchase Option Price*" shall have the meaning set forth in the Tax Equity Financing Documents.

"*Purchase Standard*" shall mean (i) the terms of the related Financing Fund LLCA and the terms of the Transaction Documents to which the Borrower is a party, (ii) the availability of funds in the Supplemental Reserve Account to pay the Purchase Option Price as then projected by the Facility Administrator and (iii) the same degree of analysis that the Borrower and its Affiliates use in determining whether or not to exercise similar purchase options for comparable assets owned by the Borrower and its Affiliates, taking into consideration the best interests of all parties to the Transaction Documents.

"*PV System*" shall mean, with respect to a Solar Asset, a photovoltaic system, including Solar Photovoltaic Panels, Inverters, Racking Systems, any Energy Storage Systems installed in connection therewith, wiring and other electrical devices, as applicable, conduits, weatherproof

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housings, hardware, remote monitoring equipment, connectors, meters, disconnects and over current devices (including any replacement or additional parts included from time to time) and any Ancillary PV System Components.

"*PV System Payment*" shall mean, for any PV System, the total monthly amounts payable under the related Solar Service Agreement multiplied by the PV System Payment Percentage.

"*PV System Payment Percentage*" shall mean, for any PV System, the quotient (expressed as a percentage) equal to (i) the sum of all costs that relate to the equipment for such PV System (other than any costs related to Ancillary PV System Components and any related Energy Storage System, if applicable) plus the Total Installation Cost, divided by (ii) the Total Equipment Cost plus the Total Installation Cost.

"*QFC*" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

"*QFC Credit Support*" shall have the meaning set forth in Section 10.24 hereof.

"*Qualified Service Provider*" shall mean one or more Independent Accountants or, subject to the approval of Administrative Agent, other service providers.

"*Qualifying Hedge Counterparty*" shall mean (i) a counterparty which at all times satisfies all then applicable counterparty criteria of S&P or Moody's for eligibility to serve as counterparty under a structured finance transaction rated "A+", in the case of S&P or "A1", in the case of Moody's or (ii) an affiliate of any Funding Agent (in which case rating agency counterparty criteria shall not be applicable).

"*Qualifying Hedge Counterparty Joinder*" shall mean that certain Joinder Agreement executed by a Qualifying Hedge Counterparty and acknowledged by the Administrative Agent, a copy of which shall be provided to all Parties to this Agreement.

"*Qualifying Takeout Transaction*" shall mean a Takeout Transaction pursuant to which the Aggregate Outstanding Advances are repaid in amount equal to or exceeding the lesser of (i) $100,000,000 and (ii) 50.0% of the Aggregate Outstanding Advances immediately prior to giving effect to such Takeout Transaction.

"*Racking System*" shall mean, with respect to a PV System, the hardware required to mount and securely fasten a Solar Photovoltaic Panel onto the Host Customer site where the PV System is located.

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"*Rebate*" shall mean any rebate by a PBI Obligor, electric distribution company, or state or local governmental authority or quasi-governmental agency as an inducement to install or use a PV System, paid upon such PV System receiving Permission to Operate.

"*Recipient*" shall mean the Administrative Agent, the Lenders or any other recipient of any payment to be made by or on account of any obligation of the Borrower under this Agreement or any other Transaction Document.

"*Register*" shall have the meaning set forth in Section 10.8.

"*Related Parties*" shall mean, with respect to any Person, such Person's Affiliates and the directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"*Relevant Parties*" shall mean the Borrower, the Managing Members and SAP.

"*Reportable Event*" shall mean a reportable event as defined in Section 4043 of ERISA and the regulations issued under such Section, with respect to a Plan, excluding, however, such events as to which the Pension Benefit Guaranty Corporation by regulation or by public notice waived the requirement of Section 4043(a) of ERISA that it be notified within thirty (30) days of the occurrence of such event, *provided,* that a failure to meet the minimum funding standard of Section 412 of the Internal Revenue Code and of Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any such waivers in accordance with either Section 4043(a) of ERISA or Section 412(d) of the Internal Revenue Code.

"*Required Tax Loss Insurance Coverage Period*" shall mean the period beginning on the date on which a Tax Loss Insurance Policy is issued to, if prior to the scheduled expiration of a Tax Loss Insurance Policy, the Internal Revenue Service commenced an investigation of a Financing Fund that could result in a Tax Loss Indemnity with respect to such Financing Fund, the date of either (a) the termination of such investigation without a determination by the Internal Revenue Service that results in a Tax Loss Indemnity or (b) a final determination with respect to such investigation and payment of any Tax Loss Indemnity resulting from such final determination.

"*Responsible Officer*" shall mean (x) with respect to the Paying Agent, any President, Vice President, Assistant Vice President, Assistant Secretary, Assistant Treasurer or Corporate Trust Officer, or any other officer in the Corporate Trust Office customarily performing functions similar to those performed by any of the above designated officers, in each case having direct responsibility for the administration of this Agreement or the Facility Administration Agreement, as applicable, and (y) with respect to any other party hereto, any corporation, limited liability company or partnership, the chairman of the board, the president, any vice president, the

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secretary, the treasurer, any assistant secretary, any assistant treasurer, managing member and each other officer of such corporation or limited liability company or the general partner of such partnership specifically authorized in resolutions of the board of directors of such corporation or managing member of such limited liability company to sign agreements, instruments or other documents in connection with the Transaction Documents on behalf of such corporation, limited liability company or partnership, as the case may be, and who is authorized to act therefor.

"*S&P*" shall mean S&P Global Ratings, a Standard & Poor's Financial Services LLC business, or any successor rating agency.

"*Sale and Contribution Agreement*" shall mean that certain Sale and Contribution Agreement, dated as of the Closing Date, by and among the Seller, TEP Resources and the Borrower.

"*SAP*" shall mean Sunnova SAP IV, LLC, a Delaware limited liability company.

"*SAP Contribution Agreement*" shall mean that certain Contribution Agreement, dated as of the Closing Date, between the Borrower and SAP.

"*SAP Distributions*" shall mean all distributions and payments in any form made, or due to be made, to the Borrower in connection with its ownership interest in SAP.

"*SAP Financing Documents*" shall mean the documents listed on Schedule IX hereto.

"*SAP Lockbox Account*" shall mean account number 3111060541, established in the name of SAP at Texas Capital Bank, N.A.

"*SAP Lockbox Account Control Agreement*" shall mean the Deposit Account Control Agreement, dated as of January 19, 2021, by and among Texas Capital Bank, N.A., SAP and the Administrative Agent.

"*SAP NTP Financing Documents*" shall mean the documents listed on Schedule X hereto.

"*SAP Revenue Account*" shall have the meaning set forth in Section 8.2(A)(iv).

"*SAP Solar Asset*" shall mean a Solar Asset owned by SAP.

"*SAP Transfer*" shall mean a transfer of Solar Assets pursuant to the SAP NTP Financing Documents pursuant to which (i) the SAP Solar Assets subject to such transfer are contemporaneously transferred to a Financing Fund and (ii) after giving effect thereto, no Class A Borrowing Base Deficiency, Class B-I Borrowing Base Deficiency or Class B-II Borrowing Base Deficiency exists, as demonstrated in a Borrowing Base Certificate delivered by the

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Borrower to the Administrative Agent no later than two (2) Business Days prior to the SAP Transfer.

"*Schedule of Solar Assets*" shall mean, as the context may require, the Schedule of Solar Assets owned by the Financing Funds and SAP, as such schedule may be amended from time to time in connection with the delivery of a Notice of Borrowing.

"*Scheduled Commitment Termination Date*" shall mean May 20, 2022, unless otherwise extended pursuant to and in accordance with Section 2.16.

"*Scheduled Hedged SREC Payments*" shall mean the payments scheduled to be paid by an Eligible Hedged SREC Counterparty during each Collection Period, if any, as set forth on Schedule IV hereto, as the same may be updated from time to time.

"*Scheduled Host Customer Payments*" shall mean for each Solar Asset, the payments scheduled to be paid by a Host Customer during each Collection Period in respect of the initial term of the related Solar Services Agreement, as set forth on Schedule V hereto (which scheduled payments, for the avoidance of doubt, subtract any Service Incentive Rebates owed to a Host Customer), as the same may be updated from time to time and may be adjusted by the Facility Administrator to reflect that such Solar Asset has become a Defaulted Solar Asset, a Defective Solar Asset or if a Payment Facilitation Agreement has been executed in connection with such Solar Asset. The Scheduled Customer Payments exclude any amounts attributable to sales, use or property taxes to be collected from Host Customers.

"*Scheduled Managing Member Distributions*" shall mean forecasted Managing Member Distributions set as set forth on Schedule VII hereto.

"*Scheduled PBI Payments*" shall mean for each Solar Asset, the payments scheduled to be paid by a PBI Obligor during each Collection Period, if any, as set forth on Schedule VI hereto, as the same may be updated from time to time and may be adjusted by the Facility Administrator to reflect that such Solar Asset has become a Defaulted Solar Asset, a Defective Solar Asset or if a Payment Facilitation Agreement has been executed in connection with such Solar Asset.

"*Screen Rate*" shall mean the London interbank offer rate administered by ICE Benchmark Administration Limited for the relevant currency and period displayed on the appropriate page of the Thomson Reuters screen. If the agreed page is replaced or service ceases to be available, the Administrative Agent may specify another page or service displaying the same rate after consultation with the Borrower and the Majority Lenders.

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"*Secured Parties*" shall mean the Administrative Agent, each Lender and each Qualifying Hedge Counterparty.

"*Security Agreement*" shall mean the Security Agreement, dated as of the Closing Date, executed and delivered by the Borrower, SAP and the Managing Members in favor of the Administrative Agent, for the benefit of the Secured Parties, as amended, restated, modified and/or supplemented from time to time in accordance with its terms.

"*SEI*" shall mean Sunnova Energy International Inc., a Delaware corporation.

"*Seller*" shall mean TEP Developer.

"*Service Incentives*" shall mean payments paid by a state or local Governmental Authority, a utility or grid operator, a community choice aggregator or any other Person that administers a program or arrangement similar to those described herein in respect of any PV System or Energy Storage System, as applicable, in connection with any demand response programs, grid services, or any other program or arrangement utilized for the purpose of maintaining the reliability of the electrical grid to the owner thereof. For the avoidance of doubt, Service Incentives do not include PBI Solar Assets or SRECs.

"*Service Incentives Rebates*" shall mean any amounts credited to or paid to a Host Customer in exchange for such Host Customer permitting the related PV System and/or Energy Storage System to participate in a program or arrangement pursuant to which Service Incentives are generated, as set forth in the related Solar Service Agreement.

"*Servicing Agreement*" shall mean, collectively, (i) each document set forth under the heading "Servicing Agreements" on Schedule VIII hereto and (ii) the Servicing Agreement listed on Schedule IX hereto.

"*Servicing Fee*" shall mean the fees, expenses and other amounts owed to the Manager pursuant to the Servicing Agreements.

"*Servicing Services*" shall mean the services required to be performed by the Manager pursuant to the terms of each Servicing Agreement, including all billing and collection services with respect to the related Solar Assets.

"*Single Employer Plan*" shall mean any "employee pension benefit plan" (as such term is defined in Section 3(2) of ERISA), other than a Multi-Employer Plan, that is subject to Title IV of ERISA or Section 412 of the Internal Revenue Code and is sponsored or maintained by the Borrower or any ERISA Affiliate or for which the Borrower or any ERISA Affiliate may have liability by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

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"*SMART Program*" shall mean the "Solar Massachusetts Renewable Target (SMART) Program" as defined in 225 CMR 20.00 et. seq., developed by the Massachusetts Department of Energy Resources ("*DOER*") pursuant to Section 11(b) of Chapter 75 of the Acts of 2016, An Act Relative to Solar Energy as implemented, pursuant to regulations or guidelines issued by the DOER and/or orders, regulations and tariffs adopted by the Massachusetts Department of Public Utilities ("*DPU*") in connection therewith, including pursuant to the SMART Tariff and any and all orders, regulations and tariffs and related documentation as approved or adopted by the DPU and the local electric distribution companies in connection with the DPU's Docket 17-140 and other related dockets.

"*SMART Tariff*" shall have the meaning set forth in 225 CMR 20.00 et seq., including any SMART Tariff titled SMART Provision, and including, as applicable, the SMART Tariff specific to a particular local electric distribution company.

"*Solar Asset*" shall mean a Host Customer Solar Asset or PBI Solar Asset, in each case owned by a Financing Fund or SAP, as applicable, or a Hedged SREC Solar Asset owned the by Borrower.

"*Solar Asset File*" shall have the meaning set forth in the Verification Agent Agreement.

"*Solar Asset Owner Member Interests*" shall mean, collectively, the 100.00% equity interests in the Managing Members and SAP.

"*Solar Asset Payment Level*" shall mean, for any Collection Period, the quotient (expressed as a percentage) of (i) the sum of all Host Customer Payments and PBI Payments actually received by the Financing Fund or SAP, as applicable, and Hedged SREC Payments actually received by the Borrower, in each case, during such Collection Period, divided by (ii) the sum of all Scheduled Host Customer Payments, Scheduled PBI Payments and Scheduled Hedged SREC Payments during such Collection Period.

"*Solar Photovoltaic Panel*" shall mean, with respect to a PV System, the necessary hardware component that uses wafers made of silicon, cadmium telluride, or any other suitable material, to generate a direct electrical current (DC) output using energy from the sun's light.

"*Solar Service Agreement*" shall mean in respect of a PV System, a Lease Agreement or a Power Purchase Agreement entered into with a Host Customer and all related Ancillary Solar Service Agreements, including any related Payment Facilitation Agreements, but excluding any Performance Guaranty or Customer Warranty Agreement.

"*Solvent*" shall mean, with respect the Borrower, that as of the date of determination, both (a) (i) the sum of such entity's debt (including contingent liabilities) does not exceed the present fair saleable value of such entity's present assets; (ii) such entity's capital is not unreasonably

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small in relation to its business as contemplated on the Closing Date; and (iii) such entity has not incurred and does not intend to incur, or believe (nor should it reasonably believe) that it will incur, debts beyond its ability to pay such debts as they become due (whether at maturity or otherwise); and (b) such entity is "solvent" within the meaning given that term and similar terms under applicable laws relating to fraudulent transfers and conveyances. For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability (irrespective of whether such contingent liabilities meet the criteria for accrual under Statement of Financial Accounting Standard No. 5).

"*SREC*" shall mean a solar renewable energy certificate representing any and all environmental credits, benefits, emissions reductions, offsets and allowances, howsoever entitled, that are created or otherwise arise from a PV System's generation of electricity, including, but not limited to, a solar renewable energy certificate issued to comply with a state's renewable portfolio standard.

"*SREC Direct Sale*" shall mean any sale or transfer of SRECs by a Financing Fund to Parent or an Affiliate of Parent (other than TEP Resources, the Borrower, SAP, a Managing Member or a Financing Fund) in an arm's length transaction subject to terms and conditions that are no more favorable to Parent or such Affiliate than are commercially available at the time in unrelated third-party transactions.

"*SREC Direct Sale Proceeds*" shall mean cash distributions made by a Financing Fund to its related Managing Member, the Borrower or the Parent specifically and directly relating to amounts received by such Financing Fund from the Parent in connection with any SREC Direct Sale.

"*SREC Year*" shall mean (i) with respect to New Jersey, the twelve-month period beginning on June 1 and ending on May 31 and numbered in accordance with the calendar year in which such twelve-month period ends and (ii) with respect to Massachusetts, a calendar year.

"*Step-Up Rate*" shall have the meaning set forth in the Fee Letter referred to in clause (i) of the definition thereof.

"*Subsidiary*" shall mean, with respect to any Person at any time, (i) any corporation or trust of which 50% or more (by number of shares or number of votes) of the outstanding Capital Stock or shares of beneficial interest normally entitled to vote for the election of one or more directors, managers or trustees (regardless of any contingency which does or may suspend or dilute the voting rights) is at such time owned directly or indirectly by such Person or one or more of such Person's subsidiaries, or any partnership of which such Person or any of such

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Peron's Subsidiaries is a general partner or of which 50% or more of the partnership interests is at the time directly or indirectly owned by such Person or one or more of such Person's subsidiaries, and (ii) any corporation, trust, partnership or other entity which is controlled or capable of being controlled by such Person or one or more of such Person's subsidiaries.

"*Subsidiary Guaranty*" shall mean the Guaranty, dated as of the Closing Date, by SAP, the Managing Members and each other party joined thereto as a guarantor in favor of the Administrative Agent.

"*Substantial Stage Solar Asset*" shall mean a Solar Asset that has not yet been installed but for which the Parent or an Affiliate thereof has been issued a "notice to proceed" confirming that the Host Customer has signed a Solar Service Agreement, and a channel partner has submitted a final design proposal and such proposal has been approved by the Parent or an Affiliate thereof, as of a Funding Date.

"*Successor Facility Administrator*" shall mean a successor Facility Administrator appointed pursuant to the Facility Administration Agreement.

"*Sunnova Credit Facility*" shall mean any financing agreement providing extensions of credit to the Parent or its Subsidiaries in which the Administrative Agent or its affiliates is a lender, agent or noteholder thereunder.

"*Sunnova Inventory Holdings*" shall mean Sunnova Inventory Holdings, LLC, a Delaware limited liability company.

"*Sunnova Inventory Pledgor*" shall mean Sunnova Inventory Pledgor, LLC, a Delaware limited liability company.

"*Sunnova Management*" shall mean Sunnova TE Management, LLC, a Delaware limited liability company.

"*Sunnova Tracking System*" shall mean the internal Solar Asset tracking system maintained by the Borrower or an Affiliate thereof for the purpose of identifying the amounts payable under a Solar Service Agreement that relate to a PV System (other than Ancillary PV System Components), an Energy Storage System (if any) and any Ancillary PV System Components.

"*Supplemental Reserve Account*" shall have the meaning set forth in Section 8.2(A)(ii).

"*Supplemental Reserve Account Deposit*" shall mean, for any Payment Date after Availability Period, an amount equal to the sum of (i) any Supplemental Reserve Account

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Deposit amounts from Payment Dates not deposited into the Supplemental Reserve Account, and (ii) the lesser of (a) the sum of (x) the product of (1) one-fourth of $[***] and (2) the aggregate DC nameplate capacity (measured in kW) of all PV Systems owned by the Financing Funds and SAP which are operational (excluding Transferable Solar Assets) and that have related Solar Service Agreements with remaining terms that exceed the remaining terms of the related manufacturer warranty for the Inverter associated with such PV System and (y) the product of (1) one-fourth of $[***] and (2) the aggregate storage capacity (measured in kWh) of all Energy Storage Systems owned by the Financing Funds and SAP which are operational (excluding Transferable Solar Assets) and that have related Solar Service Agreements with remaining terms that exceed the remaining terms of the related manufacturer warranty for such Energy Storage System and (b) the Supplemental Reserve Account Required Balance as of the related Calculation Date minus the sum of (1) the amount on deposit in the Supplemental Reserve Account as of the related Calculation Date, and (2) the amount, if any, being deposited into the Supplemental Reserve Account on such Payment Date pursuant to clause (i). Notwithstanding the foregoing, the Supplemental Reserve Account Deposit shall be $0 for any Payment Date on which the sum of Distributable Collections is greater than or equal to the sum of (i) the payments and distributions required under clauses (i) through (iii)(a), (vii) and (ix) of Section 2.7(B) and (ii) the Aggregate Outstanding Advances as of such Payment Date prior to any distributions made on such Payment Date.

"*Supplemental Reserve Account Required Balance*" shall mean, as of any date of determination, (i) prior to the end of the Availability Period, $[***] or (ii) after the Availability Period, an amount equal to the sum of (a) for any Payment Date prior to the date on which a Managing Member has acquired the related Tax Equity Investor Interests in the related Financing Fund pursuant to the related Purchase Option, the sum of the Projected Purchase Option Prices under each Financing Fund, (b) for any Payment Date during a Required Tax Loss Insurance Coverage Period, the Tax Loss Insurance Deductibles and (c) the sum of (x) the product of (1) $[***] and (2) the aggregate DC nameplate capacity (measured in kW) of all PV Systems owned by the Financing Funds and SAP which are operational (excluding Transferable Solar Assets) and that have related Solar Service Agreements with remaining terms that exceed the remaining terms of the related manufacturer warranty for the Inverter associated with such PV System and (y) the product of (1) $[***] and (2) the aggregate storage capacity (measured in kWh) of all Energy Storage Systems owned by the Financing Funds and SAP which are operational (excluding Transferable Solar Assets) and that have related Solar Service Agreements with remaining terms that exceed the remaining terms of the related manufacturer warranty for such Energy Storage System.

"*Supported QFC*" shall have the meaning set forth in Section 10.24 hereof.

"*Swap Rate*" shall mean, as of any date of determination, the then current weighted average of (i) the fixed interest rates under the swap agreements entered into in accordance with

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clause (i) of the definition of Hedge Requirements and (ii) with respect to any Advance not yet hedged in accordance with such clause (i) the then current fixed versus LIBOR swap rate associated with the Expected Amortization Profile of such Advance, as determined by the Administrative Agent in consultation with the Borrower.

"*Takeout Agreements*" shall mean agreements, instruments, documents and other records entered into in connection with a Takeout Transaction.

"*Takeout Transaction*" shall mean (i) any sale, assignment or other transfer of the Solar Asset Owner Member Interests, SAP Solar Assets or Hedged SREC Solar Assets and related Collateral (either directly or through the sale, assignment or other transfer of all the Capital Stock of the Borrower) by the Borrower to any of its Affiliates (including a special purpose bankruptcy remote subsidiary of Parent) or to a third party, in each case, in an arms' length transaction, which Collateral is used to secure or provide for the payment of amounts owing (or to be owing) or expected as a result of the issuance of equity or debt securities or other Indebtedness by a Person other than the Borrower that are backed by such Collateral (a "*Financing Transaction*"); *provided,* the Borrower may only enter into a Takeout Transaction if immediately after giving effect to such Financing Transaction, (w) no Event of Default exists (unless such Event of Default would be cured by application of the net proceeds of such Financing Transaction), (x) an amount equal to the greater of $[***] or the Minimum Payoff Amount for the Collateral removed from the Borrower in the Financing Transaction shall be deposited into the Takeout Transaction Account for distribution in accordance with Section 2.8(B), such that no Borrowing Base Deficiency exists after giving effect to such Takeout Transaction, (y) there are no selection procedures utilized which are materially adverse to the Lenders with respect to those items of the Collateral assigned by the Borrower in the Financing Transaction and (z) such Financing Transaction is not guaranteed by and has no material recourse to the Borrower (except that such assets are being sold and assigned by it free and clear of all Liens), or (ii) any other financing arrangement, securitization, sale or other disposition of items of Collateral (either directly or through the sale or other disposition of the Capital Stock of the Borrower, a Managing Member, a Financing Fund, or SAP) entered into by Borrower or any of its Affiliates other than under this Agreement that is not a Financing Transaction and that has been consented to in writing by the Administrative Agent and the Majority Lenders.

"*Takeout Transaction Account*" shall have the meaning set forth in Section 8.2(A)(v).

"*Tax Credit*" shall mean an investment tax credit under Section 48(a)(3)(A)(i) of the Code or any successor provision.

"*Tax Equity Facility*" shall mean each transaction contemplated by the Tax Equity Financing Documents.

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"*Tax Equity Financing Documents*" shall mean, collectively, each document set forth under the heading "Tax Equity Financing Documents" on Schedule VIII hereto.

"*Tax Equity Investor*" shall mean, collectively, each entity set forth under the heading "Tax Equity Investors" on Schedule VIII hereto.

"*Tax Equity Investor Consent*" shall mean the consent of a Tax Equity Investor of the related Tax Equity Financing Documents, as applicable relating to the transactions contemplated by this Facility.

"*Tax Equity Investor Distribution Reduction Amount*" shall mean, for any Collection Period, amounts required to be paid by the Financing Funds to the Tax Equity Investors, in each case, which reduce Scheduled Managing Member Distributions for such Collection Period.

"*Tax Equity Investor Interests*" shall mean the Tax Equity Investors' interest in 100% of the Class A Interest in the related Financing Fund.

"*Tax Equity Party*" shall mean each of the Financing Funds, the Managing Members and SAP.

"*Tax Loss*" shall mean the amount a Tax Credit and other federal tax benefits assumed in the Base Case Model that the respective Financing Fund, the respective Managing Member or the respective Tax Equity Investor (or their respective affiliates) shall lose the benefit of, shall not have the right to claim, shall suffer the disallowance or reduction of, shall be required to recapture or shall not claim (as a result of a final determination in accordance with the terms of such Financing Fund LLCA.

"*Tax Loss Claim*" shall mean the assertion by the Internal Revenue Service of a position that would result in a Tax Loss Indemnity if not reversed through administrative action or litigation.

"*Tax Loss Indemnity*" shall mean a Managing Member's obligation, pursuant to the terms of the related Financing Fund LLCA, to pay the related Tax Equity Investor the amount of any Tax Loss, reduced by any Tax Savings and grossed up for any U.S. federal interest, penalties, fines or additions to tax payable by a Managing Member or the related Tax Equity Investor (or their respective affiliates) as a result thereof and for the net amount of any additional U.S. federal income taxes payable by a Managing Member or the related Tax Equity Investor (or their respective affiliates) as a result of including any Tax Loss Indemnity payment in its income, in each case as a result of the breach or inaccuracy of certain representations, warranties and covenants of a Managing Member set forth in such Financing Fund LLCA or the failure by Managing Member to comply with applicable law in connection with its acts or omissions

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pursuant to, or the performance of any covenant or obligation under, such Financing Fund LLCA.

"*Tax Loss Insurance Deductible*" shall mean, with respect to a Tax Loss Insurance Policy, the deductible due under such Tax Loss Insurance Policy. Should the Availability Period expire before a Tax Loss Insurance Policy is entered into, the Administrative Agent may use reasonable judgment to estimate the Tax Loss Insurance Deductible.

"*Tax Loss Insurance Policy*" shall mean the policy of insurance issued by a Tax Loss Insurer with respect to a Financing Fund naming such Financing Fund and the related Managing Member as insureds and such Financing Fund as loss payee, in form and substance (including, but not limited to, amounts and coverage period) approved by the Administrative Agent in its sole discretion.

"*Tax Loss Insurer*" shall mean the insurance company party to any Tax Loss Insurance Policy.

"*Tax Savings*" shall mean, with respect to a Tax Loss, any federal income tax savings realized by a Managing Member or the related Tax Equity Investor (or their respective affiliates) as a result of the Tax Loss, using an assumed tax rate equal to the maximum allowable U.S. federal corporate income tax rate applicable to corporations as of a given date of determination.

"*Taxes*" shall mean all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, and including any interest, additions to tax or penalties applicable thereto.

"*TEP Developer*" shall mean Sunnova TEP Developer, LLC, a Delaware limited liability company.

"*TEP Inventory*" shall mean Sunnova TEP Inventory, a Delaware limited liability company.

"*TEP IV-G*" shall mean Sunnova TEP IV-G, LLC, a Delaware limited liability company.

"*TEP IV-G Closing Date*" shall mean November 9, 2020.

"*TEP IV-G Takeout Transaction Failure*" shall mean the failure of TEP IV-G and the Managing Member of TEP IV-G to be included in the first Takeout Transaction immediately following the earliest of (i) October 31, 2021, (ii) the occurrence of the "Completion Deadline" (under and as defined in the Financing Fund LLCA of TEP IV-G) and (iii) the

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occurrence of the "Placed-in-Service Date" (under and as defined in the Financing Fund LLCA of TEP IV-G) with respect to the last "Project" (as defined in the Financing Fund LLCA of TEP IV-G).

"*TEP Resources*" shall mean Sunnova TEP Resources, a Delaware limited liability company.

"*Terminated Solar Asset*" shall mean a Solar Asset for which the related PV System has experienced an Event of Loss and (i) is not repaired, restored, replaced or rebuilt to substantially the same condition as it existed immediately prior to the Event of Loss within 120 days of such Event of Loss or (ii) is deemed to be a "Cancelled Project" in accordance with the related Master Purchase Agreement.

"*Total Equipment Cost*" shall mean for any PV System the sum of all costs that relate to the equipment for such PV System inclusive of any Ancillary PV System Components and any related Energy Storage System, if applicable.

"*Total Installation Cost*" shall mean for any PV System the sum of all costs that relate to the installation of such PV System inclusive of any Ancillary PV System Components and any related Energy Storage System, if applicable.

"*Transaction Documents*" shall mean this Agreement, the Loan Notes, the Security Agreement, the Pledge Agreement each Fee Letter, the Paying Agent Fee Letter, the Verification Agent Fee Letter, the Facility Administration Agreement, the Verification Agent Agreement, the Contribution Agreements, the Sale and Contribution Agreement, the SAP Contribution Agreement, the Parent Guaranty, the Tax Equity Investor Consents, each Hedge Agreement, the SAP Lockbox Account Control Agreement and any other agreements, instruments, certificates or documents delivered hereunder or thereunder or in connection herewith or therewith, and "Transaction Document" shall mean any of the Transaction Documents.

"*Transfer Date*" shall mean (i) with respect to Initial Solar Assets, the Closing Date and (ii) (x) with respect to any Additional Solar Asset that is not a SAP Solar Asset, the date on which such Additional Solar Asset is included in the definition of Borrowing Base and the Lenders make an Advance against such Additional Solar Asset and (y) with respect to any Additional Solar Asset that is a SAP Solar Asset, the date set forth in the relevant Additional Solar Asset Supplement (as defined in the Sale and Contribution Agreement).

"*Transferable Solar Asset*" shall mean (i) any Solar Asset that constitutes a Defaulted Solar Asset, Defective Solar Asset, Delinquent Solar Asset, or Terminated Solar Asset and (ii) any other Solar Asset that is not an Eligible Solar Asset hereunder.

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"*Triggering Event Notice*" shall have the meaning set forth in Section 6.3 hereof.

"*UCC*" shall mean the Uniform Commercial Code as from time to time in effect in any applicable jurisdiction.

"*Underwriting and Reassignment Credit Policy*" shall mean the internal underwriting and reassignment policy of TEP Developer attached as Exhibit J hereto, as such Exhibit may be modified after the Closing Date in accordance with Section 5.1(W) hereof.

"*United States*" shall mean the United States of America.

"*Unused Line Fee*" shall have the meaning set forth in Section 2.5(D).

"*Unused Line Fee Percentage*" shall have the meaning set forth in the Fee Letter referred to in clause (i) of the definition thereof.

"*Unused Portion of the Commitments*" shall mean, as of any date of determination, the sum of the Class A Unused Portion of the Commitments *plus* the Class B Unused Portion of the Commitments as of such date of determination.

"*Usage Percentage*" shall mean, as of such date of determination, a percentage equal to (i) the Aggregate Outstanding Advances divided by (ii) the Aggregate Commitment as of such date.

"*U.S. Person*" shall mean any Person who is a U.S. person within the meaning of Section 7701(a)(30) of the Internal Revenue Code.

"*U.S. Special Resolution Regime*" shall have the meaning set forth in Section 10.24 hereof.

"*U.S. Tax Compliance Certificate*" shall have the meaning set forth in Section 2.17(G)(ii)(b)(3).

"*Verification Agent*" shall have the meaning set forth in the introductory paragraph hereof.

"*Verification Agent Agreement*" shall mean the Verification Agent Agreement dated as of or about the Closing Date, by and among the Verification Agent, the Borrower, the Facility Administrator and the Administrative Agent, as amended, restated, modified and/or supplemented from time to time in accordance with its terms.

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"*Verification Agent Fee*" shall mean a fee payable by the Borrower to the Verification Agent as set forth in the Verification Agent Fee Letter.

"*Verification Agent Fee Letter*" shall mean the Verification Agent Fee Letter, dated as of the date hereof, among the Borrower and the Verification Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time.

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Exhibit B-1

Form of Borrowing Base Certificate

Borrowing Base Certificate

Sunnova TEP Holdings, LLC

[DATE]

In connection with that certain Credit Agreement, dated as of September 6, 2019 (as may be amended from time to time, the "*Credit Agreement*"), by and among Sunnova TEP Holdings, LLC, a Delaware limited liability company (the "*Borrower*"), Sunnova TE Management, LLC, a Delaware limited liability company, as Facility Administrator (in such capacity, the "*Facility Administrator*"), Credit Suisse AG, New York Branch, as Administrative Agent for the financial institutions that may become parties thereto as Lenders, the Lenders, Wells Fargo Bank, National Association, as Paying Agent, and U.S. Bank National Association, as Verification Agent, the Borrower hereby certifies that

1. The attached Schedule I sets forth the borrowing base calculations with respect to Class A Advances on the proposed Funding Date (the "*Class A Borrowing Base Calculation*") and provides all data used, in Excel format, to calculate the foregoing as of the date set forth above and the computations reflected in the Class A Borrowing Base Calculation are true, correct and complete.

2. The attached Schedule II-A sets forth the borrowing base calculations with respect to Class B-I Advances on the proposed Funding Date (the "*Class B-I Borrowing Base Calculation*") and provides all data used, in Excel format, to calculate the foregoing as of the date set forth above and the computations reflected in the Class B-I Borrowing Base Calculation are true, correct and complete.

3. The attached Schedule II-B sets forth the borrowing base calculations with respect to Class B-II Advances on the proposed Funding Date (the "*Class B-II Borrowing Base Calculation*") and provides all data used, in Excel format, to calculate the foregoing as of the date set forth above and the computations reflected in the Class B-II Borrowing Base Calculation are true, correct and complete.

4. The attached Schedule III sets forth the Excess Concentration Amount calculations on the Funding Date (the "*Excess Concentration Amount Calculation*") and provides all data used, in Excel format, to calculate the foregoing as of the date set forth

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above and the computations reflected in the Excess Concentration Amount Calculation are true, correct and complete.

5. Each Solar Asset included in the Class A Borrowing Base Calculations, in the Class B-I Borrowing Base Calculations and in the Class B-II Borrowing Base Calculations constitutes an Eligible Solar Asset as of the date hereof and the Excess Concentration Amount Calculation has been computed based on the information known to the Borrower or Facility Administrator as of the date hereof.

Capitalized terms used but not defined herein shall have the meanings specified in the Credit Agreement.

In Witness Whereof, the undersigned has executed this certificate as of the date first written above.

Sunnova TEP Holdings, LLC, as Borrower

By:_____

Name:

Title:

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Schedule I

Class A Borrowing Base Calculation

1. Aggregate Discounted Solar Asset Balance $_____

2. Excess Concentration Amount (see Line 48 of Schedule III) $_____

3. Line 1 *minus* Line 2 $_____

4. Solar Assets not owned by TEP IV-G that are neither Puerto Rico Solar Assets nor Substantial Stage Solar Assets and are included in Line 3 *times* 87.500% $_____

5. Puerto Rico Solar Assets not owned by TEP IV-G that are not Substantial Stage Solar Assets and are included in Line 3 *times* 75.000% $_____

6. Substantial Stage Solar Assets not owned by TEP IV-G and are included in Line 3 *times* 70.000% $_____

7. Line 4 *plus* Line 5 *plus* Line 6 $_____

8. Solar Assets owned by TEP IV-G that are neither Puerto Rico Solar Assets nor Substantial Stage Solar Assets and are included in Line 3 *times* 65.000% $_____

9. Puerto Rico Solar Assets owned by TEP IV-G that are not Substantial Stage Solar Assets and are included in Line 3 *times* 55.714% $_____

10. Substantial Stage Solar Assets owned by TEP IV-G and are included in Line 3 *times* 52.000% $_____

11. Line 8 *plus* Line 9 *plus* Line 10 $_____

12. Line 7 *times* [***] $_____

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13. Line 11 *times* [***] $_____

14. Line 12 plus Line 13 (the "**Class A Borrowing Base**") $_____

15. The Class A Aggregate Commitment $ [***]

16. The lesser of Line 14 and Line 15 $_____

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Schedule II-A

Class B-I Borrowing Base Calculation

1. Aggregate Discounted Solar Asset Balance $_____

2. Excess Concentration Amount (see Line 48 of Schedule III) $_____

3. Line 1 *minus* Line 2 $_____

4. Solar Assets not owned by TEP IV-G that are neither Puerto Rico Solar Assets nor Substantial Stage Solar Assets and are included in Line 3 *times* 87.500% $_____

5. Puerto Rico Solar Assets not owned by TEP IV-G that are not Substantial Stage Solar Assets and are included in Line 3 *times* 75.000% $_____

6. Substantial Stage Solar Assets not owned by TEP IV-G and are included in Line 3 *times* 70.000% $_____

7. Line 4 *plus* Line 5 *plus* Line 6 $_____

8. Solar Assets owned by TEP IV-G that are neither Puerto Rico Solar Assets nor Substantial Stage Solar Assets and are included in Line 3 *times* 65.000% $_____

9. Puerto Rico Solar Assets owned by TEP IV-G that are not Substantial Stage Solar Assets and are included in Line 3 *times* 55.714% $_____

10. Substantial Stage Solar Assets owned by TEP IV-G and are included in Line 3 *times* 52.000% $_____

11. Line 8 *plus* Line 9 *plus* Line 10 $_____

12. Line 7 *times* [***] $_____

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13. Line 11 *times* [***] $_____

14. Line 12 plus Line 13 $_____

15. The Class B-I Aggregate Commitment $ [***]

16. The lesser of Line 14 and Line 15 $_____

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Schedule II-B

Class B-II Borrowing Base Calculation

1. Aggregate Discounted Solar Asset Balance $_____

2. Excess Concentration Amount (see Line 48 of Schedule III) $_____

3. Line 1 *minus* Line 2 $_____

4. Solar Assets not owned by TEP IV-G that are neither Puerto Rico Solar Assets nor Substantial Stage Solar Assets and are included in Line 3 *times* 87.500% $_____

5. Puerto Rico Solar Assets not owned by TEP IV-G that are not Substantial Stage Solar Assets and are included in Line 3 *times* 75.000% $_____

6. Substantial Stage Solar Assets not owned by TEP IV-G and are included in Line 3 *times* 70.000% $_____

7. Line 4 *plus* Line 5 *plus* Line 6 $_____

8. Solar Assets owned by TEP IV-G that are neither Puerto Rico Solar Assets nor Substantial Stage Solar Assets and are included in Line 3 *times* 65.000% $_____

9. Puerto Rico Solar Assets owned by TEP IV-G that are not Substantial Stage Solar Assets and are included in Line 3 *times* 55.714% $_____

10. Substantial Stage Solar Assets owned by TEP IV-G and are included in Line 3 *times* 52.000% $_____

11. Line 8 *plus* Line 9 *plus* Line 10 $_____

12. Line 7 *times* [***] $_____

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

13. Line 11 *times* [***] $_____

14. Line 12 plus Line 13 $_____

15. The greater of (a) Line 14 *minus* the Class B-I

Aggregate Commitment and (b) zero $_____

16. The Class B-II Aggregate Commitment $ [***]

17. The lesser of Line 15 and Line 16 $_____

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Schedule III

Excess Concentration Amount Calculation[1]

1. Aggregate Discounted Solar Asset Balance $_____

2. The aggregate Discounted Solar Asset Balance for Eligible Solar Assets in which the related Host Customer had a FICO score of less than [***] at the time of origination $_____

3. Line 1 *times* 35.0% $_____

4. Line 2 *minus* 3 (enter $0 if less than $0) $_____

5. The aggregate Discounted Solar Asset Balance for Eligible Solar Assets in which the related Host Customer had a FICO score of less than [***] at the time of origination $_____

6. Line 1 *times* 28.0% $_____

7. Line 5 *minus* Line 6 (enter $0 if less than $0) $_____

8. The aggregate Discounted Solar Asset Balance for Eligible Solar Assets in which the related Host Customer reside in the state in the United States with the highest concentration of Host Customers measured by the aggregate Discounted Solar Asset Balance in each state and the Aggregate Discounted Solar Asset Balance $_____

9. Line 1 *times* 50.0% $_____

[1] For the purpose of calculating the Excess Concentration Amount, Prepaid Solar Assets shall be deemed to have a Discounted Solar Asset Balance equal to [***].

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10. Line 8 *minus* Line 9 (enter $0 if less than $0) $_____

11. The aggregate Discounted Solar Asset Balance for Eligible Solar Assets in which the related Host Customer reside in any one of the two states in the United States with either the highest or the second highest concentrations of Host Customers measured by the aggregate Discounted Solar Asset Balance in each state and the Aggregate Discounted Solar Asset Balance $_____

12. Line 1 *times* 75.0% $_____

13. Line 11 *minus* Line 12 (enter $0 if less than $0) $_____

14. The aggregate Discounted Solar Asset Balance for Eligible Solar Assets in which the related Host Customer reside in any one of the three states in the United States with either the highest, second highest or third highest concentrations of Host Customers measured by the aggregate Discounted Solar Asset Balance in each state and the Aggregate Discounted Solar Asset Balance $_____

15. Line 1 *times* 85.0% $_____

16. Line 14 *minus* Line 15 (enter $0 if less than $0) $_____

17. The aggregate Discounted Solar Asset Balance for Eligible Solar Assets in which the related Host Customer was a resident of Puerto Rico, Guam or the Northern Mariana Islands at the time of origination $_____

18. Line 1 *times* 25.0% $_____

19. Line 17 *minus* Line 18 (enter $0 if less than $0) $_____

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

20. The amount by which the procurement cost attributable to Ancillary PV System Components exceeds 15.0% of the Aggregate Discounted Solar Asset Balance $_____

21. [Reserved]

22. [Reserved]

23. The aggregate Discounted Solar Asset Balance for Eligible Solar Assets in which the related Host Customer was a resident of Guam at the time of origination $_____

24. Line 1 *times* 7.5% $_____

25. Line 23 *minus* Line 24 (enter $0 if less than $0) $_____

26. The aggregate Discounted Solar Asset Balance for Eligible Solar Assets in which the related Host Customer was a resident of the Northern Mariana Islands at the time of origination $_____

27. Line 1 *times* 1.5% $_____

28. Line 26 *minus* Line 27 (enter $0 if less than $0) $_____

29. The aggregate portion of the Discounted Solar Asset Balance of all Eligible Solar Assets with Credit Card Receivables $_____

30. Line 1 *times* 2.5% $_____

31. Line 29 *minus* Line 30 (enter $0 if less than $0) $_____

32. The aggregate portion of the Discounted Solar Asset Balance of all

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Eligible Solar Assets that are Final Stage Solar Assets $_____

33. Line 1 *times* 20.0% $_____

34. Line 32 *minus* Line 33 (enter $0 if less than $0) $_____

35. The aggregate portion of the Discounted Solar Asset Balance of all

Eligible Solar Assets that are Substantial Stage Solar Assets $_____

36. Line 1 *times* 20.0% $_____

37. Line 35 *minus* Line 36 (enter $0 if less than $0) $_____

38. The aggregate portion of the Discounted Solar Asset Balance of all

Eligible Solar Assets that are Final Stage Solar Assets or Substantial

Stage Solar Assets $_____

39. Line 1 *times* 35.0% $_____

40. Line 38 *minus* Line 39 (enter $0 if less than $0) $_____

41. The aggregate portion of the Discounted Solar Asset Balance of all

Eligible Solar Assets for which the related PV System

includes an Energy Storage System $_____

42. Line 1 *times* 50.0% $_____

43. Line 41 *minus* Line 42 (enter $0 if less than $0) $_____

44. The aggregate Discounted Solar Asset Balance of all

Eligible Solar Assets for which procurement costs attributable

to Ancillary PV System Components exceeds 25.0% of the

Discounted Solar Asset Balance of any individual Solar Asset $_____

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

45. Line 1 *times* 5.0% $_____

46. Line 44 *minus* Line 45 (enter $0 if less than $0) $_____

47. The aggregate Discounted Solar Asset Balance of all Eligible Solar Assets relating to any one Host Customer which exceeds the lesser of (i) one percent (1.00%) the Maximum Facility Amount and (ii) the U.S. Dollar equivalent of 1.5 million Swiss Francs (calculated at the rate of exchange at which, in accordance with normal banking procedures, the Administrative Agent could purchase with U.S. Dollars, Swiss Francs in New York City, New York, at the close of business on the day prior to such date of determination) $_____

48. The sum of Line 4 *plus* Line 7 *plus* Line 10 *plus* Line 13 *plus* Line 16 *plus* Line 19 *plus* Line 20 *plus* Line 25 *plus* Line 28 *plus* Line 31 [*plus* Line 34 *plus* Line 37][2] *plus* Line 40 *plus* Line 43 *plus* Line 46 *plus* Line 47 **(the "Excess Concentration Amount")** $_____

[2] For the purpose of calculating the Excess Concentration Amount, Lines 34, 37 and 40 shall not be included during the period commencing on the Closing Date or the effective date of a Qualifying Takeout Transaction and ending ninety (90) days thereafter.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit B-2

Form of Notice of Borrowing

_____ ___, 20__

To: Credit Suisse AG, New York Branch, as Administrative Agent and Class A Funding Agent

11 Madison Avenue, 3rd Floor

New York, NY 10010

Attention: Patrick Duggan

Patrick Hart

LibreMax Opportunistic Value Master Fund, LP, as Class B-I Funding Agent and as Class B-II Funding Agent

c/o LibreMax Capital, LLC

600 Lexington Ave, 7th Floor

New York, NY 10022

Attention: Frank Bruttomesso

Wells Fargo Bank, National Association, as Paying Agent

600 S. 4th Street, MAC N9300-061

Minneapolis, MN 55479

Attention: Corporate Trust Services – Asset Backed Administration, E-mail: ctsabsservicer@wellsfargo.com

Ladies and Gentlemen:

Reference is made to the Credit Agreement, dated as of September 6, 2019 (as amended, restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"), by and among Sunnova TEP Holdings, LLC (the "*Borrower*"), Credit Suisse AG, New York

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Branch, as Administrative Agent for the financial institutions that may from time to time become parties thereto as Lenders (in such capacity, the "*Administrative Agent*"), the Lenders, Wells Fargo Bank, National Association, as Paying Agent and U.S. Bank National Association, as Verification Agent. Capitalized terms used herein but not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

A: In accordance with Section 2.4 of the Credit Agreement, the Borrower hereby requests that the Class A Lenders provide Class A Advances based on the following criteria:

1. Aggregate principal amount of Class A Advances requested: $[_____]

2. Allocated amount of such Class A Advances to be paid by the Class A Lenders in each Class A Lender Group:

CS Lender Group $[_____]

[_____] $_____

3. $_____ should be transferred to the Liquidity Reserve Account

4. $_____ should be transferred to the Supplemental Reserve Account

Account(s) to which Class A Funding Agents should wire the balance of the requested funds:

Bank Name: [_____]

ABA No.: [_____]

Account Name: [_____]

Account No.: [_____]

Reference: [_____]

5. Attached to this notice as Exhibit A is the Borrowing Base Certificate in connection with these Class A Advances and a related Schedule of Solar Assets.

B: In accordance with Section 2.4 of the Credit Agreement, the Borrower hereby requests that the Class B-I Lenders provide Class B-I Advances based on the following criteria:

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

1. Aggregate principal amount of Class B-I Advances requested: $[_____]

2. Allocated amount of such Class B-I Advances to be paid by the Class B-I Lenders in each Class B-I Lender Group:

[_____] $[_____]

[_____] $[_____]_____

3. $_____ should be transferred to the Liquidity Reserve Account

4. $_____ should be transferred to the Supplemental Reserve Account

Account(s) to which Class B-I Funding Agents should wire the balance of the requested funds:

Bank Name: [_____]

ABA No.: [_____]

Account Name: [_____]

Account No.: [_____]

Reference: [_____]

5. Attached to this notice as Exhibit B is the Borrowing Base Certificate in connection with these Class B-I Advances and a related Schedule of Solar Assets.

C: In accordance with Section 2.4 of the Credit Agreement, the Borrower hereby requests that the Class B-II Lenders provide Class B-II Advances based on the following criteria:

1. Aggregate principal amount of Class B-II Advances requested: $[_____]

2. Allocated amount of such Class B-II Advances to be paid by the Class B-II Lenders in each Class B-II Lender Group:

[_____] $[_____]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

[_____] $[_____]_____

3. $_____ should be transferred to the Liquidity Reserve Account

4. $_____ should be transferred to the Supplemental Reserve Account

Account(s) to which Class B-II Funding Agents should wire the balance of the requested funds:

Bank Name: [_____]

ABA No.: [_____]

Account Name: [_____]

Account No.: [_____]

Reference: [_____]

5. Attached to this notice as Exhibit B is the Borrowing Base Certificate in connection with these Class B-II Advances and a related Schedule of Solar Assets.

D: In accordance with Section 3.2 of the Credit Agreement, the Borrower hereby certifies that no Amortization Event, Event of Default, Potential Amortization Event or Potential Default has occurred and is continuing or would result from any borrowing of any Advance or from the application of the proceeds therefrom.

Very truly yours,

Sunnova TEP Holdings, LLC, as Borrower

By:_____

Name:

Title:

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit A

Borrowing Base Certificate

[see attached]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit B

Borrowing Base Certificate

[see attached]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit C

[Reserved]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit D-1

Form of Class A Loan Note

Class A Loan Note

Up to $[_____] [DATE]

New York, New York

Reference is made to that certain Credit Agreement, dated as of September 6, 2019 (as may be amended, restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"), by and among Sunnova TEP Holdings, LLC, a Delaware limited liability company (the "*Borrower*"), Sunnova TE Management, LLC, a Delaware limited liability company, as Facility Administrator, Credit Suisse AG, New York Branch, as Administrative Agent for the Lenders (including any Conduit Lender) that may become parties thereto, the Lenders, Wells Fargo Bank, National Association, as Paying Agent, and U.S. Bank National Association, as Verification Agent. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

For Value Received, the Borrower hereby promises to pay Credit Suisse AG, New York Branch, as Class A Funding Agent, for the benefit of the Class A Lenders in its Class A Lender Group (the "*Class A Loan Note Holder*") on the Maturity Date or such earlier date as provided in the Credit Agreement, in immediately available funds in lawful money of the United States the principal amount of up to [_____] DOLLARS ($[_____]) or, if less, the aggregate unpaid principal amount of all Class A Advances made by the Class A Lenders in the Class A Loan Note Holder's Class A Lender Group to the Borrower pursuant to the Credit Agreement together with all accrued but unpaid interest thereon.

The Borrower also agrees to pay interest in like money to the Class A Loan Note Holder, for the benefit of the Class A Lenders in its Class A Lender Group, on the unpaid principal amount of each such Class A Advance from time to time from the date hereof until payment in full thereof at the rate or rates and on the dates set forth in the Credit Agreement.

This Class A Loan Note is one of the Loan Notes referred to in, and is entitled to the benefits of, the Credit Agreement, which, among other things, contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and also for prepayments on account of the principal hereof prior to the maturity hereof upon the terms and conditions specified therein and is secured by the Collateral.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

In the event of any inconsistency between the provisions of this Class A Loan Note and the provisions of the Credit Agreement, the Credit Agreement will prevail.

This Class A Loan Note shall be governed by, and construed in accordance with, the laws of the State of New York (including Sections 5-1401 and 5-1402 of the general obligations laws of the State of New York but otherwise without regard to conflicts of law principles).

Any legal action or proceeding with respect to this Class A Loan Note may be brought in the courts of the State of New York or of the United States for the Southern District of New York, and by execution and delivery of this Class A Loan Note, each of the parties hereto consents, for itself and in respect of its property, to the exclusive jurisdiction of those courts. Each of the parties hereto irrevocably waives any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, or any legal process with respect to itself or any of its property, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Class A Loan Note or any document related hereto. Each of the parties hereto waives personal service of any summons, complaint or other process, which may be made by any other means permitted by New York Law.

All parties hereunder hereby knowingly, voluntarily and intentionally waive any rights they may have to a trial by jury in respect of any litigation based hereon, or arising out of, under, or in connection with, this Class A Loan Note, or any course of conduct, course of dealing, statements (whether oral or written) or actions of the parties in connection herewith or therewith. All parties acknowledge and agree that they have received full and significant consideration for this provision and that this provision is a material inducement for all parties to enter into this Class A Loan Note.

This Class A Loan Note may be transferred or assigned by the holder hereof at any time, subject to compliance with the Credit Agreement and any applicable law. This Class A Loan Note shall be binding upon the Borrower and shall inure to the benefit of the holder hereof and its successors and assigns. The obligations and liabilities of the Borrower hereunder may not be assigned to any Person without the prior written consent of the holder hereof. Any such assignment in violation of this paragraph shall be void and of no force or effect.

Demand, presentment, protest and notice of nonpayment and protest are hereby waived by the Borrower.

[Signature page follows.]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

In Witness Whereof, this Class A Loan Note has been duly executed and delivered on behalf of the Borrower by its duly authorized officer on the date and year first written above.

Sunnova TEP Holdings, LLC, as Borrower

By:_____

Name:

Title:

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit D-2

Form of Class B Loan Note

Class B-[I][II] Loan Note

Up to $[_____] [DATE]

New York, New York

Reference is made to that certain Credit Agreement, dated as of September 6, 2019 (as may be amended, restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"), by and among Sunnova TEP Holdings, LLC, a Delaware limited liability company (the "*Borrower*"), Sunnova TE Management, LLC, a Delaware limited liability company, as Facility Administrator, Credit Suisse AG, New York Branch, as Administrative Agent for the Lenders (including any Conduit Lender) that may become parties thereto, the Lenders, Wells Fargo Bank, National Association, as Paying Agent, and U.S. Bank National Association, as Verification Agent. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Credit Agreement.

For Value Received, the Borrower hereby promises to pay LibreMax Opportunistic Value Master Fund, LP, as Class B-[I][II] Funding Agent, for the benefit of the Class B-[I][II] Lenders in its Class B-[I][II] Lender Group (the "*Class B-[I][II] Loan Note Holder*") on the Maturity Date or such earlier date as provided in the Credit Agreement, in immediately available funds in lawful money of the United States the principal amount of up to [_____] DOLLARS ($[_____]) or, if less, the aggregate unpaid principal amount of all Class B-[I][II] Advances made by the Class B-[I][II] Lenders in the Class B-[I][II] Loan Note Holder's Class B-[I][II] Lender Group to the Borrower pursuant to the Credit Agreement together with all accrued but unpaid interest thereon.

The Borrower also agrees to pay interest in like money to the Class B-[I][II] Loan Note Holder, for the benefit of the Class B-[I][II] Lenders in its Class B-[I][II] Lender Group, on the unpaid principal amount of each such Class B-[I][II] Advance from time to time from the date hereof until payment in full thereof at the rate or rates and on the dates set forth in the Credit Agreement.

This Class B-[I][II] Loan Note is one of the Loan Notes referred to in, and is entitled to the benefits of, the Credit Agreement, which, among other things, contains provisions for acceleration of the maturity hereof upon the happening of certain stated events and also for prepayments on account of the principal hereof prior to the maturity hereof upon the terms and conditions specified therein and is secured by the Collateral.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

In the event of any inconsistency between the provisions of this Class B-[I][II] Loan Note and the provisions of the Credit Agreement, the Credit Agreement will prevail.

This Class B-[I][II] Loan Note shall be governed by, and construed in accordance with, the laws of the State of New York (including Sections 5-1401 and 5-1402 of the general obligations laws of the State of New York but otherwise without regard to conflicts of law principles).

Any legal action or proceeding with respect to this Class B-[I][II] Loan Note may be brought in the courts of the State of New York or of the United States for the Southern District of New York, and by execution and delivery of this Class B-[I][II] Loan Note, each of the parties hereto consents, for itself and in respect of its property, to the exclusive jurisdiction of those courts. Each of the parties hereto irrevocably waives any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, or any legal process with respect to itself or any of its property, which it may now or hereafter have to the bringing of any action or proceeding in such jurisdiction in respect of this Class B-[I][II] Loan Note or any document related hereto. Each of the parties hereto waives personal service of any summons, complaint or other process, which may be made by any other means permitted by New York Law.

All parties hereunder hereby knowingly, voluntarily and intentionally waive any rights they may have to a trial by jury in respect of any litigation based hereon, or arising out of, under, or in connection with, this Class B-[I][II] Loan Note, or any course of conduct, course of dealing, statements (whether oral or written) or actions of the parties in connection herewith or therewith. All parties acknowledge and agree that they have received full and significant consideration for this provision and that this provision is a material inducement for all parties to enter into this Class B-[I][II] Loan Note.

This Class B-[I][II] Loan Note may be transferred or assigned by the holder hereof at any time, subject to compliance with the Credit Agreement and any applicable law. This Class B-[I][II] Loan Note shall be binding upon the Borrower and shall inure to the benefit of the holder hereof and its successors and assigns. The obligations and liabilities of the Borrower hereunder may not be assigned to any Person without the prior written consent of the holder hereof. Any such assignment in violation of this paragraph shall be void and of no force or effect.

Demand, presentment, protest and notice of nonpayment and protest are hereby waived by the Borrower.

[Signature page follows.]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

In Witness Whereof, this Class B-[I][II] Loan Note has been duly executed and delivered on behalf of the Borrower by its duly authorized officer on the date and year first written above.

Sunnova TEP Holdings, LLC, as Borrower

By:_____

Name:

Title:

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

EXHIBIT E

COMMITMENTS

Class A Commitments:

	The Class A Aggregate Commitment
Credit Suisse AG, Cayman Islands Branch	$[***]
Total:	$[***]

Class B Commitments:

	The Class B-I Aggregate Commitment
LibreMax Opportunistic Value Master Fund, LP	$[***]
Total:	$[***]

	The Class B-II Aggregate Commitment
LibreMax Opportunistic Value Master Fund, LP	$[***]
Total:	$[***]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit F

Form of Assignment Agreement

This Assignment Agreement (the "*Assignment Agreement*") is dated as of the Effective Date set forth below and is entered into by and between the Assignor identified in item 1 below (the "*Assignor*") and the Assignee identified in item 2 below (the "*Assignee*"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, the "*Credit Agreement*"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment Agreement as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor's rights and obligations in its capacity as a [Class A][Class B] Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below, and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a [Class A] [Class B] Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by the Assignor to the Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as the "*Assigned Interest*"). Each such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment Agreement, without representation or warranty by the Assignor.

1. Assignor: _____

2. Assignee: _____

3. Administrative Agent: Credit Suisse AG, New York Branch

4. Credit Agreement: Credit Agreement, dated as of September 6, 2019, by and among Sunnova TEP Holdings, LLC, a Delaware

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

limited liability company, Sunnova TE Management, LLC, a Delaware limited liability company, Credit Suisse AG, New York Branch, as Administrative Agent for the Lenders (including any Conduit Lender) that may become parties thereto, the Lenders, Wells Fargo Bank, National Association, as Paying Agent, and U.S. Bank National Association, as Verification Agent

6. Assigned Interest:

Assignor	Assignee	Type of Loans Assigned (Class A or Class B)	Aggregate Amount of Loans for all Lenders	Class [A][B] Commitment	Amount of Class [A][B] Commitment Assigned	Amount of Loans Assigned	Percentage Assigned of Loans
			$			$	%

[Signature pages follow]

Effective Date: _____, 20__

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

The terms set forth in this Assignment Agreement are hereby agreed to:

Assignor

[Name of Assignor]

By__

Name__

Title__

Assignee

[Name of Assignee]

By__

Name__

Title__

Accepted:

Credit Suisse AG, New York Branch,

as Administrative Agent

By__

Name__

Title__

By__

Name__

Title__

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Annex 1

Standard Terms and Conditions for

Assignment Agreement

Section 1. Representations and Warranties.

Section 1.1. Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment Agreement and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Transaction Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Transaction Documents or any collateral thereunder, (iii) the financial condition of the Borrower or any other Person obligated in respect of any Transaction Document, or (iv) the performance or observance by the Borrower or any other Person of any of their respective obligations under any Transaction Document.

Section 1.2. Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment Agreement and to consummate the transactions contemplated hereby and to become a [Class A][Class B] Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under Section 10.8 of the Credit Agreement (subject to such consents, if any, as may be required under Section 10.8 of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a [Class A][Class B] Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a [Class A][Class B] Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to the Credit Agreement, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment Agreement and to purchase the Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment Agreement and to purchase the Assigned Interest, and (vii) attached to the Assignment Agreement is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will,

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Transaction Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Transaction Documents are required to be performed by it as a Lender.

[The Assignee further represents, warrants and covenants that:

(i) it (A) is not, and will not become, a "tax-exempt entity" as described in clauses (i), (ii) or (iv) of Section 168(h)(2)(A) of the Internal Revenue Code, incorporating any cross-references in that Section (and excluding corporations described in Section 168(h)(2)(D) of the Internal Revenue Code); (B) will, if it is a foreign person or entity described in Section 168(h)(2)(A)(iii) of the Internal Revenue Code, satisfy the exception in Section 168(h)(2)(B) of the Internal Revenue Code (regarding taxability of its income by the United States) if the Class B Advances are treated as equity for U.S. federal income tax purposes and the Borrower is characterized as a partnership; and (C) is not, and will not become, a tax-exempt controlled entity within the meaning of Section 168(h)(6)(F)(iii) of the Internal Revenue Code; and

(ii) either (a) the Assignee is not and will not become, for U.S. federal income tax purposes, an entity disregarded from its owner, a pass-thru entity (as such term is used in Section 168(h) of the Internal Revenue Code) or a partnership (each such entity a "flow-through entity") or (b) if the Assignee is or becomes a flow-through entity, then each direct or indirect (through one or more tiers of flow-through entities) owner of any of the interests in such flow-through entity would satisfy representation (i) above if such person held the Class B Advances directly.][3]

Section 2. Payments.

From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Administrative Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves. Notwithstanding the foregoing, the Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to the Assignee.

[3] To be included for assignments of Class B Advances only.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Section 3. General Provisions.

This Assignment Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment Agreement may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment Agreement. This Assignment Agreement shall be governed by, and construed in accordance with, the law of the State of New York.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit G

Form of Solar Service Agreement

[See attached]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit H

Form of Notice of Delayed Funding

Sunnova TEP Holdings, LLC

20 Greenway Plaza, Suite 475

Houston, TX 77046

Re: Notice of Potential For Delayed Funding

Reference is made to the Credit Agreement, dated as of September 6, 2019 (as amended, restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"), by and among Sunnova TEP Holdings, LLC (the "*Borrower*"), Credit Suisse AG, New York Branch, as Administrative Agent for the financial institutions that may from time to time become parties thereto as Lenders (in such capacity, the "*Administrative Agent*"), the Lenders, Wells Fargo Bank, National Association, as Paying Agent and U.S. Bank National Association, as Verification Agent. Capitalized terms used herein but not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

Pursuant to Section 2.4(E) of the Credit Agreement, [___], as a Non-Conduit Lender, hereby notifies the Borrower that it has incurred external costs, fees or expenses directly related to and as a result of the "liquidity coverage ratio" under Basel III in respect of its Commitments under the Credit Agreement and/or its interests in the Loan Notes.

Sincerely,

[____]

By: _____

Name:

Title:

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Exhibit I

Delayed Funding Notice

Sunnova TEP Holdings, LLC

20 Greenway Plaza, Suite 475

Houston, TX 77046

Re: Notice of Potential For Delayed Funding

Reference is made to the Credit Agreement, dated as of September 6, 2019 (as amended, restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"), by and among Sunnova TEP Holdings, LLC (the "*Borrower*"), Credit Suisse AG, New York Branch, as Administrative Agent for the financial institutions that may from time to time become parties thereto as Lenders (in such capacity, the "*Administrative Agent*"), the Lenders, Wells Fargo Bank, National Association, as Paying Agent and U.S. Bank National Association, as Verification Agent. Capitalized terms used herein but not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

Pursuant to Section 2.4(E) of the Credit Agreement, [___], as a Non-Conduit Lender, hereby notifies the Borrower of its intent to fund its amount of the Advance related to the Notice of Borrowing delivered by the Borrower on [__], on a Business Day that is before [____][4], rather than on the date specified in such Notice of Borrowing.

Sincerely,

[____]

By: _____

Name:

Title:

[4] Thirty-five days following the date of delivery by such Non-Conduit Lender of this Delayed Funding Notice.

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Exhibit J

Underwriting and Reassignment Credit Policy

[See attached]

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Schedule I

Eligibility Criteria
Representations and Warranties as to Solar Assets

1. Accuracy of Schedule of Solar Assets. Each entry with respect to the Solar Asset set forth on the Schedule of Solar Assets is complete, accurate, true and correct in all material respects and does not omit any necessary information that makes such entry misleading, including, if such Solar Asset is a Substantial Stage Solar Asset, the amount disbursed to channel partners for services rendered in respect of Substantial Stage Solar Asset.

2. Form of Solar Service Agreement. The related Solar Service Agreement is substantially in the form of one of the Parent's standard forms of Solar Service Agreement attached as Exhibit G to this Agreement (as such Exhibit may be modified after the Closing Date in accordance with Section 5.1(X) of the Agreement). The related Solar Service Agreement provides that an Approved Installer has designed, procured and installed, or will design, procure and install, a PV System at the property specified in such Solar Service Agreement and the Host Customer agrees to purchase electric energy produced by such PV System or lease such PV System. At the time of installation, such Approved Installer was properly licensed and had the required expertise to design, procure and install the related PV System.

3. Modifications to Solar Service Agreement. The terms of the related Solar Service Agreement have not been amended, waived, extended, or modified in any manner inconsistent with the Customer Collection Policy.

4. Host Customer Payments in U.S. Dollars. The related Host Customer is obligated per the terms of the related Solar Service Agreement to make payments in U.S. dollars to the owner of the related Solar Service Agreement or its designee.

5. Host Customer FICO Score. As of the date of the Solar Service Agreement, the related Host Customer has a FICO of at least [***].

6. Weighted Average FICO Score. After giving effect to the Solar Asset's inclusion in the Collateral, the weighted average FICO score (determined as of the dates of the related Solar Service Agreements) for Eligible Solar Assets will be at least [***].

7. Absolute and Unconditional Obligation. The related Solar Service Agreement is by its terms an absolute and unconditional obligation of the Host Customer to pay for electricity generated and delivered or that will be generated and delivered by the related PV System

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to such Host Customer after the related PV System has received Permission to Operate, and the payment obligations under the related Solar Service Agreement do not provide for offset for any reason, including without limitation non-payment or non-performance by the Parent or any assignee thereof under any Customer Warranty Agreement or Performance Guaranty.

8. Non-cancelable; Prepayable. The related Solar Service Agreement is non-cancelable and prepayable by the Host Customer, if at all, only with a mandatory prepayment amount equal to or greater than an amount determined by the discounting of all remaining projected Host Customer Payments at a pre-determined discount rate of not more than 6% per annum.

9 Freely Assignable. (a) Ownership of the related PV System is freely assignable to a Financing Fund or SAP, as applicable, and a security interest in such PV System may be granted by SAP, without the consent of any Person, except any such consent as has already been obtained.

(b) The related Solar Service Agreement and the rights with respect to the related Solar Assets (other than the PV System) are freely assignable to a Financing Fund or SAP, as applicable, and a security interest in such Solar Assets may be granted by SAP, without the consent of any Person, except any such consent as has already been obtained.

10. Legal Compliance. The origination of the related Solar Service Agreement and related PV Systems, as installed, was in compliance (or in the case of a Substantial Stage Solar Asset, will be in compliance) in all material respects with respect to the applicable federal, state and local laws and regulations including those relating to usury, truth-in-lending, consumer credit protection and disclosure laws at the time such Solar Service Agreement was originated or such PV System was installed (or in the case of a Substantial Stage Solar Asset, will be installed), as applicable.

11. Legal, Valid and Binding Agreement. The related Solar Service Agreement is the legal, valid and binding payment obligation of the related Host Customer, enforceable against such related Host Customer in accordance with its terms, except as such enforceability may be limited in the future by applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally, and except as such enforceability may be limited in the future by general principles of equity (whether considered in a suit at law or in equity).

12. No Delinquencies, Defaults or Terminations. The related Solar Service Agreement is not a Delinquent Solar Asset or a Defaulted Solar Asset and the related PV System is not a Terminated Solar Asset. Furthermore, the Host Customer associated with the related

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Solar Service Agreement is not a Host Customer for any other Solar Service Agreement that was originated, acquired and/or serviced by the Parent or any Affiliate thereof that would meet the definition of either Delinquent Solar Asset or Defaulted Solar Asset.

13. Minimum Payments Made. (i) Except in the case of a Substantial Stage Solar Asset or a Final Stage Solar Asset, either a minimum of one payment due under the related Solar Service Agreement has been made or the related Host Customer's first payment under the related Solar Service Agreement has not been made because such payment is not yet due but such payment is due in the calendar month no later than the first full calendar month immediately following the later of (a) the related Transfer Date or (b) the date that such Solar Asset receives Permission to Operate and (ii) solely in the case of a Substantial Stage Solar Asset or a Final Stage Solar Asset, the related Host Customer's first payment under the related Solar Service Agreement has not been made because such payment is not yet due but such payment is due in the calendar month that is no later than one hundred twenty (120) days after the Transfer Date with respect to such Substantial Stage Solar Asset or Final Stage Solar Asset or no later than thirty (30) days after such Transfer Date.

14. PV System and Solar Service Agreement Status. The related PV System has not been turned off due to a Host Customer delinquency under the Solar Service Agreement.

15. Affiliate Host Customers. Solar Service Agreements comprising no more than 0.25% of the Aggregate Discounted Solar Asset Balance as of the Closing Date (with respect to the Initial Solar Assets) and as of the most recent Transfer Date (as to all Eligible Solar Assets then owned by a Financing Fund or SAP) are related to Host Customers that are Persons who are employees of the Parent, the Borrower or any of their respective Affiliates.

16. No Adverse Selection. No selection procedures reasonably believed by the Parent or Borrower to be adverse to the Lenders were utilized in selecting such Solar Asset and the related Solar Service Agreement from among the Eligible Solar Assets directly owned by the Parent or its Affiliates.

17. Full Force and Effect. The related Solar Service Agreement is in full force and effect in accordance with its respective terms, except as may be limited in the future by applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally, and except as such enforceability may be limited in the future by general principles of equity (whether considered in a suit at law or in equity).

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18. Ordinary Course of Business. The related Solar Service Agreement relates to the sale of power from or the leasing of a PV System, and such Solar Service Agreement was originated or acquired consistent with the ordinary course of business of the Parent.

19. PV System. Except in the case of a Substantial Stage Solar Asset, the related PV System was properly delivered to and installed for the related Host Customer in good repair, without defects and in satisfactory order. Except in the case of a Substantial Stage Solar Asset, the related Host Customer has accepted the related PV System, and no related Host Customer has notified the Parent or any Affiliate thereof of any existing defects therein which is not in the process of being investigated, addressed or repaired by the Parent or any Affiliate thereof. Except in the case of a Substantial Stage Solar Asset, the Solar Photovoltaic Panels, Inverters and Energy Storage Systems with respect to the related PV System were manufactured by an Approved Vendor at the time of installation.

20. No Defenses Asserted. The related Solar Service Agreement has not been satisfied, subordinated or rescinded and no lawsuit is pending with respect to such related Solar Service Agreement.

21. Insurance. With respect to the related PV System (other than if such PV System is related to a Substantial Stage Solar Asset), the Parent has obtained and does maintain insurance in amounts and coverage consistent with the Parent's policies. The Parent's policies in respect of amounts, coverage and monitoring compliance thereof are consistent with insurance broker recommendations based on probable maximum loss projections and with the Parent's historic loss experience, taking into account what is commercially reasonable and available in the market on commercially reasonable terms. All such required insurance is in full force and effect.

22. Taxes and Governmental Charges. The transfer, assignment and the pledge of the Collateral by the Borrower and SAP pursuant to the Security Agreement and the Pledge Agreement is not subject to and will not result in any Tax payable by the Borrower to any federal, state or local government except as has been paid or provided for. No Tax is owed in connection with any period prior to the applicable Cut-Off Date or with respect to the sale, contribution or assignment of Conveyed Property by the applicable Assignor to the Seller, by the Seller to the Borrower or by the Borrower to SAP, except as has been paid or provided for.

23. Governing Law of Solar Service Agreement. The related Solar Service Agreement is governed by the laws of a state or territory of the United States and was not originated in, nor is it subject to the laws of, any jurisdiction, the laws of which would make unlawful the sale, transfer, pledge or assignment of the related Solar Service Agreement under any

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of the Transaction Documents, including any exchange for refund in accordance with the Transaction Documents.

24. No Unpaid Fees. Except in the case of a Substantial Stage Solar Asset or a Final Stage Solar Asset, there are no unpaid fees owed to third parties relating to the origination of the related Solar Service Agreement and installation of the related PV System.

25. Payment Terms of Solar Service Agreement. The related Solar Service Agreement provides that the Host Customer thereunder is required to make periodic Host Customer Payments, which are due and payable on a monthly basis, during the term of the related Solar Service Agreement.

26. PBI Payments.

a. All applications, forms and other filings required to be submitted in connection with the procurement of PBI Payments have been properly made in all material respects under applicable law, rules and regulations and the related PBI Obligor has provided a written reservation approval (which may be in the form of electronic mail from the related PBI Obligor) for the payment of PBI Payments.

b. All conditions to the payment of PBI Payments by the related PBI Obligor (including but not limited to the size of the PV Systems, final site visits, provision of data, installation of metering, proof of project completion, production data and execution and delivery of final forms and related agreements (including all applications, forms and other filings and any written reservation approvals, Interconnection Agreements and REC purchase agreements, if required, each, a **"***Performance Based Incentive Agreement***"**)) have been satisfied or approved, as applicable, and the PBI Obligor's payment obligation is an absolute and unconditional obligation of the PBI Obligor that is not, by the terms of the related Performance Based Incentive Agreement, subject to offset for any reason.

c. Copies of all PBI Documents and the Performance Based Incentive Agreement, if any, for PBI Payments have been delivered to the Verification Agent as of the Closing Date (as to the Initial Solar Assets) or the related Transfer Date (as to any Additional Solar Asset).

d. To the extent the rights to receive PBI Payments and the related Performance Based Incentive Agreement, if any, are not freely assignable without the consent of the related PBI Obligor, or if consent or notice to any Person is required for the grant of a security interest, such consent will have been obtained or notice will have been given as of the Closing Date (as to the Initial Solar Assets) or the

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related Transfer Date (as to any Additional Solar Asset). The PBI Payments are not subject to any law, rule or regulation which would make unlawful the sale, transfer, pledge or assignment of any rights to the PBI Payments within the regulations set forth with respect to such PBI Payments. Immediately prior to the transfer of the rights to the PBI Payments and the related Performance Based Incentive Agreement, if any, to a Financing Fund or the Borrower, TEP Developer or the Seller, as applicable, had full legal and equitable title to such rights, free and clear of all Liens except for Permitted Liens and a Financing Fund or SAP, as applicable, acquired full legal and equitable title to such PBI Payments and the related Performance Based Incentive Agreement, free and clear of all Liens, except for Permitted Liens or Permitted Equity Liens. To the extent that notice is required, upon completion of the assignment of a Performance Based Incentive Agreement to a Financing Fund or SAP, as applicable, the Parent or an affiliate thereof delivered notice to the PBI Obligor indicating that such Financing Fund or SAP, as applicable, is the owner of the related PV System and the payee of the PBI Payment.

e. If a Performance Based Incentive Agreement is required by the laws, rules or regulations governing the obligations of the PBI Obligor to pay the PBI Payments, such Performance Based Incentive Agreement is, to the best of the knowledge of the Parent, the legal valid and binding payment obligation of the PBI Obligor, enforceable against such PBI Obligor in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally, and except as such enforceability may be limited by general principles of equity (whether considered at law or in equity).

f. The transfer, assignment and pledge of the rights to the PBI Payments is not subject to and will not result in any tax, fee or governmental charge payable by the Borrower to any federal, state or local government, except as paid.

27. Host Customer. The related Solar Services Agreement was either originated or acquired by the Parent in the ordinary course of business and in accordance with its Underwriting and Reassignment Credit Policy.

28. Warranties. All Manufacturer Warranties relating to the related Solar Service Agreement and the related PV System are in full force and effect and can be enforced by a Financing Fund, SAP or the Manager (other than with respect to those Manufacturer Warranties that are no longer being honored by the relevant manufacturer with respect to all customers generally, and except as such enforceability may be limited in the future by applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors'

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rights generally, and except as such enforceability may be limited in the future by general principles of equity (whether considered in a suit at law or in equity).

29. True Lease. The related Solar Service Agreement in the form of a Lease Agreement is a "true" lease, as defined in Article 2-A of the UCC.

30. UCC. The related Solar Service Agreement and rights to PBI Payments constitute "general intangibles", "accounts" or "chattel paper" within the meaning of the applicable UCC and no paper originals with respect to any "chattel paper" or single authoritative copy with respect to "electronic chattel paper" exists. The PV Systems constitute "Equipment" within the meaning of the applicable UCC. Upon the filing of all appropriate financing statements in the proper filing offices in the appropriate jurisdictions, the Administrative Agent will have a first priority perfected security interest in and to the Solar Service Agreements, the rights to PBI Payments and the PV Systems, subject to Permitted Liens and in each case related solely to the SAP Solar Assets.

31. Fixture Filing. The terms of the related Solar Service Agreement provide that the parties thereto agree that the related PV System is not a fixture. The Parent or an Affiliate thereof has filed (or in the case of a Substantial Stage Solar Asset, will file) a protective UCC fixture filing or, with respect to Guam, its jurisdictional equivalent, in respect of the related PV System; *provided*, that (i) certain of such UCC fixture filings or such equivalent filings have been temporarily released in order to assist the applicable Host Customer in a pending refinancing of such Host Customer's mortgage loan or sale of the related property and (ii) as a result, such UCC fixture filings or equivalent filings may not have been filed or maintained in a manner that would provide priority under the UCC over a conflicting interest of an encumbrancer or owner of the real property subject to such UCC fixture filing or equivalent filing.

32. Host Customer Residency. The related Host Customer is a resident of one of the 50 states of the United States, the District of Columbia or an Approved U.S. Territory.

33. PV System. The related PV System was installed (or in the case of a Substantial Stage Solar Asset, will be installed) on a single-family residential property and one or more of the Host Customers (i) that is an individual that is not deceased and is not a governmental entity, a business, a corporation, institution or other legal entity (a "*natural person*"); provided, that 5.00% of the Aggregate Discounted Solar Asset Balance may relate to Host Customers that are a limited liability company, corporation, trust, partnership or other legal entity if (A) the Parent has determined that the controlling member of the limited liability company, controlling stockholder of the corporation, trustee of the trust, general partner of the partnership or other equivalent controlling person the legal entity is a natural person and (B) the Parent has performed the same underwriting process in

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connection with such natural person as it applies to Host Customers that are natural persons; (ii) that voluntarily entered into such Solar Service Agreement and not as a result of fraud or identity theft, and (iii) who owns the real property on which the PV System is installed in one of the 50 states of the United States, the District of Columbia or an Approved U.S. Territory; provided that in the case where the Host Customer is a natural person, the residence may be owned by a limited liability company, corporation, trust, partnership or other legal entity for which the Parent has determined that the Host Customer is the controlling member, controlling stockholder, trustee, general partner or other equivalent controlling person). No related Host Customer has notified the Parent or any Affiliate thereof of any damage or other casualty affecting the PV system or home and neither the Parent nor any Affiliate thereof is aware of any other event that has occurred, in each case, that would affect the value or performance of the Solar Asset or the PV System. All parts and materials furnished in connection with the related PV System which are material to the solar energy production performance of such PV System, including but not limited to the Solar Photovoltaic Panels and Inverters, are (or in the case of a Substantial Stage Solar Asset, will be) newly manufactured with a manufacturer date no more than 12 months prior to the date the Solar Asset was originated.

34. Hedged SRECs. With respect to all Solar Assets for which the related Host Customer is a resident of either New Jersey or Massachusetts, as of the date that is 120 days from the Closing Date, the Projected SREC Hedge Ratio determined for the SREC Years 2020, 2021 and 2022 does not exceed 85%.

35. Maximum Solar Asset Tenor. The original term to maturity of the Solar Asset does not exceed 300 months.

36. Host Customer Solvency: (i) The Host Customer is not a debtor in a bankruptcy case as of the Closing Date (in the case of the Initial Solar Assets) or the related Transfer Date (in the case of Additional Solar Assets), and (ii) the Host Customer has not commenced any litigation or asserted any claim in writing challenging the validity or enforceability of the related Solar Service Agreement.

37. No Impairment. Neither the Parent nor any of its Affiliates has done anything to impair the rights of the Borrower, the Administrative Agent or the Lenders in the Collateral or payments with respect thereto.

38. Ownership. A Financing Fund or SAP, as applicable, has full legal and equitable title to the related PV System and related Solar Service Agreement, in each case free and clear of all Liens except for Permitted Liens and Permitted Equity Liens.

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39. Final Stage Solar Asset. If such Solar Asset is a Final Stage Solar Asset, such Solar Asset will not be a Final Stage Solar Asset for more than 150 days since the date such Solar Asset first constituted a Final Stage Solar Asset.

40. Substantial Stage Solar Asset. If such Solar Asset is a Substantial Stage Solar Asset, (i) such Solar Asset will not be a Substantial Stage Solar Asset for more than 90 days (or 120 days if the related Host Customer is located in the East Region) since the Parent or an Affiliate thereof has issued a "notice to proceed" confirming the related Host Customer signed the related Solar Service Agreement, a channel partner submitted a final design proposal and such proposal was approved by the Parent or an Affiliate thereof and (ii) the related Host Customer has not cancelled the installation of the Solar Asset notwithstanding receipt of the related "notice to proceed."

41. Puerto Rico Solar Asset. If such Solar Asset is a Puerto Rico Solar Asset (other than a Puerto Rico Non-Storage Solar Asset), the related PV System relies on one or more Energy Storage Systems and does not rely on the operation of the utility grid in order to operate.

42. Hedged SREC Payments.

a. All applications, forms and other filings required to be submitted in connection with the procurement of Hedged SREC Payments have been properly made in all material respects under applicable law, rules and regulations and the related Eligible Hedged SREC Counterparty has provided a written reservation approval (which may be in the form of electronic mail from the related Eligible Hedged SREC Counterparty) for the payment of Hedged SREC Payments.

b. All conditions to the payment of Hedged SREC Payments by the related Eligible Hedged SREC Counterparty have been satisfied or approved, as applicable, and the Eligible Hedged SREC Counterparty's payment obligation is an absolute and unconditional obligation of the Eligible Hedged SREC Counterparty that is not, by the terms of the related Hedged SREC Agreement, subject to offset for any reason.

c. Copies of all Hedged SREC Agreements with respect to Hedged SREC Payments have been delivered to the Verification Agent as of the Closing Date (as to the Initial Solar Assets) or the related Transfer Date (as to any Additional Solar Asset).

d. To the extent that the rights to receive Hedged SREC Payments and the related Hedged SREC Agreement, if any, are not freely assignable without the consent of

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the Eligible Hedged SREC Counterparty, or if consent of or notice to any Person is required for the grant of a security interest, such consent will have been obtained or notice will have been given as of the effective date of the applicable Hedged SREC Agreement. The Hedged SREC Payments are not subject to any law, rule or regulation which would make unlawful the sale, transfer, pledge or assignment of any rights to the Hedged SREC Payments within the regulations set forth with respect to such Hedged SREC Payments.

e. If a Hedged SREC Agreement is required by the laws, rules or regulations governing the obligations of the Eligible Hedged SREC Counterparty to pay the Hedged SREC Payments, such Hedged SREC Agreement is, to the best of the knowledge of the Parent, the legal valid and binding payment obligation of the Eligible Hedged SREC Counterparty, enforceable against such Eligible Hedged SREC Counterparty in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally, and except as such enforceability may be limited by general principles of equity (whether considered at law or in equity).

f. The transfer, assignment and pledge of the rights to the Hedged SREC Payments is not subject to and will not result in any tax, fee or governmental charge payable by the Borrower to any federal, state or local government, except as paid.

g. The related Hedged SREC Agreement was originated by the Borrower.

43. Delivery of Solar Service Agreement. The related Solar Service Agreement and any amendments or modifications have been converted into an electronic (.pdf) form (an "*Electronic Copy*") and delivered to the Verification Agent. The related original (or "authoritative copy" for purposes of the UCC) of the Solar Service Agreement and any amendments or modifications have been destroyed on or before the Closing Date (as to the Initial Solar Assets) or the related Transfer Date (as to any Additional Solar Asset) in compliance with the Parent's document storage policies or, if not destroyed, no other Person has or could obtain possession or control thereof in a manner that would enable such Person to claim priority over the lien of the Administrative Agent.

44. Financing Funds/SAP.

a. Each Tax Equity Facility Document to which any Tax Equity Party is a party is a legal, valid and binding obligation of such Tax Equity Party, enforceable against such Tax Equity Party in accordance with its terms, except as such enforceability

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may be limited in the future by applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally, and except as such enforceability may be limited in the future by general principles of equity (whether considered in a suit at law or in equity). None of the Tax Equity Facility Documents to which a Tax Equity Party is a party has been amended or modified since the effective date of such Tax Equity Facility Documents other than as set forth on Schedule VIII. No Tax Equity Party is party to any material contract, agreement or other undertaking except the Tax Equity Facility Documents and any other contract, agreement or undertaking previously disclosed in writing to the Administrative Agent.

b. All Tax Equity Facility Documents are in full force and effect and no material breach, default or event of default has occurred and is continuing thereunder or in connection therewith, except in either case to the extent that such breach, default or event of default could not reasonably be expected to have a Material Adverse Effect or that could have a material adverse effect on the PV Systems owned by a Financing Fund or the PV Systems owned by SAP or on the legality, validity or enforceability of the Tax Equity Facility Documents.

c. None of the Managing Members, the Financing Funds or SAP has any indebtedness or other obligations or liabilities, direct or contingent other than as permitted under the Transaction Documents. The Managing Members have full legal and equitable title to the Managing Member Interests free and clear of all Liens.

d. No loan to the Managing Members, the Financing Funds or SAP made or indebtedness incurred prior to the related Closing Date remains outstanding.

e. Each of the Managing Members and SAP is a limited liability company that is disregarded for federal income tax purposes.

f. None of the Managing Members, the Financing Funds or SAP is in breach or default under or with respect to any contractual obligation.

g. None of the Managing Members, the Financing Funds or SAP has conducted any business other than the business contemplated by the Tax Equity Facility Documents.

h. No event has occurred under the Tax Equity Facility Documents that would allow a Tax Equity Investor or another member to remove, or give notice of removal of, the related Managing Member, nor has a Managing Member given or received notice of an action, claim or threat of removal.

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i. No event or circumstance occurred and is continuing that has resulted or would reasonably be expected result in or trigger any limitation, reduction, suspension or other restriction of the Managing Member Distributions.

j. There are no actions, suits, proceedings, claims or disputes pending or, to the Borrower's knowledge, threatened in writing or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against a Financing Fund, SAP or a Managing Member, or against any of their properties or revenues that, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect or that could have a material adverse effect on the Solar Assets or on the legality, validity or enforceability of any of the Transaction Documents or any of the Tax Equity Facility Documents.

k. No notice or action challenging the tax structure, tax basis validity, tax characterization or tax-related legal compliance of the Tax Equity Facility or the tax benefits associated with the Tax Equity Facility is ongoing or has been resolved in a manner adverse to the Tax Equity Facility or a Managing Member, in each case, that would reasonably be expected to have a material adverse effect on the Tax Equity Facility or a Managing Member.

l. The only holders of equity interests in the Financing Funds are the Managing Members and Tax Equity Investors and other than the Purchase Options there are no outstanding obligations of the Managing Members or a Tax Equity Investor to repurchase, redeem, or otherwise acquire any membership or other equity interests in the Managing Members and a Tax Equity Investor, as applicable, or to make payments to any person, such as "phantom stock" payments, where the amount thereof is calculated with reference to the fair market value or equity value of the Managing Members and a Tax Equity Investor, as applicable. The class or classes of membership interests that a Financing Fund is authorized to issue and has issued are expressly set forth in its Financing Fund LLCA.

m. Each of the Financing Funds and SAP has filed, or has caused to be filed with the appropriate tax authority, all federal, state and local tax returns that it is required to file and has paid or has caused to be paid all taxes it is required to pay to the extent due; provided, however, that each of the Financing Funds and SAP may contest in good faith any such taxes and, in such event, may permit the taxes so contested to remain unpaid during any period, including appeals, when the Financing Funds and SAP, as applicable, are in good faith contesting the same, so long as such contest is pursued in accordance with the requirements of each applicable Tax Equity Facility Document. There is no action, suit, proceeding, investigation, audit or claim now pending by a taxing authority regarding any

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taxes relating to the Financing Funds or SAP that could, if made, individually or in the aggregate have a Material Adverse Effect.

n. The Borrower has delivered to the Administrative Agent the most recent financial statements (including the notes thereto) prepared in respect of the Financing Funds and SAP pursuant to the requirements of the Tax Equity Facility Documents, and such financial statements (if any) (a) fairly present in all material respects the financial condition of the Financing Funds and SAP, as applicable, as of the date thereof and (b) have been prepared in accordance with the requirements of Tax Equity Facility Documents. Such financial statements and notes thereto disclose all direct or contingent material liabilities of the Financing Funds and SAP as of the dates thereof, including liabilities for taxes, material commitments and debt.

o. The Financing Funds or SAP, as applicable, is party to each Solar Service Agreement in respect of each PV System owned by it.

45. Savings Product. If such Solar Asset is a Host Customer Solar Asset (i) other than with respect to a Puerto Rico Solar Asset and any other Host Customer Solar Assets located in Hawaii, Guam, or the Northern Mariana Islands, the Sunnova Tracking System specifically identifies amounts payable under the related Solar Service Agreement that relate to the related PV System (other than any Ancillary PV System Components and any related Energy Storage System, if applicable) and the Sunnova Tracking System indicates that such amounts provide for an annual savings against projected utility electricity costs in the first year of such Host Customer Solar Asset, or (ii) with respect to a Puerto Rico Solar Asset and any other Host Customer Solar Assets located in Hawaii, Guam, or the Northern Mariana Islands, the Sunnova Tracking System indicates that the aggregate PV System Payments for such Solar Asset provide for an annual savings against projected utility electricity costs in the first year of such Host Customer Solar Asset.

46. TEP IV-G. If such Solar Asset is owned by TEP IV-G:

a. a TEP IV-G Takeout Transaction Failure has not occurred; and

b. the "Class A Capital Contribution Commitment" (as defined in the Financing Fund LLCA of TEP IV-G) has not been increased since the TEP IV-G Closing Date.

47. Ancillary PV System Components. If the related PV System contains Ancillary PV System Components:

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

a. the Sunnova Tracking System specifically identifies the portion of the amounts payable under the related Solar Service Agreement that relate to such Ancillary PV System Components and the amounts payable that relate to the PV System (without inclusion of such Ancillary PV System Components) and any related Energy Storage System;

b. the related Solar Service Agreement does not provide that such Ancillary PV System Components will be replaced by the Parent or any affiliate thereof;

c. there is no obligation under the related Solar Service Agreement or other document that requires the Parent or any Affiliate thereof to provide (either directly or indirectly) any operations or maintenance services with respect to such Ancillary PV System Components, except for generators (if any);

d. to the extent such Ancillary PV System Components include a generator (i) the owner of the related Solar Asset shall have executed an operations and maintenance agreement with an affiliate of the Parent in form and substance satisfactory to the Administrative Agent, which operations and maintenance agreement provides for operation and maintenance services for generators, (ii) the Administrative Agent shall have received satisfactory due diligence from an independent engineer supporting the expected operation and maintenance costs associated with generators included in Ancillary PV System Components and (iii) the Administrative Agent shall have provided its consent to such inclusion;

e. none of the Borrower or any of its affiliates provide any warranties in respect of such Ancillary PV System Components; and

f. the procurement cost attributable to such Ancillary PV System Components does not exceed 50% of the Total Equipment Cost of the related Solar Asset.

Schedule II

The Collection Account, the Supplemental Reserve Account, the Liquidity Reserve Account, the SAP Lockbox Account, the SAP Revenue Account, the Takeout Transaction Account and the Borrower's Account

Collection Account

Bank Name: Wells Fargo Bank, N.A.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

ABA No.: [***]

Account No.: [***]

Account Name: [***]

FFC: [***]

Supplemental Reserve Account

Bank Name: Wells Fargo Bank, N.A.

ABA No.: [***]

Account No.: [***]

Account Name: [***]

FFC: [***]

Liquidity Reserve Account

Bank Name: Wells Fargo Bank, N.A.

ABA No.: [***]

Acct: [***]

Account Name: [***]

FFC: [***]

SAP Lockbox Account

Bank Name: Texas Capital Bank, N.A.

ABA No.: [***]

Account No.: [***]

Account Name: [***]

FFC: [***]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

SAP Revenue Account

Bank Name: Wells Fargo Bank, N.A.

ABA No.: [***]

Account No.: [***]

Account Name: [***]

FFC: [***]

Takeout Transaction Account

Bank Name: Wells Fargo Bank, N.A.

ABA No.: [***]

Account No.: [***]

Account Name: [***]

FFC: [***]

Borrower's Account

Bank Name: JPMorgan Chase Bank, N.A.

ABA No.: [***]

Account No.: [***]

Account Name: [***]

Reference: [***]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Schedule III

[Reserved]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Schedule IV

Scheduled Hedged SREC Payments

[On file with the Administrative Agent]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Schedule V

Scheduled Host Customer Payments

[On file with the Administrative Agent]

Schedule V-1

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Schedule VI

Scheduled PBI Payments

[On file with the Administrative Agent]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Schedule VII

Scheduled Managing Member Distributions

[On file with the Administrative Agent]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Schedule VIII

Tax Equity Definitions

Financing Funds

1. Sunnova TEP IV-C, LLC, a Delaware limited liability company ("*TEP IV-C*")

2. Sunnova TEP IV-D, LLC, a Delaware limited liability company ("*TEP IV-D*")

3. Sunnova TEP IV-E, LLC, a Delaware limited liability company ("*TEP IV-E*")

4. Sunnova TEP IV-F, LLC, a Delaware limited liability company ("*TEP IV-F*")

5. Sunnova TEP IV-G, LLC, a Delaware limited liability company ("*TEP IV-G*")

Financing Fund LLCAs

1. With respect to TEP IV-C, the Amended and Restated Limited Liability Company Agreement, dated as of February 28, 2020, entered into between the applicable Managing Member and the applicable Tax Equity Investor (the "*TEP IV-C LLCA*")

2. With respect to TEP IV-D, the Amended and Restated Limited Liability Company Agreement, dated as of May 14, 2020, entered into between the applicable Managing Member and the applicable Tax Equity Investor, as amended by that certain Omnibus Amendment, dated as of August 13, 2020, by and among the applicable Managing Member, the applicable Tax Equity Investor, Sunnova TEP Developer, LLC and TEP IV-D, and as further amended by that certain Omnibus Amendment #2, dated as of December 23, 2020, by and among the applicable Managing Member, the applicable Tax Equity Investor, Sunnova TEP Developer, LLC and TEP IV-D (the "*TEP IV-D LLCA*")

3. With respect to TEP IV-E, the Amended and Restated Limited Liability Company Agreement, dated as of September 24, 2020, entered into between the applicable Managing Member and the applicable Tax Equity Investor (the "*TEP IV-E LLCA*")

4. With respect to TEP IV-F, the Amended and Restated Limited Liability Company Agreement, dated as of July 24, 2020, entered into between the applicable Managing Member and the applicable Tax Equity Investor (the "*TEP IV-F LLCA*")

5. With respect to TEP IV-G, the Amended and Restated Limited Liability Company Agreement, dated as of November 9, 2020, entered into between the applicable Managing Member and the applicable Tax Equity Investor (the "*TEP IV-G LLCA*")

Management Agreements

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

1. Management Agreement, dated as of February 28, 2020 by and between the Manager and TEP IV-C ("*TEP IV-C Management Agreement*")

2. Management Agreement, dated as of May 14, 2020 by and between the Manager and TEP IV-D ("*TEP IV-D Management Agreement*")

3. Management Agreement, dated as of September 24, 2020 by and between the Manager and TEP IV-E ("*TEP IV-E Management Agreement*")

4. Management Agreement, dated as of July 24, 2020 by and between the Manager and TEP IV-F ("*TEP IV-F Management Agreement*")

5. Management Agreement, dated as of November 9, 2020 by and between the Manager and TEP IV-G ("*TEP IV-G Management Agreement*")

Managers

1. Sunnova TE Management, LLC, a Delaware limited liability company

Managing Members

1. Sunnova TEP IV-C Manager, LLC, a Delaware limited liability company

2. Sunnova TEP IV-D Manager, LLC, a Delaware limited liability company

3. Sunnova TEP IV-E Manager, LLC, a Delaware limited liability company

4. Sunnova TEP IV-F Manager, LLC, a Delaware limited liability company

5. Sunnova TEP IV-G Manager, LLC, a Delaware limited liability company

Managing Member Interests

1. The Class B Interest in TEP IV-C

2. To the extent the TEP IV-C Purchase Option is exercised, the Class A Interest in TEP IV-C

3. The Class B Interest in TEP IV-D

4. To the extent the TEP IV-D Purchase Option is exercised, the Class A Interest in TEP IV-D

5. The Class B Interest in TEP IV-E

6. To the extent the TEP IV-E Purchase Option is exercised, the Class A Interest in TEP IV-E

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

7. The Class B Interest in TEP IV-F

8. To the extent the TEP IV-F Purchase Option is exercised, the Class A Interest in TEP IV-F

9. The Class B Interest in TEP IV-G

10. To the extent the TEP IV-G Right of First Offer is exercised, the Class A Interest in TEP IV-G

Master Purchase Agreements

1. Master Purchase Agreement, dated as of February 28, 2020 between Sunnova TEP Developer, LLC and TEP IV-C ("*TEP IV-C MPA*")

2. Development and Purchase Agreement, dated as of May 14, 2020, by and between Sunnova TEP Developer, LLC and TEP IV-D, as amended by that certain Omnibus Amendment, dated as of August 13, 2020, by and among the applicable Managing Member, the applicable Tax Equity Investor, Sunnova TEP Developer, LLC and TEP IV-D, and as further amended by that certain Omnibus Amendment #2, dated as of December 23, 2020, by and among the applicable Managing Member, the applicable Tax Equity Investor, Sunnova TEP Developer, LLC and TEP IV-D ("*TEP IV-D DPA*")

3. Master Purchase Agreement, dated as of September 24, 2020, by and between Sunnova TEP Developer, LLC and TEP IV-E ("*TEP IV-E MPA*")

4. Development and Purchase Agreement, dated as of July 24, 2020, by and between Sunnova TEP Developer, LLC and TEP IV-F, as amended by that certain First Amendment to Development and Purchase Agreement, dated as of December 18, 2020 ("*TEP IV-F DPA*")

5. Master Purchase Agreement, dated as of November 9, 2020, by and between Sunnova TEP Developer, LLC and TEP IV-G ("*TEP IV-G MPA*")

Purchase Options

1. "TEP IV-C Purchase Option" means the right of the applicable Managing Member or its designated Affiliate to purchase the related Tax Equity Investor's interest in TEP IV-C

2. "TEP IV-D Purchase Option" means the right of the applicable Managing Member or its designated Affiliate to purchase the related Tax Equity Investor's interest in TEP IV-D

3. "TEP IV-E Purchase Option" means the right of the applicable Managing Member or its designated Affiliate to purchase the related Tax Equity Investor's interest in TEP IV-E

4. "TEP IV-F Purchase Option" means the right of the applicable Managing Member or its designated Affiliate to purchase the related Tax Equity Investor's interest in TEP IV-F

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

5. "TEP IV-G Right of First Offer" means the right of the applicable Managing Member or its designated Affiliate to purchase the related Tax Equity Investor's interest in TEP IV-G

Servicing Agreements

1. Servicing Agreement, dated as of February 28, 2020, by and among the Manager, TEP IV-C and GreatAmerica Portfolio Services Group LLC ("*TEP IV-C Servicing Agreement*")

2. Servicing Agreement, dated as May 14, 2020, by and among the Manager, TEP IV-D and GreatAmerica Portfolio Services Group LLC ("*TEP IV-D Servicing Agreement*")

3. Servicing Agreement, dated as September 24, 2020, by and among the Manager, TEP IV-E and GreatAmerica Portfolio Services Group LLC ("*TEP IV-E Servicing Agreement*")

4. Servicing Agreement, dated as July 24, 2020, by and among the Manager, TEP IV-F and GreatAmerica Portfolio Services Group LLC ("*TEP IV-F Servicing Agreement*")

5. Servicing Agreement, dated as November 9, 2020, by and among the Manager, TEP IV-G and GreatAmerica Portfolio Services Group LLC ("*TEP IV-G Servicing Agreement*")

Tax Equity Financing Documents

TEP IV-C

1. Guaranty, dated as of February 28, 2020, by Parent for the benefit of the applicable Tax Equity Investor

2. TEP IV-C Management Agreement

3. TEP IV-C Servicing Agreement

4. TEP IV-C MPA

5. TEP IV-C LLCA

6. Blocked Account Control Agreement, dated as of February 28, 2020, by and between TEP IV-C, the applicable Tax Equity Investor, and JPMorgan Chase Bank, N.A., a national banking association

TEP IV-D

1. Guaranty, dated as of May 14, 2020, by Parent for the benefit of the applicable Tax Equity Investor

2. TEP IV-D Management Agreement

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

3. TEP IV-D Servicing Agreement

4. TEP IV-D DPA

5. TEP IV-D LLCA

6. Blocked Account Control Agreement, dated as of May 14, 2020, by and among TEP IV-D, the applicable Tax Equity Investor, and JPMorgan Chase Bank, N.A., a national banking association

TEP IV-E

1. Guaranty, dated as of September 24, 2020, by Parent for the benefit of the applicable Tax Equity Investor

2. TEP IV-E Management Agreement

3. TEP IV-E Servicing Agreement

4. TEP IV-E MPA

5. TEP IV-E LLCA

6. Blocked Account Control Agreement, dated as of September 24, 2020, by and among TEP IV-E, the applicable Tax Equity Investor, and JPMorgan Chase Bank, N.A., a national banking association

TEP IV-F

1. Guaranty, dated as of July 24, 2020, by Parent for the benefit of the applicable Tax Equity Investor

2. TEP IV-F Management Agreement

3. TEP IV-F Servicing Agreement

4. TEP IV-F DPA

5. TEP IV-F LLCA

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

TEP IV-G

1. Guaranty, dated as of November 9, 2020, by Parent for the benefit of the applicable Tax Equity Investor
2. TEP IV-G Management Agreement
3. TEP IV-G Servicing Agreement
4. TEP IV-G MPA
5. TEP IV-G LLCA
6. Blocked Account Control Agreement, dated as of November 9, 2020, by and among TEP IV-G, the applicable Tax Equity Investor, and JPMorgan Chase Bank, N.A., a national banking association

Tax Equity Investors

1. With respect to TEP IV-C, JPM Capital Corporation, a Delaware corporation
2. With respect to TEP IV-D, BAL Investment & Advisory, Inc., a Delaware corporation
3. With respect to TEP IV-E, JPM Capital Corporation, a Delaware corporation
4. With respect to TEP IV-F, G-I Energy Investments LLC, a Delaware limited liability company
5. With respect to TEP IV-G, Special Situations Investing Group II, LLC, a Delaware limited liability company

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Schedule IX

SAP Financing Documents

1. Management Agreement, dated as of September 6, 2019, by and between Manager and SAP, as may be amended, restated, supplemented or otherwise modified from time to time.

2. Servicing Agreement, dated as of September 6, 2019, by and among GreatAmerica Portfolio Services Group LLC, Manager and SAP, as may be amended, restated, supplemented or otherwise modified from time to time.

3. Deposit Account Control Agreement, dated as of January 19, 2021, by and among Texas Capital Bank, N.A., SAP and the Administrative Agent.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Schedule X

SAP NTP Financing Documents

1. Master Distribution Agreement, dated as of December 31, 2019, by and among SAP, Borrower, TEP Resources and Seller.

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Schedule XI

Puerto Rico Non-Storage Solar Assets

[On file with the Administrative Agent]

[***] = Certain information has been excluded from this exhibit because it is both not material and would likely cause competitive harm to the company if publicly disclosed.

Exhibit 21.1

List of Subsidiaries of Sunnova Energy International Inc. as of February 22, 2021

Name of Subsidiary	Jurisdiction of Incorporation
Helios Depositor, LLC	Delaware
Helios Issuer, LLC	Delaware
Moonroad LLC	Delaware
Sunnova ABS Holdings III, LLC	Delaware
Sunnova ABS Holdings IV, LLC	Delaware
Sunnova ABS Holdings V, LLC	Delaware
Sunnova ABS Holdings, LLC	Delaware
Sunnova ABS Management, LLC	Delaware
Sunnova AP 6 Warehouse II, LLC	Delaware
Sunnova AP5-A, LLC	Delaware
Sunnova Asset Portfolio 4, LLC	Delaware
Sunnova Asset Portfolio 5 Holdings, LLC	Delaware
Sunnova Asset Portfolio 5, LLC	Delaware
Sunnova Asset Portfolio 6 Holdings, LLC	Delaware
Sunnova Asset Portfolio 6, LLC	Delaware
Sunnova Asset Portfolio 7 Holdings, LLC	Delaware
Sunnova Asset Portfolio 8 Holdings, LLC	Delaware
Sunnova Asset Portfolio 8, LLC	Delaware
Sunnova Energy Corporation	Delaware
Sunnova Energy Guam, LLC	Delaware
Sunnova Energy Puerto Rico, LLC	Delaware
Sunnova EZ-Own Portfolio, LLC	Delaware
Sunnova Helios II Depositor, LLC	Delaware
Sunnova Helios II Issuer, LLC	Delaware
Sunnova Helios III Depositor, LLC	Delaware
Sunnova Helios III Issuer, LLC	Delaware
Sunnova Helios IV Depositor, LLC	Delaware
Sunnova Helios IV Issuer, LLC	Delaware
Sunnova Helios V Depositor, LLC	Delaware
Sunnova Helios V Issuer, LLC	Delaware
Sunnova Intermediate Holdings, LLC	Delaware
Sunnova Inventory Holdings, LLC	Delaware
Sunnova Inventory Management, LLC	Delaware
Sunnova Inventory Pledgor, LLC	Delaware
Sunnova LAP Holdings, LLC	Delaware
Sunnova LAP I, LLC	Delaware
Sunnova LAP II, LLC	Delaware
Sunnova Lease Vehicle 3-HI, LLC	Delaware
Sunnova Management, LLC	Delaware
Sunnova Protect Holdings, LLC	Delaware
Sunnova Protect Management, LLC	Delaware
Sunnova Protect OpCo, LLC	Delaware
Sunnova RAYS I Depositor, LLC	Delaware
Sunnova RAYS I Holdings, LLC	Delaware
Sunnova RAYS I Issuer, LLC	Delaware

Sunnova RAYS I Management, LLC	Delaware
Sunnova SAP I, LLC	Delaware
Sunnova SAP II, LLC	Delaware
Sunnova SAP IV, LLC	Delaware
Sunnova SLA Management, LLC	Delaware
Sunnova Sol Depositor, LLC	Delaware
Sunnova Sol Holdings, LLC	Delaware
Sunnova Sol II Depositor, LLC	Delaware
Sunnova Sol II Holdings, LLC	Delaware
Sunnova Sol II Issuer, LLC	Delaware
Sunnova Sol II Manager, LLC	Delaware
Sunnova Sol II Owner, LLC	Delaware
Sunnova Sol Issuer, LLC	Delaware
Sunnova Sol Manager, LLC	Delaware
Sunnova Sol Owner, LLC	Delaware
Sunnova SSA Management, LLC	Delaware
Sunnova TE Management I, LLC	Delaware
Sunnova TE Management II, LLC	Delaware
Sunnova TE Management III, LLC	Delaware
Sunnova TE Management, LLC	Delaware
Sunnova TEP Developer, LLC	Delaware
Sunnova TEP Holdings, LLC	Delaware
Sunnova TEP I Developer, LLC	Delaware
Sunnova TEP I Holdings, LLC	Delaware
Sunnova TEP I Manager, LLC	Delaware
Sunnova TEP I, LLC	Delaware
Sunnova TEP II Developer, LLC	Delaware
Sunnova TEP II Holdings, LLC	Delaware
Sunnova TEP II Manager, LLC	Delaware
Sunnova TEP II, LLC	Delaware
Sunnova TEP II-B, LLC	Delaware
Sunnova TEP III Manager, LLC	Delaware
Sunnova TEP III, LLC	Delaware
Sunnova TEP Inventory, LLC	Delaware
Sunnova TEP IV-A Manager, LLC	Delaware
Sunnova TEP IV-A, LLC	Delaware
Sunnova TEP IV-B Manager, LLC	Delaware
Sunnova TEP IV-B, LLC	Delaware
Sunnova TEP IV-C Manager, LLC	Delaware
Sunnova TEP IV-C, LLC	Delaware
Sunnova TEP IV-D Manager, LLC	Delaware
Sunnova TEP IV-D, LLC	Delaware
Sunnova TEP IV-E Manager, LLC	Delaware
Sunnova TEP IV-E, LLC	Delaware
Sunnova TEP IV-F Manager, LLC	Delaware
Sunnova TEP IV-F, LLC	Delaware

Sunnova TEP IV-G Manager, LLC	Delaware
Sunnova TEP IV-G, LLC	Delaware
Sunnova TEP Resources, LLC	Delaware
Sunnova TEP V-A Manager, LLC	Delaware
Sunnova TEP V-A, LLC	Delaware
Sunnova TEP V-B Manager, LLC	Delaware
Sunnova TEP V-B, LLC	Delaware
Sunnova TEP V-C Manager, LLC	Delaware
Sunnova TEP V-C, LLC	Delaware
Sunnova TEP V-D Manager, LLC	Delaware
Sunnova TEP V-D, LLC	Delaware
Sunnova TEP V-E Manager, LLC	Delaware
Sunnova TEP V-E, LLC	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (333-240286) and Form S-8 (No. 333-232878) of Sunnova Energy International Inc. of our report dated February 25, 2021 relating to the financial statements and financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Houston, Texas
February 25, 2021

Exhibit 31.1

CHIEF EXECUTIVE OFFICER CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, William J. Berger, certify that:

1. I have reviewed this Annual Report on Form 10-K of Sunnova Energy International Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2021

/s/ William J. Berger

William J. Berger
Chief Executive Officer

Exhibit 31.2

CHIEF FINANCIAL OFFICER CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert L. Lane, certify that:

1. I have reviewed this Annual Report on Form 10-K of Sunnova Energy International Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 25, 2021

/s/ Robert L. Lane

Robert L. Lane
Chief Financial Officer

Exhibit 32.1

CHIEF EXECUTIVE OFFICER CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. §1350, the undersigned officer of Sunnova Energy International Inc. (the "Registrant") hereby certifies that, to his knowledge, the Registrant's Annual Report on Form 10-K for the year ended December 31, 2020 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: February 25, 2021

/s/ William J. Berger

William J. Berger
Chief Executive Officer

Exhibit 32.2

CHIEF FINANCIAL OFFICER CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. §1350, the undersigned officer of Sunnova Energy International Inc. (the "Registrant") hereby certifies that, to his knowledge, the Registrant's Annual Report on Form 10-K for the year ended December 31, 2020 (the "Annual Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: February 25, 2021

/s/ Robert L. Lane

Robert L. Lane
Chief Financial Officer